



Flexituff Ventures International Limited
(Formerly known as Flexituff International Limited)
C41-50, SEZ Sector-3
Pithampur – 454 775, Distt. Dhar (M.P.) India
Phone: 91-7292420200, 401681-82-83
Fax : 91-7292-401684
Email: mail@flexituff.com url: www.flexituff.com
CIN : L25202MP1993PL034616

10th July, 2020

To, The Manager (Listing Centre) BSE Limited 25th Floor, P.J. Towers, Dalal Street, Mumbai-400 001 Code-533638.	To, The Manager - Corporate Compliance National Stock Exchange of India Limited Exchange Plaza, Bandra Kurla Complex, Bandra (East), Mumbai- 400 051 Code- FLEXITUFF.
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**REF: Flexituff Ventures International Limited (ISIN – INE060J01017), BSE Code-533638,
NSE Scrip- FLEXITUFF**

**Sub: Audited Standalone & Consolidated Financial Results for the Quarter and Year
ended 31st March, 2020.**

Dear Sir/Madam,

Pursuant to Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed herewith:-

1. Audited Standalone and Consolidated Financial Results for the Quarter and Year ended 31st March, 2020.
2. Auditors' Report on Audited Standalone and Consolidated Financial Results for the quarter & year ended 31st March, 2020.
3. Statement on Impact of Audit Qualifications- Standalone and Consolidated (for audit reports with modified opinion).

This is for your information and needful.

Thanking you,
For **Flexituff Ventures International Limited**

**KHUSHBO
O KOTHARI**

Digitally signed by KHUSHBOO KOTHARI
DN: c=IN, o=Personal, cn=KHUSHBOO KOTHARI,
serialNumber=7674356501487945979a86a3
8a47b751682b4b4d4d0e1d5613946af3e2d,
postalCode=453771,
c=IN, o=711079846a163633b4c4fa496b8877
7d1f03b6145134877d304a3b7d41e9eb,
emailAddress=Pradeep,
Date: 2020.07.10 21:26:34 +05'30'



**Khushboo Kothari
Company Secretary & Compliance Officer
[Membership No: F10081]**

Encl: - as above

Statement on Impact of Audit Qualifications (for audit report with modified opinion) submitted along-with Annual Audited Financial Results- Standalone

Statement on Impact of Audit Qualifications for the Financial Year ended March 31, 2020				
[See Regulation 33 / 52 of the SEBI (LODR) (Amendment) Regulations, 2016] Standalone				
I.	Sl.	Particulars	Adjusted Figures (Rs in Lakhs) (as reported before adjusting for qualifications)	Adjusted Figures (Rs in Lakhs) (audited figures after adjusting for qualifications)
	1.	Turnover / Total income	87,276.28	87,276.28
	2.	Total Expenditure	109,002.76	111,735.83
	3.	Net Profit/(Loss) after tax	(16,542.82)	(22,073.58)
	4.	Earnings/(Loss) Per Share	(66.49)	(88.71)
	5.	Total Assets	116,126.23	113,328.54
	6.	Total Liabilities	95,773.46	98,506.53
	7.	Net Worth	20,352.77	14,822.01
	8.	Any other financial item(s) (as felt appropriate by the management)	Refer Material Uncertainty with respect to Going Concern and Emphasis of Matter Paragraph in the Auditors Report	
II.	Audit Qualification (each audit qualification separately)			
	a.	Audit Qualifications		
	i.	The Company has recognized MAT credit as deferred tax asset aggregating to Rs. 2,797.69 lakhs as at March 31, 2020 which is available for offset between five to fifteen years. Due to the financial difficulties experienced by the Company as stated in Note 3 to the Statement and significant uncertainty stated in Note 5 to the Statement, we are unable to comment on the recoverability of MAT credit recognized as deferred tax asset and consequential impact, if any, on the Statement.		
	ii.	The Company's Cash Generating Unit ("CGU") viz. Kashipur cluster, has a carrying value of Rs. 45,029.02 lakhs as on March 31, 2020 comprising of tangible and intangible assets. The Company has performed an impairment assessment of the CGU as required under Ind AS 36 - Impairment of Assets. The Company is undergoing financial difficulties as stated in Note 3 to the Statement and there is significant uncertainty as cited in Note 4 to the Statement in respect of the Company's plan to monetize its assets, secure funding from the bankers / investors, restructure its liabilities and normalize its operations. We are unable to comment on the appropriateness of the assumptions for the projections used in the impairment assessment and consequential impairment provision, if any, to be made in the Statement with regard to the CGU.		
	iii.	The Company has not provided for interest charge (including penal interest) amounting to Rs. 857.71 lakhs for the quarter ended March 31, 2020 on loans outstanding to certain lenders. Further, during the quarter ended March 31, 2020 the Company has reversed the interest charge (including penal interest)		







		accounted in the books amounting to Rs. 1,875.36 lakhs for the period April 1, 2019 to December 31, 2019 pertaining to those lenders; this constitutes departure from the accrual basis of accounting stipulated under Ind AS 1 - Presentation of Financial Statements. Accordingly, interest due to lenders (gross of TDS deduction), the interest cost and loss during the current year is understated by Rs. 2,733.07 lakhs. In the absence of sufficient appropriate audit evidence, we are unable to comment upon the consequential impact, if any that may arise from this matter. (Refer Note 8 to the Statement).
	b.	Type of Audit Qualification : Qualified Opinion
	c.	Frequency of qualification: The qualification mentioned above in II (a) (i) and (ii) is repetitive and continuing since Limited Review for the quarter and nine months ended December 31, 2019. The qualification mentioned above in II (a) iii is appearing for the first time.
	d.	For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views: Management views for qualification mentioned in II (a) (i) above: The Company is carrying MAT credit as a deferred tax asset aggregating to Rs. 2,797.69 lakhs which is available for offset between five to fifteen years. Management is reasonably certain that the Company will earn sufficient taxable profit in future to utilise the MAT credit within the time limit prescribed under the Income Tax Act, 1961. Management believes that they are very close to having a complete solution for the Company's debt overhang. The management is negotiating with various investors and all its lenders for one-time settlement of the term loans. This settlement will happen at a steep discount to the original value. On account of the steep discount, enough profit would be generated which will set off the entire brought forward losses. Once the solution happens, the Company has the ability to generate profit in excess of Rs. 50 crore per year which will enable the Company to utilize MAT credit in the period available to the company easily. Accordingly, no adjustment is currently considered necessary by the management to the amount of deferred tax recognised towards MAT credit. Management views for qualification mentioned in II (a) (iii) above: The Company is in the process of approaching KKR India Financial Services Limited, TPG Growth II SF Pte. Ltd. and International Finance Corporation ("lenders") for restructuring its loan and envisages that the lenders shall forgo the interest charge (including penal interest) accrued on its loans for the period April 1, 2019 to March 31, 2020. Accordingly, the Company does not expect any outflow of interest (including penal interest) attributable for the period April 1, 2019 to March 31, 2020 on loans from the said lenders; hence, the Company has not provided for interest (including penal interest) amounting to Rs. 857.71 lakhs attributable for quarter ended March 31, 2020 on loans outstanding to said lenders. Further, during the quarter ended March 31, 2020 the Company has reversed the interest charge (including penal interest) amounting to Rs. 1,875.36 lakhs (corresponding TDS reversal being Rs. 216.62 lakhs) attributable for period April 1, 2019 to December 31, 2019 accounted in books pertaining to said lenders.
	e.	For Audit Qualification(s) where the impact is not quantified by the auditor: Management views for qualification mentioned in II (a) (ii) above is explained below
	(i)	Management's estimation on the impact of audit qualification:



	According to Management's estimates and assumptions on the projections for Kashipur CGU; the present value of the future cash flows expected to be derived from Kashipur CGU is higher than its carrying value as on March 31, 2020. Thus, in the view of Management, there is no requirement for accounting any impairment loss.
	(ii) If management is unable to estimate the impact, reasons for the same: Not Applicable
	(iii) Auditors' Comments on (i) or (ii) above: ii. The Company's Cash Generating Unit ("CGU") viz. Kashipur cluster, has a carrying value of Rs. 45,029.02 lakhs as on March 31, 2020 comprising of tangible and intangible assets. The Company has performed an impairment assessment of the CGU as required under Ind AS 36 - Impairment of Assets. However, the Company is undergoing financial difficulties and there is significant uncertainty in respect of the Company's plan to monetize its assets, secure funding from the bankers / investors, restructure its liabilities and normalize its operations. We are unable to comment on the appropriateness of the assumptions for the projections used in the impairment assessment and consequential impairment provision, if any, to be made with regard to the CGU.

III. Signatories:

<p>Whole Time Director</p> <p>Saurabh Kalani</p> <p><small>Digitally signed by Saurabh Kalani DN: c=IN, o=Personel, 2.5.4.20=118334622486172915, 740c50718ccc195ac3c300a0072, 32831615, postalCode=400018, st=Madhya Pradesh, serialNumber=30204d485024438c, 935488a07749946cc38c49835, 8c2113a220419c4c4a9ab8494e Date: 2020.07.10 15:54:22 +05'30'</small></p>  <p>Saurabh Kalani Place : Pithampur Date : July 10, 2020</p>	<p>Chairman Of Audit Committee</p> <p>Anirudh C Sonpal</p> <p><small>Digitally signed by Anirudh C Sonpal</small></p>  <p>Anirudh Sonpal Place : Vadodara Date : July 10, 2020</p>
<p>For MSKA & Associates</p> <p>Chartered Accountants</p> <p>ICAI Firm Registration No.105047W</p> <p>AMRISH ANUP VAIDYA</p> <p><small>Digitally signed by AMRISH ANUP VAIDYA Date: 2020.07.10 19:51:33 +05'30'</small></p>  <p>Amrish Vaidya Partner Membership No.: 101739 UDIN: 20101739AAAADR5249 Place : Mumbai Date : July 10 , 2020</p>	<p>For Mahesh C. Solanki & Co.</p> <p>Chartered Accountants</p> <p>ICAI Firm Registration No. 006228C</p> <p>Nitin Kumar Tiwari</p> <p><small>Digitally signed by Nitin Kumar Tiwari DN: c=IN, st=Madhya Pradesh, 2.5.4.20=a9f70200487ae130ba5a, 22a0a8f8d993328972fa50042f06, 6488989a466dca, postalCode=452009, street=MP, serialNumber=464c21452f161d41, 00598fc7254f23345944c7bce9048, a2c46b5ac20eb6d6366, cn=Nitin Kumar Tiwari Date: 2020.07.10 20:11:32 +05'30'</small></p>  <p>Nitin Tiwari Partner Membership No.: 415087 UDIN: 20415087AAAACD5610 Place : Indore Date : July 10 , 2020</p>

MSKA & Associates
Chartered Accountants
Floor 3, Enterprise Centre,
Nehru Road,
Near Domestic Airport,
Vile Parle (East),
Mumbai - 400 099

Mahesh C. Solanki & Co.
Chartered Accountants
803, Airen Heights,
PU-3, Scheme No-54,
Opp. Malhar Mega Mall
A.B.Road,
Indore - 452 010

Independent Auditor's Report on Quarterly Standalone Financial Results and Year to Date Standalone Financial Results pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015

To the Board of Directors of Flexituff Ventures International Limited (formerly known as Flexituff International Limited)

Report on the Audit of Standalone Financial Results

Qualified Opinion

We have audited the accompanying standalone annual financial results of Flexituff Ventures International Limited (hereinafter referred to as 'the Company') for the quarter and year ended March 31, 2020 ('the Statement'), attached herewith, being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ('Listing Regulations').

In our opinion and to the best of our information and according to the explanations given to us, except for the effects of the matter described in the Basis for Qualified Opinion paragraph below, the aforesaid Statement:

- i. is presented in accordance with the requirements of Regulation 33 of the Listing Regulations in this regard; and
- ii. give a true and fair view in conformity with the applicable accounting standards prescribed under Section 133 of the Companies Act, 2013 ("the Act") read with Companies (Indian Accounting Standards) Rules, 2015, as amended, and other accounting principles generally accepted in India, of net loss and other comprehensive income and other financial information of the Company for the year ended March 31, 2020.

Basis for Qualified Opinion:

- a) Our limited review report on the unaudited standalone financial results of the Company for the quarter ended December 31, 2020 was qualified in respect of the matters stated below:



MSKA & Associates
Chartered Accountants
Floor 3, Enterprise Centre,
Nehru Road,
Near Domestic Airport,
Vile Parle (East),
Mumbai - 400 099

Mahesh C. Solanki & Co.
Chartered Accountants
803, Airen Heights,
PU-3, Scheme No-54,
Opp. Malhar Mega Mall
A.B.Road,
Indore - 452 010

- i. The Company has recognized MAT credit as deferred tax asset aggregating to Rs. 2,797.69 lakhs as at March 31, 2020 which is available for offset between five to fifteen years. Due to the financial difficulties experienced by the Company as stated in Note 3 to the Statement and significant uncertainty stated in Note 5 to the Statement, we are unable to comment on the recoverability of MAT credit recognized as deferred tax asset and consequential impact, if any, on the Statement.
 - ii. The Company's Cash Generating Unit ("CGU") viz. Kashipur cluster, has a carrying value of Rs. 45,029.02 lakhs as on March 31, 2020 comprising of tangible and intangible assets. The Company has performed an impairment assessment of the CGU as required under Ind AS 36 - Impairment of Assets. The Company is undergoing financial difficulties as stated in Note 3 to the Statement and there is significant uncertainty as cited in Note 4 to the Statement in respect of the Company's plan to monetize its assets, secure funding from the bankers / investors, restructure its liabilities and normalize its operations. We are unable to comment on the appropriateness of the assumptions for the projections used in the impairment assessment and consequential impairment provision, if any, to be made in the Statement with regard to the CGU.
- b) The Company has not provided for interest charge (including penal interest) amounting to Rs. 857.71 lakhs for the quarter ended March 31, 2020 on loans outstanding to certain lenders. Further, during the quarter ended March 31, 2020 the Company has reversed the interest charge (including penal interest) accounted in the books amounting to Rs. 1,875.36 lakhs for the period April 1, 2019 to December 31, 2019 pertaining to those lenders; this constitutes departure from the accrual basis of accounting stipulated under Ind AS 1 - Presentation of Financial Statements. Accordingly, interest due to lenders (gross of TDS deduction), the interest cost and loss during the current year is understated by Rs. 2,733.07 lakhs. In the absence of sufficient appropriate audit evidence, we are unable to comment upon the consequential impact, if any that may arise from this matter. (Refer Note 8 to the Statement).

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Standalone Financial Results section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics.



MSKA & Associates
Chartered Accountants
Floor 3, Enterprise Centre,
Nehru Road,
Near Domestic Airport,
Vile Parle (East),
Mumbai - 400 099

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We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our qualified opinion.

Material Uncertainty Related to Going Concern

We draw attention to Note 4 to the Statement which states that the Company has incurred net losses of Rs. 16,491.91 lakhs during the year ended March 31, 2020 and has a net current liability position of Rs. 38,869.45 lakhs as on that date and describes certain loans for which the Company is in default. Further, the Company's ability to meet its future obligations is dependent on restructuring of its loans. These conditions indicate significant doubt on the Company's ability to continue as going concern. The Company is in the process of executing an Inter Creditor Arrangement and proposing a resolution plan to the lenders. In view of the above, the Statement of the Company has been prepared on a going concern basis. Our opinion on the Statement is not modified in respect of this matter.

Emphasis of Matter

We draw attention to Note 6 to the Statement which states that the management has made an assessment of the impact of COVID-19 on the Company's operations, financial performance and position as at and for the year ended March 31, 2020 and has concluded that there is no impact which is required to be recognized in the Statement. Accordingly, no adjustments have been made to the Statement. Our opinion on the Statement is not modified in respect of this matter.

Board of Directors' Responsibilities for the Standalone Financial Results

This Statement has been prepared on the basis of the standalone annual financial statements. The Company's Board of Directors are responsible for the preparation and presentation of this Statement that give a true and fair view of the net loss and other comprehensive income in accordance with the Indian Accounting Standards prescribed under Section 133 of the Act read with Companies (Indian Accounting Standards) Rules, 2015, as amended issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. The Board of Directors of the Company are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring



MSKA & Associates
Chartered Accountants
Floor 3, Enterprise Centre,
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accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Statement that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the Statement by the Directors of the Company, as aforesaid.

In preparing the Statement, the Board of Directors of the Company are responsible for assessing the ability of the Company to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors of the Company are responsible for overseeing the financial reporting process of the Company.

Auditor's Responsibilities for the Audit of the Standalone Financial Results

Our objectives are to obtain reasonable assurance about whether the Statement as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Statement.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Statement, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3) (i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.



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Chartered Accountants
Floor 3, Enterprise Centre,
Nehru Road,
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- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.
- Conclude on the appropriateness of the Board of Directors use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Company to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Statement or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Statement, including the disclosures, and whether the Statement represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance of the Company of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Other Matters

1. The Statement include the results for the quarter ended March 31, 2020 being the balancing figure between the audited figures in respect of the full financial year and the published unaudited year to date figures up to the third quarter of the current financial year prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 "Interim Financial Reporting" which were subject to limited review by us. Our opinion is not modified in respect of this matter.



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Floor 3, Enterprise Centre,
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2. The standalone financial results of the Company for the quarter and year ended March 31, 2019 were audited by MSKA & Associates and Kailash Chand Jain & Co. as Joint Auditors whose report dated May 24, 2019 expressed an unmodified opinion on those statements. Our opinion is not modified in respect of this matter.

For MSKA & Associates
Chartered Accountants
ICAI Firm Registration No.105047W

AMRISH
ANUP
VAIDYA
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AMRISH ANUP
VAIDYA
Date: 2020.07.10
19:57:31 +05'30'



Amrish Vaidya
Partner
Membership No.: 101739
UDIN: 20101739AAAADR5249

Place: Mumbai
Date: July 10, 2020

Mahesh C. Solanki & Co.
Chartered Accountants
ICAI Firm Registration No. 006228C

Nitin
Kumar
Tiwari
Digitally signed by Nitin Kumar Tiwari
DN: c=IN, st=Madhya Pradesh,
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0ba, postalCode=452009, street=MP,
serialNumber=844c145d81610c1f00059fc
7254f23345944c8bc0048a3c4665ac20e
b6f4946, o=Personal, cn=Nitin Kumar
Tiwari
Date: 2020.07.10 20:09:51 +05'30'



Nitin Tiwari
Partner
Membership No.: 415087
UDIN: 20415087AAAACD5610

Place: Indore
Date: July 10, 2020

FLEXITUFF VENTURES INTERNATIONAL LIMITED
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CIN - L25202MP1993PLC034616
Regd. Office: C 41-50, SEC NO III, SEZ INDUSTRIAL AREA,
PITHAMPUR, INDORE, MP - 454775

FlexiTuff
VENTURES

STANDALONE STATEMENT OF ASSETS AND LIABILITIES AS AT MARCH 31, 2020

(Rupees in lakhs, unless otherwise stated)

Sr.No.	Particulars	As at	
		31 Mar 2020 (Audited)	31 Mar 2019 (Audited)
A	ASSETS		
1)	Non-current assets		
	Property, plant and equipment	51,834.11	54,908.59
	Intangible assets	4,772.62	5,773.77
	Right-of-use assets	159.19	-
	Investments in subsidiaries	129.86	129.86
	Financial assets		
	- Investments	0.11	0.11
	- Other financial assets	1,483.95	2,288.89
	Deferred tax assets	2,797.69	-
	Non-current tax assets (net)	427.11	384.24
	Other non-current assets	77.36	321.00
	Total non-current assets	61,682.00	63,806.46
2)	Current assets		
	Inventories	13,953.57	14,955.12
	Financial assets		
	- Trade receivables	23,815.46	38,628.90
	- Cash and cash equivalents	586.81	375.31
	- Bank balances other than cash and cash equivalents	571.77	1,589.86
	- Loans	3,442.22	3,835.87
	- Other financial assets	466.28	495.32
	Current tax assets (net)	389.75	151.72
	Other current assets	11,218.37	16,985.40
	Total current assets	54,444.23	77,017.50
	Total assets	1,16,126.23	1,40,823.96
B	EQUITY AND LIABILITIES		
1)	Equity		
	Equity share capital	2,488.28	2,488.28
	Other equity	17,864.49	34,356.40
	Total equity	20,352.77	36,844.68
	Liabilities		
2)	Non-current liabilities		
	Financial liabilities		
	- Borrowings	1,879.39	28,585.55
	- Lease liabilities	121.92	-
	Provisions	458.47	536.99
	Deferred tax liabilities (net)	-	361.99
	Total non-current liabilities	2,459.78	29,484.53
3)	Current liabilities		
	Financial liabilities		
	- Borrowings	33,769.77	26,499.26
	- Lease liabilities	48.56	-
	- Trade payables	-	-
	(a) Outstanding dues to micro enterprises and small enterprises	-	-
	(b) Outstanding dues to creditors other than micro enterprises and small enterprises	16,565.15	25,023.62
	- Other financial liabilities	40,840.18	21,670.87
	Provisions	23.00	19.86
	Other current liabilities	2,067.02	1,281.14
	Total current liabilities	93,313.68	74,494.75
	Total equity and liabilities	1,16,126.23	1,40,823.96

For Flexituff Ventures International Limited
(Formerly known as Flexituff International Limited)

Saurabh Kalani

Saurabh Kalani
Whole Time Director
(DIN: 00699380)
Place : Pithampur
Date : July 10, 2020



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CIN - L25202MP1993PLC034616

Regd. Office: C 41-50, SEC NO III, SEZ INDUSTRIAL AREA, PITHAMPUR, INDORE, MP - 454775
STANDALONE FINANCIAL RESULTS FOR THE QUARTER & YEAR ENDED MARCH 31, 2020

FlexiTuff
VENTURES

(Rupees in lakhs, unless otherwise stated)

Sr.No.	Particulars	Quarter Ended			Year Ended	
		31 Mar 2020 (Audited) Refer Note 9	31 Dec 2019 (Unaudited)	31 Mar 2019 (Audited) Refer Note 9	31 Mar 2020 (Audited)	31 Mar 2019 (Audited)
1	Income					
	Revenue from operations	16,347.54	18,284.56	30,587.83	87,276.28	1,17,481.31
	Other income (Refer Note 10)	799.62	414.42	(4.64)	2,000.89	2,688.65
	Total income	17,147.16	18,698.98	30,583.19	89,277.17	1,20,169.96
2	Expenses					
	(a) Cost of materials consumed	13,590.81	10,400.40	16,731.91	52,178.50	64,380.17
	(b) Purchase of stock-in-trade	22.70	5.11	1,924.20	6,933.41	4,417.71
	(c) Changes in stock of finished goods, work-in-progress and stock-in-trade	(3,819.52)	1,913.71	(1,369.48)	795.37	1,264.11
	(d) Employee benefits expense	4,053.29	4,164.39	5,031.93	17,700.16	19,637.41
	(e) Finance costs (Refer Note 11)	(95.62)	2,098.36	2,784.20	7,383.26	10,897.73
	(f) Depreciation and amortisation expense	1,871.92	1,887.21	1,802.13	7,450.07	7,040.67
	(g) Other expenses	2,411.66	6,636.13	3,803.40	16,561.99	14,688.49
	Total expenses	18,035.24	27,105.31	30,708.29	1,09,002.76	1,22,326.29
3	Profit / (Loss) before exceptional items (1-2)	(888.08)	(8,406.33)	(125.10)	(19,725.59)	(2,156.33)
4	Exceptional Items	-	-	-	-	-
3	Profit / (Loss) before tax (1-2)	(888.08)	(8,406.33)	(125.10)	(19,725.59)	(2,156.33)
4	Tax expense					
	(a) Current tax	-	-	-	-	-
	(b) MAT charge of previous year	-	-	2.58	-	2.58
	Less: MAT credit entitlement of previous year	-	-	(2.58)	-	(2.58)
	(c) Income Tax charge for previous years	-	-	57.48	-	57.48
	(d) Deferred tax charge / (credit)	(24.71)	36.98	(5.12)	(3,182.77)	(636.27)
	Total tax charge / (credit)	(24.71)	36.98	52.36	(3,182.77)	(578.79)
5	Net Profit / (Loss) for the period / year (3-4)	(863.37)	(8,443.31)	(177.46)	(16,542.82)	(1,577.54)
6	Other comprehensive income / (loss)					
	Items that will not be reclassified to profit or loss					
	(a) Remeasurements of the net defined benefit plans	79.19	(1.73)	(47.64)	74.00	(6.92)
	(b) Tax relating to items that will not be reclassified to profit or loss	(24.71)	0.54	14.87	(23.09)	2.16
	Other comprehensive income / (loss) for the period / year	54.48	(1.19)	(32.77)	50.91	(4.76)
7	Total comprehensive income / (loss) for the period / year (5+6)	(808.89)	(8,444.50)	(210.23)	(16,491.91)	(1,582.30)
8	Paid-up equity share capital (Face value of Rs. 10/- each)	2,488.28	2,488.28	2,488.28	2,488.28	2,488.28
9	Other equity				17,864.49	34,356.40
10	Earnings per share (of Rs 10/- each) (not annualised for the quarters) [in Rs.]:					
	Basic & Diluted (Refer Note 13)	(3.47)	(33.94)	(0.71)	(66.49)	(6.34)

For Flexituff Ventures International Limited
(Formerly known as Flexituff International Limited)

Saurabh Kalani

Saurabh Kalani
Whole Time Director
(DIN: 00699380)
Place : Pithampur
Date : July 10, 2020

Digitally signed by Saurabh Kalani
DN: cn=Saurabh Kalani, o=Flexituff Ventures International Limited, email=Saurabh.Kalani@flexituffventures.com, c=IN



STANDALONE STATEMENT OF CASH FLOWS FOR THE YEAR ENDED MARCH 31, 2020
(Rupees in lakhs, unless otherwise stated)

Particulars	Year Ended	Year Ended
	31 March 2020	31 March 2019
	(Audited)	(Audited)
Cash flows from operating activities		
Loss before tax	(19,725.59)	(2,156.33)
Adjustments for:		
Depreciation and amortization expenses	7,450.07	7,040.67
Interest and finance charges	7,383.26	10,897.73
Interest income	(650.50)	(673.90)
Gain on sale of subsidiary	-	(205.27)
Amortisation of Government Grants	(98.40)	(150.30)
Provision for doubtful debts	2,228.90	176.70
Bad debts	2,714.92	-
Loss on sale/disposal of property, plant & equipment (net)	104.40	59.30
Unrealized foreign exchange loss / (gain) (net)	(723.89)	(374.70)
Provision for retirement benefits	50.91	(4.80)
Operating (loss) / profit before working capital changes	(1,265.92)	14,609.10
Changes in working capital		
Increase/(decrease) in trade payables	(8,458.45)	6,091.10
Increase/(decrease) in other liabilities	736.64	(329.90)
Increase/(decrease) in other financial liabilities	(583.40)	649.30
Increase/(decrease) in provisions	(75.38)	(112.60)
Decrease/(increase) in trade receivables	10,642.74	(2,151.60)
Decrease/(increase) in inventories	1,001.55	1,240.30
Decrease/(increase) in other assets	6,010.66	(6,254.90)
Decrease/(increase) in other financial assets	(19.41)	(80.73)
Decrease/(increase) in Loans	393.65	(828.20)
Decrease/(increase) in other cash and cash equivalents	1,018.09	(706.20)
Cash generated from operations	9,400.77	12,125.67
Income tax paid	(257.81)	(92.90)
Net cash inflows from operating activities (A)	9,142.96	12,032.77
Cash flows from Investing activities		
Payments for property, plant and equipment and intangible assets (net)	(3,391.53)	(3,881.80)
Receipts of Government Grants	-	258.10
Interest received	626.11	690.30
Proceeds from sale of subsidiary	-	206.27
Payments for purchase of Investments	-	(0.11)
Net proceeds from fixed deposits (having original maturity of more than 12 months)	877.77	286.30
Net cash outflow from investing activities (B)	(1,887.65)	(2,440.94)
Cash flows from Financing activities		
Net proceeds/ (repayment) from Borrowings	(1,127.33)	475.91
Principal elements of lease payments	(75.96)	-
Interest and finance charges paid	(5,840.52)	(10,394.50)
Net cash outflow from financing activities (C)	(7,043.81)	(9,918.59)
Net increase / (decrease) in cash and cash equivalents (A+B+C)	211.50	(326.76)
Cash and cash equivalents at the beginning	375.31	702.07
Cash and cash equivalents at the end	586.81	375.31
Cash and cash equivalents comprise		
Balances with banks in current accounts	412.29	347.90
Fixed deposits with maturity of less than 3 months	135.13	9.41
Cash on hand	39.39	18.00
Total	586.81	375.31

Note: The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in the Indian Accounting Standard (Ind AS-7) - Statement of Cash Flow.

For Flexituff Ventures International Limited
(Formerly known as Flexituff International Limited)

Saurabh Kalani
Saurabh Kalani
Whole Time Director
(DIN: 00699380)
Place : Pithampur
Date : July 10, 2020



FLEXITUFF VENTURES INTERNATIONAL LIMITED

(Formerly known as Flexituff International Limited)

CIN – L25202MP1993PLC034616**Regd. Office: C 41-50, SEC NO III, SEZ INDUSTRIAL AREA, PITHAMPUR, INDORE, MP - 454775****NOTES TO AUDITED STANDALONE FINANCIAL RESULTS FOR THE QUARTER & YEAR ENDED MARCH 31, 2020**

- 1) The Statement of Financial Results as shown above, have been reviewed by the Audit Committee and approved by the Board of Directors at its meeting held on July 10, 2020 respectively. The Statutory Auditors have expressed a modified opinion on these results.
- 2) Effective April 1, 2019, the Company has adopted Ind AS 116 "Leases" and applied the same to all lease contracts existing in force as on April 01, 2019 using the modified retrospective approach with right-of-use assets recognized at an amount equal to adjusted lease liability viz. Rs. 495.28 lakhs as at April 01, 2019. Accordingly, comparatives for the quarter and year ended March 31, 2019 have not been retrospectively adjusted. The effect of this adoption on the loss for the quarter and year ended March 31, 2020 is not significant and has been given effect in these results. There is no effect of applying the standard to retained earnings.
- 3) As on March 31, 2020 the Company has defaulted in repaying the principal and interest component of loan instalments amounting to Rs. 4,646.24 lakhs and Rs. 1,354.33 lakhs respectively to a bank and financial institutions. (The interest default cited here is net of TDS and before adjusting for the effects mentioned in Note 8 below).

As on March 31, 2020 the Company has defaulted in repaying the principal and interest component for FCCB issued to TPG Growth II SF Pte. Ltd. amounting to Rs. 1,696.18 lakhs and Rs. 1,728.38 lakhs respectively and also defaulted in redemption of FCCB from International Finance Corporation (IFC) amounting to Rs. 6,784.73 lakhs. Interest accrued and payable to IFC amounts to Rs. 496.12 lakhs. (The interest default cited here is net of TDS and before adjusting for the effects mentioned in Note 8 below).

As on March 31, 2020 the Company has also devolved Letter of Credit issued by banks. Such devolvement has resulted in over utilisation of cash credit facilities by Rs. 10,146.85 lakhs (including interest) based on drawing power sanctioned by banks in February 2020.
- 4) The Company has incurred net losses of Rs. 16,542.82 lakhs during the year ended March 31, 2020 and has a net current liability position of Rs. 38,869.45 lakhs as on that date. Further, in respect of certain loan arrangements for which the amounts have fallen due as mentioned in Note 3 above; the Company is pursuing with its lenders for restructuring of loans through an Inter Creditor Agreement. Consequently, the Company's ability to meet its obligations is dependent on restructuring of loans. The Company will also require further financing to sustain its operations in the normal course of business for which the Company is also contemplating monetisation of certain assets. These events along with other conditions cast significant doubt on the ability of the Company to continue as a going concern. The Company is confident that such cash flows would enable it to service its debt and discharge its obligations. Accordingly, these results of the Company have been prepared on a going concern basis.
- 5) During the year KKR India Financial Services Limited has made an application to the Honourable National Company Law Tribunal, Indore bench at Ahmedabad ("Adjudicating Authority") under Section 7 of the Insolvency and Bankruptcy Code, 2016 against the Company.
- 6) The World Health Organization announced a global health emergency because of a new strain of coronavirus ("COVID-19") and classified its outbreak as a pandemic on March 11, 2020. On March 24, 2020, the Indian government announced a strict 21-day lockdown across the country to contain the spread of the virus, which has been further extended till July 31, 2020 in containment zones. This pandemic and government response are creating disruption in global supply chain and adversely impacting most of the industries which has resulted in global slowdown.
The management has made an assessment of the impact of COVID-19 on the Company's operations, financial performance and position as at and for the year ended March 31, 2020 and has concluded that there is no impact which is required to be recognised in the financial statements. Accordingly, no adjustments have been made to the financial statements.
- 7) The Company is carrying MAT credit as a deferred tax asset aggregating to Rs. 2,797.69 lakhs which is available for offset between five to fifteen years. Management is reasonably certain that the Company will earn sufficient taxable profit in future to utilise the MAT credit within the time limit prescribed under the Income Tax Act, 1961. Accordingly, no adjustment is currently considered necessary by the management to the amount of deferred tax recognised towards MAT credit.



FLEXITUFF VENTURES INTERNATIONAL LIMITED

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CIN – L25202MP1993PLC034616

Regd. Office: C 41-50, SEC NO III, SEZ INDUSTRIAL AREA, PITHAMPUR, INDORE, MP - 454775



NOTES TO AUDITED STANDALONE FINANCIAL RESULTS FOR THE QUARTER & YEAR ENDED MARCH 31, 2020

- 8) The Company is in the process of approaching KKR India Financial Services Limited, TPG Growth II SF Pte. Ltd. and International Finance Corporation ("lenders") for restructuring its loan and envisages that the lenders shall forgo the interest charge (including penal interest) accrued on its loans for the period April 1, 2019 to March 31, 2020 . Accordingly, the Company does not expect any outflow of interest (including penal interest) attributable for the period April 1, 2019 to March 31, 2020 on loans from the said lenders; hence, the Company has not provided for interest (including penal interest) amounting to Rs. 857.71 lakhs attributable for quarter ended March 31, 2020 on loans outstanding to said lenders. Further, during the quarter ended March 31, 2020 the Company has reversed the interest charge (including penal interest) amounting to Rs. 1,875.36 lakhs (corresponding TDS reversal being Rs. 216.62 lakhs) attributable for period April 1, 2019 to December 31, 2019 accounted in books pertaining to said lenders.
- 9) The audited financial results for quarter ended March 31, 2020 and quarter ended March 31, 2019 are the balancing figures between the audited figures for the full financial years then ended and the published year to date reviewed figures up to the third quarter of the respective financial years.
- 10) Other Income for the quarter ended March 31, 2019 is negative due to effect of Foreign exchange gain / (loss).
- 11) Finance costs for the quarter ended March 31, 2020 is negative due to effect of interest reversal as referred in Note 8 above.
- 12) The Company is engaged in only one Segment viz. Technical Textile. As such there is no separate reportable segment as per Ind AS 108 'Operating Segments'.
- 13) There is no dilution to the basic EPS as there are no outstanding potentially dilutive shares.
- 14) Previous period's / year's figures have been re-grouped wherever necessary to correspond with the current period's figures.

For Flexituff Ventures International Limited
(Formerly known as Flexituff International Limited)

Saurabh
Kalani
Saurabh Kalani
Whole Time Director
(DIN: 00699380)
Place : Pithampur
Date : July 10, 2020



Statement on Impact of Audit Qualifications (for audit report with modified opinion) submitted along-with Annual Audited Financial Results- Consolidated

Statement on Impact of Audit Qualifications for the Financial Year ended March 31, 2020				
[See Regulation 33 / 52 of the SEBI (LODR) (Amendment) Regulations, 2016] Consolidated				
I.	Sl.	Particulars	Adjusted Figures (Rs in Lakhs) (as reported before adjusting for qualifications)	Adjusted Figures (Rs in Lakhs) (audited figures after adjusting for qualifications)
	1.	Turnover / Total income	88,520.92	88,520.92
	2.	Total Expenditure	110,235.91	112,968.98
	3.	Net Profit/(Loss) after tax	(16,896.73)	(22,427.49)
	4.	Earnings/(Loss) Per Share	(67.73)	(89.95)
	5.	Total Assets	115,930.53	113,132.84
	6.	Total Liabilities	96,536.41	99,269.48
	7.	Net Worth	19,394.12	13,863.36
	8.	Any other financial item(s) (as felt appropriate by the management)	Refer Material Uncertainty with respect to Going Concern and Emphasis of Matter Paragraph in the Auditors Report	
II.	Audit Qualification (each audit qualification separately)			
	a.	Audit Qualifications		
	i.	The Parent Company has recognized MAT credit as deferred tax asset aggregating to Rs. 2,797.69 lakhs as at March 31, 2020 which is available for offset between five to fifteen years. Due to the financial difficulties experienced by the Parent Company as stated in Note 4 to the Statement and significant uncertainty stated in Note 5 to the Statement, we are unable to comment on the recoverability of MAT credit recognized as deferred tax asset and consequential impact, if any, on the Statement.		
	ii.	The Parent's Company's Cash Generating Unit ("CGU") viz. Kashipur cluster, has a carrying value of Rs. 45,029.02 lakhs as on March 31, 2020 comprising of tangible and intangible assets. The Parent Company has performed an impairment assessment of the CGU as required under Ind AS 36 - Impairment of Assets. The Parent Company is undergoing financial difficulties as stated in Note 4 to the Statement and there is significant uncertainty as cited in Note 5 to the Statement in respect of the Parent Company's plan to monetize its assets, secure funding from the bankers / investors, restructure its liabilities and normalize its operations. We are unable to comment on the appropriateness of the assumptions for the projections used in the impairment assessment and consequential impairment provision, if any, to be made in the Statement with regard to the CGU.		
	iii.	The Parent Company has not provided for interest charge (including penal interest) amounting to Rs. 857.71 lakhs for the quarter ended March 31, 2020 on loans outstanding to certain lenders. Further, during the quarter ended March		







		<p>31, 2020 the Parent Company has reversed the interest charge (including penal interest) accounted in the books amounting to Rs. 1,875.36 lakhs for the period April 1, 2019 to December 31, 2019 pertaining to those lenders; this constitutes departure from the accrual basis of accounting stipulated under Ind AS 1 - Presentation of Financial Statements. Accordingly, interest due to lenders (gross of TDS deduction), the interest cost and loss during the current year is understated by Rs. 2,733.07 lakhs. In the absence of sufficient appropriate audit evidence, we are unable to comment upon the consequential impact, if any that may arise from this matter. (Refer Note 8 to the Statement).</p>
	b.	Type of Audit Qualification : Qualified Opinion
	c.	<p>Frequency of qualification:</p> <p>The qualification mentioned above in II (a) (i) and (ii) is repetitive and continuing since Limited Review for the quarter and nine months ended December 31, 2019.</p> <p>The qualification mentioned above in II (a) iii is appearing for the first time.</p>
	d.	<p>For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views:</p> <p>Management views for qualification mentioned in II (a) (i) above:</p> <p>The Parent Company is carrying MAT credit as a deferred tax asset aggregating to Rs. 2,797.69 lakhs which is available for offset between five to fifteen years. Management is reasonably certain that the Parent Company will earn sufficient taxable profit in future to utilise the MAT credit within the time limit prescribed under the Income Tax Act, 1961. Management believes that they are very close to having a complete solution for the Parent Company's debt overhang. The Management is negotiating with various investors and all its lenders for one-time settlement of the term loans. This settlement will happen at a steep discount to the original value. On account of the steep discount, enough profit would be generated which will set off the entire brought forward losses. Once the solution happens, the Parent Company has the ability to generate profit in excess of Rs. 50 crore per year which will enable the Parent Company to utilize MAT credit in the period available to the parent company easily. Accordingly, no adjustment is currently considered necessary by the management to the amount of deferred tax recognised towards MAT credit.</p> <p>Management views for qualification mentioned in II (a) (iii) above:</p> <p>The Parent Company is in the process of approaching KKR India Financial Services Limited, TPG Growth II SF Pte. Ltd. and International Finance Corporation ("lenders") for restructuring its loan and envisages that the lenders shall forgo the interest charge (including penal interest) accrued on its loans for the period April 1, 2019 to March 31, 2020. Accordingly, the Parent Company does not expect any outflow of interest (including penal interest) attributable for the period April 1, 2019 to March 31, 2020 on loans from the said lenders; hence, the Parent Company has not provided for interest (including penal interest) amounting to Rs. 857.71 lakhs attributable for quarter ended March 31, 2020 on loans outstanding to said lenders. Further, during the quarter ended March 31, 2020 the Parent Company has reversed the interest charge (including penal interest) amounting to Rs. 1,875.36 lakhs (corresponding TDS reversal being Rs. 216.62 lakhs) attributable for period April 1, 2019 to December 31, 2019 accounted in books pertaining to said lenders.</p>
	e.	<p>For Audit Qualification(s) where the impact is not quantified by the auditor:</p> <p>Management views for qualification mentioned in II (a) (ii) above is explained below</p>



	<p>(i) Management's estimation on the impact of audit qualification: According to Management's estimates and assumptions on the projections for Kashipur CGU; the present value of the future cash flows expected to be derived from Kashipur CGU is higher than its carrying value as on March 31, 2020. Thus, in the view of Management, there is no requirement for accounting any impairment loss.</p>
	<p>(ii) If management is unable to estimate the impact, reasons for the same: Not Applicable</p>
	<p>(iii) Auditors' Comments on (i) or (ii) above: ii. The Parent Company's Cash Generating Unit ("CGU") viz. Kashipur cluster, has a carrying value of Rs. 45,029.02 lakhs as on March 31, 2020 comprising of tangible and intangible assets. The Parent Company has performed an impairment assessment of the CGU as required under Ind AS 36 - Impairment of Assets. However, the Parent Company is undergoing financial difficulties and there is significant uncertainty in respect of the Parent Company's plan to monetize its assets, secure funding from the bankers / investors, restructure its liabilities and normalize its operations. We are unable to comment on the appropriateness of the assumptions for the projections used in the impairment assessment and consequential impairment provision, if any, to be made with regard to the CGU.</p>

III. Signatories:

<p>Whole Time Director</p> <p>Saurabh Kalani</p> <p><small>Digitally signed by Saurabh Kalani DN: c=IN, o=Personal, 2.5.4.20=118d33e6052a84661c7291574ff d86748e0e4195alc3c0b0a0a0972358536 15, postalCode=452018, st=Madhya Pradesh, serialNumber=340204d8c5f62a4e38e935 c468e0746f9d44cc3fb0a4850a0c311 e2d2ee19, cn=Saurabh Kalani Date: 2020.07.10 15:57:09 +05'30'</small></p>  <p>Saurabh Kalani Place : Pithampur Date : July 10, 2020</p>	<p>Chairman Of Audit Committee</p> <p>Anirudh C Sonpal</p> <p><small>Digitally signed by Anirudh C Sonpal</small></p>  <p>Anirudh Sonpal Place : Vadodara Date : July 10, 2020</p>
<p>For MSKA & Associates</p> <p>Chartered Accountants</p> <p>ICAI Firm Registration No.105047W</p> <p>AMRISH ANUP VAIDYA</p> <p><small>Digitally signed by AMRISH ANUP VAIDYA Date: 2020.07.10 19:50:43 +05'30'</small></p>  <p>Amrish Vaidya Partner Membership No.: 101739 UDIN: 20101739AAAADS4699 Place : Mumbai Date : July 10 , 2020</p>	<p>For Mahesh C. Solanki & Co.</p> <p>Chartered Accountants</p> <p>ICAI Firm Registration No. 006228C</p> <p>Nitin Kumar Tiwari</p> <p><small>Digitally signed by Nitin Kumar Tiwari DN: c=IN, st=Madhya Pradesh, 2.5.4.20=9f702004874e130ba4a2 2a4c8c48933289721e80042f664d d8089b6d68dta, postalCode=452009, street=MP, serialNumber=34c3145df1610c10 059ff7254f23345944c4fce0048a2 c46b5ac20eb04966, o=Personal, cn=Nitin Kumar Tiwari Date: 20.07.10 20:10:28 +05'30'</small></p>  <p>Nitin Tiwari Partner Membership No.: 415087 UDIN: 20415087AAAACE5605 Place : Indore Date : July 10 , 2020</p>

MSKA & Associates
Chartered Accountants
Floor 3, Enterprise Centre,
Nehru Road,
Near Domestic Airport,
Vile Parle (East),
Mumbai - 400 099

Mahesh C. Solanki & Co.
Chartered Accountants
803, Airen Heights,
PU-3, Scheme No-54,
Opp. Malhar Mega Mall
A.B.Road,
Indore - 452 010

Independent Auditor's Report on Quarterly Consolidated Financial Results and Year to Date Consolidated Financial Results pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015

To the Board of Directors of Flexituff Ventures International Limited (formerly known as Flexituff International Limited)

Report on the Audit of Consolidated Financial Results

Qualified Opinion

We have audited the accompanying consolidated annual financial results of Flexituff Ventures International Limited (hereinafter referred to as the 'Holding Company' or 'Parent Company') and its subsidiaries (Holding Company / Parent Company and its subsidiaries together referred to as "the Group"), for the quarter and year ended March 31, 2020, ('the Statement') attached herewith, being submitted by the Holding Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ('Listing Regulations').

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of reports of other auditors on separate audited financial statements of the subsidiaries, except for the effects of the matter described in the Basis for Qualified Opinion paragraph below, the aforesaid Statement:

- (i) include the annual financial results of the following entities: -

Sr. No.	Name of the Company	Relationship with the Holding Company #
1)	Flexiglobal Holding Limited, Cyprus	Subsidiary
2)	Nanofil Technologies Private Limited, India (up to April 30, 2018)	Subsidiary
3)	Flexiglobal (UK) Limited, United Kingdom	Step down subsidiary
4)	Flexituff Technology International Limited (formerly known as Flexituff FIBC Limited)	Subsidiary
5)	Flexituff S.A. Enterprise LLP	Subsidiary
6)	Flexituff Javed Ahmed LLP	Subsidiary
7)	Flexituff Hi-Tech LLP	Subsidiary
8)	Ujjivan LUIT LLP	Subsidiary



MSKA & Associates
Chartered Accountants
 Floor 3, Enterprise Centre,
 Nehru Road,
 Near Domestic Airport,
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Sr. No.	Name of the Company	Relationship with the Holding Company #
9)	Flexituff Sailendra Kalita LLP	Subsidiary
10)	Budheswar Das Flexituff International Limited JV	Subsidiary
11)	Sanyug Enterprise Flexituff International Limited JV	Subsidiary
12)	Vishnu Construction Flexituff International Limited JV	Subsidiary
13)	Mayur Kartick Barooah Flexituff International Limited JV	Subsidiary
14)	Flexituff Sailendra Kalita JV	Subsidiary
15)	Flexituff Pulin Borgohain JV	Subsidiary

reckoned as subsidiary on the basis of control

- (ii) are presented in accordance with the requirements of Regulation 33 of the Listing Regulations in this regard; and
- (iii) give a true and fair view in conformity with the applicable accounting standards prescribed under Section 133 of the Companies Act, 2013 (“the Act”) read with Companies (Indian Accounting Standards) Rules, 2015, as amended and other accounting principles generally accepted in India, of net loss and other comprehensive income and other financial information of the Group for the year ended March 31, 2020.

Basis for Qualified Opinion

- a) Our limited review report on the unaudited consolidated financial results of the Company for the quarter ended December 31, 2019 was qualified in respect of the matters stated below:
 - i. The Parent Company has recognized MAT credit as deferred tax asset aggregating to Rs. 2,797.69 lakhs as at March 31, 2020 which is available for offset between five to fifteen years. Due to the financial difficulties experienced by the Parent Company as stated in Note 4 to the Statement and significant uncertainty stated in Note 5 to the Statement, we are unable to comment on the recoverability of MAT credit recognized as deferred tax asset and consequential impact, if any, on the Statement.
 - ii. The Parent Company’s Cash Generating Unit (“CGU”) viz. Kashipur cluster, has a carrying value of Rs. 45,029.02 lakhs as on March 31, 2020 comprising of tangible and intangible assets. The Parent Company has performed an impairment assessment of the CGU as required under Ind AS 36 - Impairment of Assets. The Parent Company is undergoing financial difficulties as stated in



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Note 4 to the Statement and there is significant uncertainty as cited in Note 5 to the Statement in respect of the Parent Company's plan to monetize its assets, secure funding from the bankers / investors, restructure its liabilities and normalize its operations. We are unable to comment on the appropriateness of the assumptions for the projections used in the impairment assessment and consequential impairment provision, if any, to be made in the Statement with regard to the CGU.

- b) The Parent Company has not provided for interest charge (including penal interest) amounting to Rs. 857.71 lakhs for the quarter ended March 31, 2020 on loans outstanding to certain lenders. Further, during the quarter ended March 31, 2020 the Parent Company has reversed the interest charge (including penal interest) accounted in the books amounting to Rs. 1,875.36 lakhs for the period April 1, 2019 to December 31, 2019 pertaining to those lenders; this constitutes departure from the accrual basis of accounting stipulated under Ind AS 1 - Presentation of Financial Statements. Accordingly, interest due to lenders (gross of TDS deduction), the interest cost and loss during the current year is understated by Rs. 2,733.07 lakhs. In the absence of sufficient appropriate audit evidence, we are unable to comment upon the consequential impact, if any that may arise from this matter. (Refer Note 8 to the Statement).

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Results section of our report. We are independent of the Group, in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics.

We believe that the audit evidence obtained by us and other auditors in terms of their reports referred to in "Other Matter" paragraph below, is sufficient and appropriate to provide a basis for our qualified opinion.

Material Uncertainty Related to Going Concern

We draw attention to Note 4 to the Statement which states that the Parent Company has incurred net losses of Rs. 16,542.82 lakhs during the year ended March 31, 2020 and has a net current liability position of Rs. 38,869.45 lakhs as on that date and describes certain loans for which the Company is in default. Further, the Parent Company's ability to meet its future obligations is dependent on restructuring of its loans. These conditions indicate significant doubt on the Parent Company's ability to continue as going concern. The Parent Company is in the process of executing an Inter Creditor Arrangement and proposing



MSKA & Associates
Chartered Accountants
Floor 3, Enterprise Centre,
Nehru Road,
Near Domestic Airport,
Vile Parle (East),
Mumbai - 400 099

Mahesh C. Solanki & Co.
Chartered Accountants
803, Airen Heights,
PU-3, Scheme No-54,
Opp. Malhar Mega Mall
A.B.Road,
Indore - 452 010

a resolution plan to the lenders. In view of the above, the Statement has been prepared on a going concern basis. Our opinion on the Statement is not modified in respect of this matter.

Emphasis of Matter

We draw attention to Note 6 to the Statement which states that the management has made an assessment of the impact of COVID-19 on the Group operations, financial performance and position as at and for the year ended March 31, 2020 and has concluded that there is no impact which is required to be recognized in the Statement. Accordingly, no adjustments have been made to the Statement. Our opinion on the Statement is not modified in respect of this matter.

Board of Directors' Responsibilities for the Consolidated Financial Results

This Statement has been prepared on the basis of the consolidated annual financial statements. The Holding Company's Board of Directors are responsible for the preparation and presentation of this Statement that give a true and fair view of the net loss and other comprehensive income and other financial information of the Group in accordance with the Indian Accounting Standards prescribed under Section 133 of the Act read with Companies (Indian Accounting Standards) Rules, 2015, as amended and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Statement that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the Statement by the Directors of the Holding Company, as aforesaid.

In preparing the Statement, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Board of Directors either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.



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Chartered Accountants
Floor 3, Enterprise Centre,
Nehru Road,
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Mumbai - 400 099

Mahesh C. Solanki & Co.
Chartered Accountants
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A.B.Road,
Indore - 452 010

The respective Board of Directors of the companies included in the Group are responsible for overseeing the financial reporting process of the Group.

Auditor's Responsibilities for the Audit of the Consolidated Financial Results

Our objectives are to obtain reasonable assurance about whether the Statement as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this Statement.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Statement, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3) (i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.
- Conclude on the appropriateness of the Board of Directors use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Statement or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit



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Mumbai - 400 099

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Indore - 452 010

evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the Statement, including the disclosures, and whether the Statement represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities within the Group to express an opinion on the Statement. We are responsible for the direction, supervision and performance of the audit of financial information of such entities included in the Statement of which we are the independent auditors. For the other entities included in the Statement, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

We communicate with those charged with governance of the Holding Company and such other entities included in the Statement of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Other Matters

1. The Statement include the audited Financial Results of 14 subsidiaries, whose Financial Statements reflect Group's share of total assets (before consolidation adjustments) of Rs. 7,354.79 lakhs as at March 31, 2020, Group's share of total revenue (before consolidation adjustments) of Rs. 1,518.72 and Rs. 1,519.89 lakhs and Group's share of total net profit / (loss) after tax (before consolidation adjustments) of Rs. 71.90 lakhs and Rs. (362.92) lakhs for the quarter ended March 31, 2020 and for the year ended on that date respectively, and net cash outflows of Rs. 29.38 lakhs for the year ended March 31, 2020, as considered in the Statement, which have been audited by their respective independent auditors. The independent auditors' reports on financial statements of these entities have been furnished to us and our opinion on the Statement, in so far as it relates to the amounts and disclosures included in respect of these entities, is based



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Chartered Accountants
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PU-3, Scheme No-54,
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solely on the report of such auditors and the procedures performed by us are as stated in paragraph above. Our opinion on the Statement is not modified in respect of this matter.

2. The Statement includes the results for the quarter ended March 31, 2020 being the balancing figure between the audited figures in respect of the full financial year and the published unaudited year to date figures up to the third quarter of the current financial year prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 "Interim Financial Reporting" which were subject to limited review by us. Our opinion is not modified in respect of this matter.
3. The consolidated financial results of the Company for the quarter and year ended March 31, 2019 were audited by MSKA & Associates and Kailash Chand Jain & Co. as Joint Auditors whose report dated May 24, 2019 expressed an unmodified opinion on those statements. Our opinion is not modified in respect of this matter.

For MSKA & Associates
Chartered Accountants
ICAI Firm Registration No. 105047W

AMRISH Digitally signed
by AMRISH
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VAIDYA Date: 2020.07.10
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Amrish Vaidya
Partner
Membership No.: 101739
UDIN: 20101739AAAADS4699

Place: Mumbai
Date: July 10, 2020

Mahesh C. Solanki & Co.
Chartered Accountants
ICAI Firm Registration No. 006228C

Nitin
Kumar
Tiwari

Digitally signed by Nitin Kumar Tiwari
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Kumar Tiwari
Date: 2020.07.10 20:08:07 +05'30'



Nitin Tiwari
Partner
Membership No.: 415087
UDIN: 20415087AAAACE5605

Place: Indore
Date: July 10, 2020

(Rupees in lakhs, unless otherwise stated)

Sr.No.	Particulars	As at	
		31 Mar 2020	31 Mar 2019
		(Audited)	(Audited)
A	ASSETS		
1)	Non-current assets		
	Property, plant and equipment	51,836.26	54,911.13
	Intangible assets	4,772.62	5,773.77
	Right-of-use assets	159.19	-
	Financial assets		
	- Investments	0.11	0.11
	- Other financial assets	1,483.95	2,288.89
	Deferred tax assets (net)	2,797.69	-
	Non-current tax assets (net)	468.21	429.56
	Other non-current assets	85.11	331.00
	Total non-current assets	61,603.14	63,734.46
2)	Current assets		
	Inventories	14,017.03	16,056.17
	Financial assets		
	- Trade receivables	23,857.85	39,622.50
	- Cash and cash equivalents	664.24	482.11
	- Bank balances other than cash and cash equivalents	571.77	1,598.73
	- Loans	162.24	148.08
	- Other financial assets	2,738.79	2,100.06
	Current tax assets (net)	388.00	127.88
	Other current assets	11,927.47	17,675.71
	Total current assets	54,327.39	77,811.24
	Total assets	1,15,930.53	1,41,545.70
B	EQUITY AND LIABILITIES		
1)	Equity		
	Equity share capital	2,488.28	2,488.28
	Other equity	17,085.58	33,880.43
	Non-controlling interest	(179.74)	(135.24)
	Total equity	19,394.12	36,233.47
	Liabilities		
2)	Non-current liabilities		
	Financial liabilities		
	- Borrowings	1,879.39	28,585.65
	- Lease liabilities	121.92	-
	Provisions	458.47	536.99
	Deferred tax liabilities (net)	-	368.11
	Total non-current liabilities	2,459.78	29,490.83
3)	Current liabilities		
	Financial liabilities		
	- Borrowings	33,769.77	26,499.25
	- Lease liabilities	48.56	-
	- Trade payables		
	(a) Outstanding dues to micro enterprises and small enterprises	-	-
	(b) Outstanding dues to creditors other than micro enterprises and small enterprises	17,211.34	26,248.64
	- Other financial liabilities	40,890.85	21,706.45
	Provisions	23.00	19.86
	Other current liabilities	2,133.11	1,347.20
	Total current liabilities	94,076.63	75,821.40
	Total equity and liabilities	1,15,930.53	1,41,545.70

For Flexituff Ventures International Limited
(Formerly known as Flexituff International Limited)

Saurabh
Kalani
Saurabh Kalani
Whole Time Director
(DIN: 00699380)
Place : Pithampur
Date : July 10, 2020



Regd. Office: C 41-50, SEC NO III, SEZ INDUSTRIAL AREA, PITHAMPUR, INDORE, MP - 454775
CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER & YEAR ENDED MARCH 31, 2020

(Rupees in lakhs, unless otherwise stated)

Sr.No.	Particulars	Quarter Ended			Year Ended	
		31 Mar 2020 (Audited) Refer Note 9	31 Dec 2019 (Unaudited)	31 Mar 2019 (Audited) Refer Note 9	31 Mar 2020 (Audited)	31 Mar 2019 (Audited)
1	Income					
	Revenue from operations	17,835.02	18,248.53	37,926.31	88,520.92	1,24,521.47
	Other income	725.56	322.45	84.67	1,624.73	2,118.20
	Total income	18,560.58	18,570.98	38,010.98	90,145.65	1,26,639.67
2	Expenses					
	(a) Cost of materials consumed	13,590.81	10,400.40	16,731.91	52,178.50	64,380.17
	(b) Purchase of stock-in-trade	109.39	5.11	2,133.99	7,020.10	4,900.32
	(c) Changes in stock of finished goods, work-in-progress and stock-in-trade	(2,538.94)	1,877.66	5,211.84	1,833.10	7,223.14
	(d) Employee benefits expense	4,008.27	4,164.71	4,706.46	17,707.93	19,723.45
	(e) Finance costs (Refer Note 10)	(116.51)	2,115.72	2,967.03	7,384.56	10,916.92
	(f) Depreciation and amortisation expense	1,872.31	1,887.21	1,802.66	7,450.46	7,043.16
	(g) Other expenses	2,453.18	6,648.58	4,346.37	16,661.26	15,402.89
	Total expenses	19,378.51	27,099.39	37,900.26	1,10,235.91	1,29,590.05
3	Profit / (Loss) before tax (1-2)	(817.93)	(8,528.41)	110.72	(20,090.26)	(2,950.38)
4	Tax expense / (credit)					
	(a) Current tax	-	-	11.28	-	2.85
	(b) MAT charge of previous year	-	-	2.58	-	2.58
	Less: MAT credit entitlement of previous year	-	-	(2.58)	-	(2.58)
	(c) Income Tax charge / (credit) for previous years	(1.62)	-	57.48	(1.62)	57.48
	(d) Deferred tax charge / (credit)	(33.85)	44.26	(1.25)	(3,191.91)	(623.30)
	Tax expense / (credit)	(35.47)	44.26	67.51	(3,193.53)	(562.97)
5	Net Profit / (Loss) after tax from continuing operations (3-4)	(782.46)	(8,572.67)	43.21	(16,896.73)	(2,387.41)
6	Profit / (Loss) before tax from discontinued operation	-	-	-	-	108.36
7	Tax expense of discontinued operation	-	-	-	-	-
8	Profit / (Loss) after tax from discontinued operation (6-7)	-	-	-	-	108.36
9	Profit / (Loss) on disposal of discontinued operation	-	-	-	-	(76.25)
10	Net Profit / (Loss) after tax from discontinued operation (8+9)	-	-	-	-	32.11
11	Net Profit / (Loss) for the period / year (5+10)	(782.46)	(8,572.67)	43.21	(16,896.73)	(2,355.30)
12	Profit / (Loss) from continuing operations attributable to:					
	Equity holders of the parent	(818.79)	(8,546.69)	(62.27)	(16,852.23)	(2,344.29)
	Non-controlling interest	36.33	(25.98)	105.48	(44.50)	(43.12)
13	Profit / (Loss) from discontinued operation attributable to:					
	Equity holders of the parent	-	-	-	-	32.11
	Non-controlling interest	-	-	-	-	-
14	Other comprehensive income / (loss)					
	Items that will not be reclassified to profit or loss					
	(a) Remeasurements of the net defined benefit plans	79.19	(1.73)	(47.64)	74.00	(6.92)
	(b) Income tax effect on above	(24.71)	0.54	14.87	(23.09)	2.16
	Items that will be reclassified to profit or loss					
	(a) Exchange differences on translation of foreign operations	1.74	4.20	4.75	9.41	(21.71)
	(b) Income tax effect on above	(0.55)	(1.31)	(1.49)	(2.94)	6.77
	Total Other comprehensive income/(loss)	55.67	1.70	(29.51)	57.38	(19.70)



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 CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER & YEAR ENDED MARCH 31, 2020

(Rupees in lakhs, unless otherwise stated)

Sr.No.	Particulars	Quarter Ended			Year Ended	
		31 Mar 2020 (Audited) Refer Note 9	31 Dec 2019 (Unaudited)	31 Mar 2019 (Audited) Refer Note 9	31 Mar 2020 (Audited)	31 Mar 2019 (Audited)
15	Other comprehensive income/(loss) attributable to:					
	Equity holders of the parent	55.67	1.70	(29.51)	57.38	(19.70)
	Non-controlling interest	-	-	-	-	-
16	Total comprehensive income / (loss) (11+14)	(726.79)	(8,570.97)	13.70	(16,839.35)	(2,375.00)
17	Total comprehensive income / (loss) attributable to:					
	Equity holders of the parent	(763.12)	(8,544.99)	(91.78)	(16,794.85)	(2,331.88)
	Non-controlling interest	36.33	(25.98)	105.48	(44.50)	(43.12)
18	Paid-up equity share capital (Face value of Rs. 10/- each)	2,488.28	2,488.28	2,488.28	2,488.28	2,488.28
19	Other equity and Non-controlling interest				16,905.84	33,745.19
20	Earnings per share (of Rs. 10/- each) [in Rs.]:					
	For Continuing operations					
	Basic & Diluted (Refer Note 12)	(3.29)	(34.35)	(0.25)	(67.73)	(9.42)
	For Discontinued operation					
	Basic & Diluted (Refer Note 12)	-	-	-	-	0.13
	For Continuing and Discontinued operations					
	Basic & Diluted (Refer Note 12)	(3.29)	(34.35)	(0.25)	(67.73)	(9.29)

For Flexituff Ventures International Limited
 (Formerly known as Flexituff International Limited)

Saurabh Kalani

Saurabh Kalani
 Whole Time Director
 (DIN: 00699380)
 Place : Pithampur
 Date : July 10, 2020

Digitally signed by Saurabh Kalani
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 st=Madhya Pradesh,
 email=SaurabhKalani@flexituff.com,
 serialNumber=0125482022048601,
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STATEMENT OF CONSOLIDATED CASH FLOWS

(Rupees in lakhs, unless otherwise stated)

Particulars	Year Ended	
	31 March 2020 (Audited)	31 March 2019 (Audited)
Cash flows from operating activities		
Profit / (Loss) before tax	(20,090.26)	(2,950.38)
Profit / (Loss) before tax from discontinued operations	-	32.11
Adjustments for:		
Depreciation and amortization expenses	7,450.46	7,043.16
Interest and finance charges	7,384.56	10,916.92
Interest income	(262.18)	(298.50)
Amortisation of Government Grants	(98.40)	(150.30)
Provision for doubtful debts	2,228.90	176.80
Bad debts	2,714.92	-
Loss on sale/disposal of property, plant & equipment (net)	104.40	71.40
Loss on Sale of Subsidiary	-	76.30
Unrealized foreign exchange loss / (gain) (net)	(723.89)	(374.70)
Provision for retirement benefits	50.91	(4.70)
Foreign Currency Translation Reserve	6.47	(14.90)
Operating profit / (loss) before working capital changes	(1,234.11)	14,523.21
Changes in working capital		
Increase/(decrease) in trade payables	(9,086.53)	2,158.54
Increase/(decrease) in other liabilities	785.91	(911.30)
Increase/(decrease) in other financial liabilities	(530.55)	705.91
Increase/(decrease) in provisions	(75.38)	(107.95)
Decrease/(increase) in trade receivables	11,593.95	(2,570.89)
Decrease/(increase) in inventories	2,039.14	7,825.93
Decrease/(increase) in other assets	5,994.13	(5,409.63)
Decrease/(increase) in other financial assets	(730.97)	(1,015.77)
Decrease/(increase) in Loans	(14.16)	-
Decrease/(increase) in other cash and cash equivalents	1,026.96	(1,904.57)
Cash generated from operations	9,768.39	13,293.48
Income tax paid	(271.12)	(298.70)
Net cash inflows from operating activities (A)	9,497.27	12,994.78
Cash flows from Investing activities		
Payments for property, plant and equipment and intangible assets (net)	(3,391.52)	(3,951.31)
Receipts of Government Grants	-	258.10
Interest received	281.58	312.30
Proceeds from sale of subsidiary	-	206.28
Payments for purchase of Investments	-	(0.11)
Net proceeds from fixed deposits (having original maturity of more than 12 months)	877.77	286.30
Net cash outflow from investing activities (B)	(2,232.17)	(2,888.44)
Cash flows from Financing activities		
Net proceeds/ (repayment) from borrowings	(1,127.36)	(145.80)
Principal elements of lease payments	(76.02)	-
Interest and finance charges paid	(5,879.59)	(10,375.90)
Net cash outflow from financing activities (C)	(7,082.97)	(10,521.70)
Net increase / (decrease) in cash and cash equivalents (A+B+C)	182.13	(415.36)
Cash and cash equivalents at the beginning	482.11	897.47
Cash and cash equivalents at the end	664.24	482.11
Cash and cash equivalents comprise		
Balances with banks in current accounts	489.51	454.53
Fixed deposits with maturity of less than 3 months	135.13	9.41
Cash on hand	39.60	18.17
Total	664.24	482.11

Note: The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in the Indian Accounting Standard (Ind AS-7) - Statement of Cash Flow.

For Flexituff Ventures International Limited
 (Formerly known as Flexituff International Limited)

Saurabh Kalani

Saurabh Kalani
 Whole Time Director
 (DIN: 00699380)
 Place : Pithampur
 Date : July 10, 2020



FLEXITUFF VENTURES INTERNATIONAL LIMITED

(Formerly known as Flexituff International Limited)

CIN – L25202MP1993PLC034616

Regd. Office: C 41-50, SEC NO III, SEZ INDUSTRIAL AREA, PITHAMPUR, INDORE, MP - 454775

FlexiTuff
VENTURES**NOTES TO AUDITED CONSOLIDATED FINANCIAL RESULTS FOR THE YEAR ENDED MARCH 31, 2020**

- 1) The Statement of Financial Results for the quarter and year ended March 31, 2020 of Flexituff Ventures International Limited (formerly known as Flexituff International Limited) and its subsidiaries (together referred to as 'Group'), have been reviewed by the Audit Committee and approved by the Board of Directors at its meeting held on July 10, 2020. The Statutory Auditors have expressed a modified opinion on these results.
- 2) Effective April 1, 2019, the Group has adopted Ind AS 116 "Leases" and applied the same to all lease contracts existing in force as on April 01, 2019 using the modified retrospective approach with right-of-use assets recognized at an amount equal to adjusted lease liability viz. Rs. 495.28 lakhs as at April 01, 2019. Accordingly, comparatives for the quarter and year ended March 31, 2019 have not been retrospectively adjusted. The effect of this adoption on the loss for the quarter and year ended March 31, 2020 is not significant and has been given effect in these results. There is no effect of applying the standard to retained earnings.
- 3) As on March 31, 2020 the Parent Company has defaulted in repaying the principal and interest component of loan instalments amounting to Rs. 4,646.24 lakhs and Rs. 1,354.33 lakhs respectively to a bank and financial institutions. (The interest default cited here is net of TDS and before adjusting for the effects mentioned in Note 8 below).

As on March 31, 2020 the Parent Company has defaulted in repaying the principal and interest component for FCCB issued to TPG Growth II SF Pte. Ltd. amounting to Rs. 1,696.18 lakhs and Rs. 1,728.38 lakhs respectively and also defaulted in redemption of FCCB from International Finance Corporation (IFC) amounting to Rs. 6,784.73 lakhs. Interest accrued and payable to IFC amounts to Rs. 496.12 lakhs. (The interest default cited here is net of TDS and before adjusting for the effects mentioned in Note 8 below).

As on March 31, 2020 the Parent Company has also devolved Letter of Credit issued by banks. Such devolvement has resulted in over utilisation of cash credit facilities by Rs. 10,146.85 lakhs (including interest) based on drawing power sanctioned by banks in February 2020.

- 4) The Parent Company has incurred net losses of Rs. 16,542.82 lakhs during the year ended March 31, 2020 and has a net current liability position of Rs. 38,869.45 lakhs as on that date. Further, in respect of certain loan arrangements for which the amounts have fallen due as mentioned in Note 3 above; the Parent Company is pursuing with its lenders for restructuring of loans through an Inter Creditor Agreement. Consequently, the Parent Company's ability to meet its obligations is dependent on restructuring of loans. The Parent Company will also require further financing to sustain its operations in the normal course of business for which the Parent Company is also contemplating monetisation of certain assets. These events along with other conditions cast significant doubt on the ability of the Parent Company to continue as a going concern. The Parent Company is confident that such cash flows would enable it to service its debt and discharge its obligations. Accordingly, these results have been prepared on a going concern basis.
- 5) During the year KKR India Financial Services Limited has made an application to the Honourable National Company Law Tribunal, Indore bench at Ahmedabad ("Adjudicating Authority") under Section 7 of the Insolvency and Bankruptcy Code, 2016 against the Parent Company.
- 6) The World Health Organization announced a global health emergency because of a new strain of coronavirus ("COVID-19") and classified its outbreak as a pandemic on March 11, 2020. On March 24, 2020, the Indian government announced a strict 21-day lockdown across the country to contain the spread of the virus, which has been further extended till July 31, 2020 in containment zones. This pandemic and government response are creating disruption in global supply chain and adversely impacting most of the industries which has resulted in global slowdown.

The management has made an assessment of the impact of COVID-19 on the Group's operations, financial performance and position as at and for the year ended March 31, 2020 and has concluded that there is no impact which is required to be recognised in the financial results. Accordingly, no adjustments have been made to the financial results.



FLEXITUFF VENTURES INTERNATIONAL LIMITED

(Formerly known as Flexituff International Limited)

CIN – L25202MP1993PLC034616**Regd. Office: C 41-50, SEC NO III, SEZ INDUSTRIAL AREA, PITHAMPUR, INDORE, MP - 454775****FlexiTuff**
VENTURES**NOTES TO AUDITED CONSOLIDATED FINANCIAL RESULTS FOR THE YEAR ENDED MARCH 31, 2020**

- 7) The Parent Company is carrying MAT credit as a deferred tax asset aggregating to Rs. 2,797.69 lakhs which is available for offset between five to fifteen years. Management is reasonably certain that the Parent Company will earn sufficient taxable profit in future to utilise the MAT credit within the time limit prescribed under the Income Tax Act, 1961. Accordingly, no adjustment is currently considered necessary by the management to the amount of deferred tax recognised towards MAT credit.
- 8) The Parent Company is in the process of approaching KKR India Financial Services Limited, TPG Growth II SF Pte. Ltd. and International Finance Corporation ("lenders") for restructuring its loan and envisages that the lenders shall forgo the interest charge (including penal interest) accrued on its loans for the period April 1, 2019 to March 31, 2020. Accordingly, the Parent Company does not expect any outflow of interest (including penal interest) attributable for the period April 1, 2019 to March 31, 2020 on loans from the said lenders; hence, the Parent Company has not provided for interest (including penal interest) amounting to Rs. 857.71 lakhs attributable for quarter ended March 31, 2020 on loans outstanding to said lenders. Further, during the quarter ended March 31, 2020 the Parent Company has reversed the interest charge (including penal interest) amounting to Rs. 1,875.36 lakhs (corresponding TDS reversal being Rs. 216.62 lakhs) attributable for period April 1, 2019 to December 31, 2019 accounted in books pertaining to said lenders.
- 9) The audited financial results for quarter ended March 31, 2020 and quarter ended March 31, 2019 are the balancing figures between the audited figures for the full financial years then ended and the published year to date reviewed figures up to the third quarter of the respective financial years.
- 10) Finance costs for the quarter ended March 31, 2020 is negative due to effect of interest reversal as referred in Note 8 above.
- 11) The Group is engaged in only one Segment viz. Technical Textile. As such there is no separate reportable segment as per Ind AS 108 "Operating Segment"
- 12) There is no dilution to the basic EPS as there are no outstanding potentially dilutive shares.
- 13) Previous period's / year's figures have been re-grouped wherever necessary to correspond with the current period's figures.

For Flexituff Ventures International Limited
(Formerly known as Flexituff International Limited)

Saurabh Kalani
Whole Time Director
(DIN: 00699380)
Place : Pithampur
Date : July 10, 2020

Digitally signed by Saurabh Kalani
DN: cn=Saurabh Kalani, o=Flexituff Ventures International Limited, email=Saurabh.Kalani@flexituffventures.com, c=IN

