

STATEMENT OF UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND HALF YEAR ENDED 30TH SEPTEMBER 2023

PARTICULARS	STANDALONE												CONSOLIDATED					
	Quarter Ended		Period Ended		Year Ended		Quarter Ended		Period Ended		Year Ended		Quarter Ended		Period Ended		Year Ended	
	30-Sep-23	30-Jun-23	30-Sep-22	30-Sep-23	30-Sep-22	31-Mar-23	30-Sep-23	30-Jun-23	30-Sep-22	30-Sep-23	30-Sep-22	31-Mar-23	30-Sep-23	30-Sep-22	30-Sep-23	30-Sep-22	31-Mar-23	
Income																		
1 Revenue From Operations	9,579.06	8,508.98	11,519.41	18,088.04	23,253.52	38,654.70	9,585.22	8,530.73	11,558.37	18,115.94	23,324.29	38,740.02						
2 Other Income	546.07	605.03	583.23	1,151.10	731.66	923.05	556.02	605.03	600.64	1,161.05	749.24	987.52						
3 Total Income (1+2)	10,125.13	9,114.01	12,102.64	19,239.14	23,985.18	39,577.74	10,141.24	9,135.76	12,159.01	19,276.99	24,073.53	39,727.54						
4 Expenses:																		
a) Cost of raw material consumed	4,407.06	4,607.41	5,965.12	9,014.48	12,045.39	19,557.85	4,402.49	4,608.23	5,953.38	9,010.72	12,019.52	19,528.85						
b) Changes in inventories of finished goods and work in progress	903.64	(380.93)	719.02	522.71	934.53	635.17	892.71	(379.00)	691.01	513.71	872.79	566.24						
c) Employee benefit expenses	482.90	434.53	415.93	917.42	807.55	1,572.32	510.53	471.46	430.42	981.99	842.55	1,674.32						
d) Finance costs	144.65	130.65	94.92	275.30	178.22	483.29	144.65	130.65	94.92	275.30	178.22	483.29						
e) Depreciation and amortisation expenses	600.52	576.54	482.40	1,177.06	988.42	2,107.35	821.01	795.61	693.86	1,616.62	1,404.48	2,959.48						
f) Other expenses	2,478.05	2,594.95	2,978.73	5,073.01	6,091.30	11,255.49	2,438.62	2,589.17	2,966.51	5,027.79	6,083.04	11,287.53						
Total expenses (a to f)	9,016.82	7,963.16	10,656.13	16,979.98	21,045.40	35,611.48	9,210.01	8,216.13	10,830.11	17,426.15	21,400.60	36,499.71						
5 Profit before Tax (3-4)	1,108.31	1,150.86	1,446.52	2,259.15	2,939.77	3,966.27	931.23	919.63	1,328.90	1,850.86	2,672.94	3,227.84						
6 Tax Expenses	278.95	289.64	368.57	568.59	749.05	1,085.09	289.64	289.64	368.57	568.59	749.05	1,089.59						
7 Profit after tax (5-6)	829.36	861.22	1,077.95	1,690.57	2,190.72	2,881.18	652.28	629.99	960.33	1,282.27	1,923.89	2,138.25						
8 Other Comprehensive Income																		
a) (i) Items that will not be reclassified to profit or loss	9.34	9.34	(0.54)	18.68	(1.09)	37.37	9.34	9.34	(0.54)	18.68	(1.09)	37.37						
(ii) Income tax relating to items that will not be reclassified to profit or loss	(2.35)	(2.35)	0.14	(4.70)	0.27	(9.40)	(2.35)	(2.35)	0.14	(4.70)	0.27	(9.40)						
b) (i) Items that will be reclassified to profit or loss	-	-	-	-	-	-	14.31	(3.19)	-	-	-	-						
(ii) Income tax relating to items that will be reclassified to profit or loss	-	-	-	-	-	-	-	-	-	-	-	-						
Total Other Comprehensive Income	6.99	6.99	(0.41)	13.98	(0.81)	27.97	21.30	3.80	180.63	25.10	165.80	182.97						
9 Total Comprehensive Income (7+8)	836.35	868.21	1,077.55	1,704.55	2,189.90	2,909.15	673.58	633.79	1,140.96	1,307.37	2,089.69	2,321.22						
10 Profit attributable to:																		
Owners of the company	829.36	861.22	1,077.95	1,690.57	2,190.72	2,881.18	652.28	636.24	950.74	1,288.53	1,907.16	2,133.93						
Non controlling Interest	-	-	-	-	-	-	-	(6.25)	9.58	(6.25)	16.73	4.32						
11 Other Comprehensive Income attributable to																		
Owners of the company	6.99	6.99	(0.41)	13.98	(0.81)	27.97	25.21	3.91	181.46	25.21	167.08	181.53						
Non controlling Interest	-	-	-	-	-	-	(0.11)	(0.11)	(0.83)	(0.11)	(1.28)	1.44						
12 Total Comprehensive Income attributable to																		
Owners of the company	836.35	868.21	1,077.55	1,704.55	2,189.90	2,909.15	677.50	640.15	1,132.20	1,313.74	2,074.24	2,315.46						
Non controlling Interest	-	-	-	-	-	-	(0.11)	(6.37)	8.75	(6.37)	15.45	5.76						
13 Paid-Up Equity Share Capital																		
(Face Value Of Share - Re.1/-Each)	835.03	835.03	835.03	835.03	835.03	835.03	835.03	835.03	835.03	835.03	835.03	835.03						
14 Reserves excluding Revaluation Reserves (as per balance sheet)																		
				43,966.79		42,262.23												
15 Earnings Per Share (EPS)																		
Basic and Diluted earning per share(In Rs)(Not Annualised)	0.99	1.03	1.29	2.02	2.62	3.45	0.78	0.76	1.14	1.54	2.28	2.56						



NOTES :

1 The Audit Committee has reviewed these results and the Board of Directors have approved the above results at their meeting held on 04th November, 2023.

2 The company's business activity falls under two business segment- Yarn and Wind Power is as under:

Particulars	STANDALONE						CONSOLIDATED					
	Quarter Ended		Period Ended		Year Ended		Quarter Ended		Period Ended		Year Ended	
	30-Sep-23	30-Jun-23	30-Sep-22	30-Sep-23	30-Sep-22	31-Mar-23	30-Sep-23	30-Jun-23	30-Sep-22	30-Sep-23	30-Sep-22	31-Mar-23
1. Segment Revenues (Net)												
(a). YARN	9,364.71	8,316.49	11,315.11	17,681.20	22,883.42	38,130.43	9,370.87	8,338.24	11,354.07	17,709.10	22,954.19	38,215.75
(b). WIND POWER	265.65	223.45	263.17	489.10	460.39	659.62	265.65	223.45	235.72	489.10	460.39	659.62
Less: Intersegment	51.30	30.96	58.87	82.26	90.29	135.35	51.30	30.96	31.42	82.26	90.29	135.35
Net Sales/Income From Operations	9,579.06	8,508.98	11,519.41	18,088.04	23,253.52	38,654.70	9,585.22	8,530.73	11,558.37	18,115.94	23,324.29	38,740.02
2. Segment Results												
(a). YARN	1,481.40	1,522.53	1,913.45	3,003.92	3,906.12	5,590.07	1,292.59	1,291.30	1,839.93	2,595.63	3,639.28	4,851.62
(b). WIND POWER	127.01	79.43	(59.43)	206.44	(64.72)	161.65	127.01	79.43	(5.29)	206.44	(64.72)	161.65
Less : Finance cost (Unallocable)	144.65	130.65	94.92	275.30	178.22	483.29	144.65	130.65	94.92	275.30	178.22	483.29
Less : Admin cost (Unallocable)	355.46	320.45	312.58	675.91	723.39	1,302.16	343.72	320.45	410.81	675.91	723.39	1,302.16
Total Profit Before Tax	1,108.31	1,150.86	1,446.52	2,259.15	2,939.79	3,966.27	931.23	919.63	1,328.91	1,850.86	2,672.95	3,227.82
3. Segment Assets												
(a). YARN	43,070.58	42,586.09	51,415.67	43,070.58	51,415.67	41,229.55	39,470.50	39,162.12	49,167.70	39,470.50	49,167.70	38,028.16
(b). WIND POWER	5,622.33	5,748.02	7,054.71	5,622.33	7,054.71	6,388.14	5,622.33	5,748.02	7,054.71	5,622.33	7,054.71	6,388.14
(c). UNALLOCATED	15,921.20	14,224.32	7,836.06	15,921.20	7,836.06	13,619.25	15,921.20	14,224.32	7,836.06	15,921.20	7,836.06	13,619.25
Total	64,614.12	62,558.43	66,306.44	64,614.12	66,306.44	61,236.94	61,014.04	59,134.46	64,058.47	61,014.04	64,058.47	58,035.56
4. Segment Liabilities												
(a). YARN	5,754.98	5,687.95	8,056.07	5,754.98	21,128.76	6,754.65	20,145.14	6,078.05	8,478.08	20,145.14	21,550.77	7,133.39
(b). WIND POWER	45.80	46.54	1,129.58	45.80	1,129.58	18.68	45.80	46.54	1,129.58	45.80	1,129.58	18.68
(c). UNALLOCATED	14,011.53	12,858.48	13,072.69	14,011.53	-	11,366.34	14,011.53	12,858.48	13,072.69	14,011.53	-	11,366.34
Total	19,812.30	18,592.97	22,258.34	19,812.30	22,258.34	18,139.67	20,190.94	18,983.07	22,680.35	20,190.94	22,680.35	18,518.41
5. Capital Employed												
(a). YARN	37,315.61	36,898.15	43,359.60	37,315.61	30,286.91	34,474.90	33,336.89	33,084.08	40,689.62	33,336.89	27,617.95	30,894.78
(b). WIND POWER	5,576.53	5,701.48	5,925.13	5,576.53	5,925.13	6,369.46	5,576.53	5,701.48	5,925.13	5,576.53	5,925.13	6,369.46
(c). UNALLOCATED	1,909.68	1,365.83	(5,236.63)	1,909.68	7,836.06	2,252.91	1,909.68	1,365.83	(5,236.63)	1,909.68	7,836.06	2,252.91
Total	44,801.82	43,965.46	44,048.10	44,801.82	44,048.10	43,097.27	40,823.10	40,151.39	41,378.12	40,823.10	41,378.13	39,517.15

3 On 13th October, 2023, the company has received a Goods and Service Tax (GST) recovery order for Rs 643.51 lakhs (Rs. 585.01 Lakhs and Rs. 58.50 Lakhs penalty) and interest (not ascertainable) from GST department pertaining to the GST refund availed on exports on payment of IGT in EOU unit for FY 2018-19 to 2021-22. Based on legal advice, the Company has moved the Mumbai High court challenging the above order asking for stay of the demand. Simultaneously the company will file the necessary appeals with the Commissioner (Appeal) Central Excise & Customs. The company believes and is also advised that its' refund claim was proper and the recovery order is not maintainable. No provision has been made for the above amount in the period ended 30th September 2023.

4 Figures relating to corresponding period of the previous year have been regrouped wherever necessary.



Sarla Performance Fibers Limited
Standalone Statement of assets and liabilities:

(Rs in lakhs)

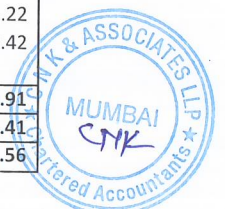
	Particulars	As at September 30, 2023	As at March 31, 2023
I	ASSETS		
(1)	Non-current assets		
	(a) Property, Plant and Equipment	22,732.67	23,671.32
	(b) Capital Work in progress	-	-
	(c) Intangible assets	64.94	74.93
	(d) Investments in Subsidiaries	6,167.98	6,167.98
	(e) Financial Assets		
	(i) Investments	11,012.04	10,623.09
	(ii) Loans	227.33	226.31
	(iii) Other financial assets	341.21	372.11
	(f) Non current Tax Assets (Net)	332.12	44.53
	(g) Other non-current assets	99.61	146.24
	Total non-current assets	40,977.90	41,326.52
(2)	Current assets		
	(a) Inventories	7,659.36	8,452.83
	(b) Financial Assets		
	(i) Investments	3,497.89	1,888.89
	(ii) Trade receivables	8,251.14	6,171.47
	(iii) Cash and cash equivalents	405.61	360.95
	(iv) Bank balances other than (iii) above	1,079.15	1,062.73
	(v) Loans	13.27	22.21
	(vi) Other financial assets	693.60	600.16
	(c) Other current assets	2,036.20	1,351.18
	Total current assets	23,636.22	19,910.42
	Total Assets	64,614.12	61,236.95
II	EQUITY AND LIABILITIES		
	Equity		
	(a) Equity Share capital	835.03	835.03
	(b) Other Equity	43,966.79	42,262.23
	Total equity	44,801.82	43,097.26
(1)	Liabilities		
	Non-current liabilities		
	(a) Financial Liabilities		
	(i) Borrowings	3.60	10.56
	(ia) Lease Liabilities	150.86	208.85
	(b) Provisions	105.14	105.14
	(c) Deferred tax liabilities (Net)	2,316.10	2,251.72
	Total non-current liabilities	2,575.69	2,576.28
(2)	Current liabilities		
	(a) Financial Liabilities		
	(i) Borrowings	11,684.55	10,429.23
	(ia) Lease Liabilities	76.38	79.60
	(ii) Trade payables		
	(A) total outstanding dues of micro enterprises and small enterprises	89.72	41.67
	(B) total outstanding dues of creditors other than micro enterprises and small enterprises	3,216.86	3,146.14
	(iii) Other financial liabilities	1,374.34	1,369.47
	(b) Other current liabilities	258.19	353.65
	(c) Provisions	118.78	105.22
	(d) Current Tax Liabilities (Net)	417.79	38.42
	Total current liabilities	17,236.62	15,563.42
	Total Liabilities	19,812.30	18,139.69
	Total Equity and Liabilities	64,614.12	61,236.95



Sarla Performance Fibers Limited
Consolidated Statement of assets and liabilities:

(Rs in lakhs)

	Particulars	As at September 30, 2023	As at March 31, 2023
I	ASSETS		
(1)	Non-current assets		
	(a) Property, Plant and Equipment	24,486.45	25,849.02
	(b) Capital Work in progress	(0.00)	-
	(c) Intangible assets	72.43	74.93
	(d) Investments accounted for using equity method	-	-
	(e) Financial Assets		
	(i) Investments	11,012.04	10,623.09
	(ii) Loans	14.91	15.53
	(iii) Other financial assets	341.21	372.11
	(f) Non current Tax Assets (Net)	332.12	44.53
	(g) Other non-current assets	99.61	146.24
	Total non-current assets	36,358.78	37,125.46
(2)	Current assets		
	(a) Inventories	9,053.48	9,832.87
	(b) Financial Assets		
	(i) Investments	3,497.89	1,888.89
	(ii) Trade receivables	8,188.13	6,071.58
	(iii) Cash and cash equivalents	510.92	508.36
	(iv) Bank balances other than (iii) above	1,079.15	1,062.73
	(v) Loans	13.27	22.21
	(vi) Other financial assets	693.60	600.16
	(c) Other current assets	1,618.83	923.29
	Total current assets	24,655.27	20,910.10
	Total Assets	61,014.04	58,035.56
II	EQUITY AND LIABILITIES		
	Equity		
	(a) Equity Share capital	835.03	835.03
	(b) Other Equity	39,971.08	38,656.52
	Equity attributable to equity share holders	40,806.11	39,491.55
	Non-controlling interests	16.98	25.59
	Total equity	40,823.09	39,517.14
	Liabilities		
(1)	Non-current liabilities		
	(a) Financial Liabilities		
	(i) Borrowings	128.65	133.86
	(ia) Lease Liabilities	150.86	208.85
	(b) Provisions	105.14	105.14
	(c) Deferred tax liabilities (Net)	2,316.10	2,250.64
	Total non-current liabilities	2,700.74	2,698.50
(2)	Current liabilities		
	(a) Financial Liabilities		
	(i) Borrowings	11,684.55	10,429.23
	(ia) Lease Liabilities	76.38	79.60
	(ii) Trade payables		
	(A) total outstanding dues of micro enterprises and small enterprises	89.72	41.67
	(B) total outstanding dues of creditors other than micro enterprises and small enterprises	3,198.26	3,131.27
	(iii) Other financial liabilities	1,374.34	1,369.48
	(b) Other current liabilities	530.37	625.03
	(c) Provisions	118.78	105.22
	(d) Current Tax Liabilities (Net)	417.79	38.42
	Total current liabilities	17,490.20	15,819.91
	Total Liabilities	20,190.94	18,518.41
	Total Equity and Liabilities	61,014.04	58,035.56



Sarla Performance Fibers Limited
Standalone Statement of cash flows for the period ended September 30, 2023

(Rs in lakhs)

	Particulars	For the period ended September 30, 2023	For the period ended September 30, 2022
A	Cash flows from operating activities		
	Profit before tax	2,259.16	2,939.77
	Adjustments for:		
	Finance costs	275.30	178.22
	Depreciation and amortisation expenses	1,177.06	988.42
	Interest income	(178.94)	(303.66)
	Gain on disposal of investments	(152.39)	(138.23)
	Gain on fair value of investments	(556.29)	154.12
	Dividend Income	(8.56)	(3.59)
	Unrealised exchange (gain) / loss on foreign currency translations	(68.25)	(254.01)
	Loss due to fire	-	115.00
	Sundry Balances written off / (written back)	66.07	194.30
	Operating profit before working capital changes	2,813.16	3,870.33
	Changes in Assets and Liabilities:		
	Adjustments for (increase)/decrease in:		
	Trade receivables	(2,145.73)	1,304.53
	Inventories	793.47	305.95
	Loans and Advances	45.38	42.86
	Other assets	(677.25)	1,226.06
	Adjustments for increase/(decrease) in:		
	Trade payables	118.76	(134.19)
	Other current financial liabilities	18.38	(620.95)
	Cash generated from operations	966.18	5,994.60
	Direct taxes paid (net)	(417.14)	(540.66)
	Net cash generated from operating activities (A)	549.04	5,453.94
B	Cash flows from investing activities		
	Bank balances other than Cash & Cash equivalents	(16.42)	1,768.00
	Purchase of property, plant and equipment	(343.66)	(3,131.26)
	Purchase of Intangible Assets	(4.84)	(10.45)
	Proceeds from disposals of property, plant and equipment	26.19	-
	(Purchase) / Proceeds of investments	(1,289.28)	(2,692.79)
	Interest received	174.53	471.48
	Dividend received	8.56	3.59
	Net cash (used in) investing activities (B)	(1,444.91)	(3,591.41)
C	Cash flows from financing activities		
	Repayment of non current borrowings	(994.71)	(1,057.46)
	Proceeds/(repayment) from current borrowings	2,254.60	965.62
	Payments for the principal portion of lease liability	(35.58)	(36.61)
	Payments for the interest portion of lease liability	(8.46)	(11.93)
	Interest paid	(275.30)	(166.30)
	Net cash (used in) financing activities (C)	940.55	(306.68)
D	NET INCREASE IN CASH AND CASH EQUIVALENTS [(A) + (B) + (C)]	44.68	1,554.94
	CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR		
	Balances with banks in current accounts and deposit accounts	351.05	266.93
	Effect of exchange rate changes on cash and cash equivalents	3.39	1.07
	Cash on hand	6.51	6.17
	CASH AND CASH EQUIVALENTS	360.95	274.18
	CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD		
	Balances with banks in current accounts and deposit accounts	396.81	1,826.00
	Effect of exchange rate changes on cash and cash equivalents	1.72	(4.40)
	Cash on hand	7.08	7.53
	CASH AND CASH EQUIVALENTS	405.61	1,829.13



Sarla Performance Fibers Limited
Consolidated Statement of cash flows for the period ended September 30, 2023

(Rs in lakhs)

Particulars	For the period ended September 30, 2023	For the period ended September 30, 2022
A Cash flows from operating activities		
Profit before tax	1,850.87	2,672.94
Adjustments for:		
Finance costs	275.30	178.22
Depreciation and amortisation expenses	1,616.62	1,404.48
Interest income	(178.94)	(303.66)
Gain on disposal of investments	(152.39)	(138.23)
Gain on fair value of investments	(556.29)	154.12
Dividend Income	(8.56)	(3.59)
Unrealised exchange gain or loss on foreign currency translations	(140.10)	
Foreign currency translation reserve	-	(619.24)
Loss due to fire	-	115.00
Sundry Balances written off / (written back)	66.07	194.30
Operating profit before working capital changes	2,772.55	3,654.34
Changes in Assets and Liabilities:		
Adjustments for (increase)/decrease in:		
Inventories	779.40	209.44
Trade receivables	(2,182.61)	1,236.19
Loans and Advances	45.38	42.86
Other assets	(677.69)	1,249.70
Trade payables	115.04	(113.97)
Other current financial liabilities	11.14	(612.48)
Cash generated from operations	863.22	5,664.08
Direct taxes paid (net)	(416.06)	(540.66)
Net cash generated from operating activities (A)	447.16	5,123.43
B Cash flows from investing activities		
Bank balances other than Cash & Cash equivalents	(16.42)	1,768.00
Purchase of Property, Plant and Equipment	(357.98)	(3,325.78)
Purchase of Intangible Assets	(4.84)	(10.45)
Proceeds from disposals of property, plant and equipment	22.44	
Purchase/Proceeds of investments	(1,289.28)	(2,695.28)
Loans given	(0.42)	-
Interest received	174.53	471.48
Dividend Income on Current investments	8.56	3.59
Net cash (used in) investing activities (B)	(1,463.40)	(3,788.43)
C Cash flows from financing activities		
Proceeds/Repayments from non current borrowings	80.33	(499.43)
Repayment of non current borrowings	(994.71)	965.62
Proceeds/(repayment) from current borrowings	2,252.54	(30.27)
Payments for the principal portion of lease liability	(35.58)	(36.61)
Payments for the interest portion of lease liability	(8.46)	(11.93)
Interest paid	(275.30)	(166.30)
Net cash (used in) financing activities (C)	1,018.82	221.08
NET INCREASE IN CASH AND CASH EQUIVALENTS [(A) + (B) + (C)]	2.57	1,555.16
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD		
Balances with banks in current accounts and deposit accounts	496.19	427.66
Effect of exchange rate changes on cash and cash equivalents	3.39	1.07
Cash on hand	8.78	8.64
CASH AND CASH EQUIVALENTS	508.36	437.37
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD		
Balances with banks in current accounts and deposit accounts	499.69	1,986.79
Effect of exchange rate changes on cash and cash equivalents	1.72	(4.40)
Cash on hand	9.50	10.14
CASH AND CASH EQUIVALENTS	510.92	1,992.53

For Sarla Performance Fibers Limited

Krishna M. Jhunjhunwala
Director (DIN: 00097175)
Place: Mumbai
Date: November 04, 2023

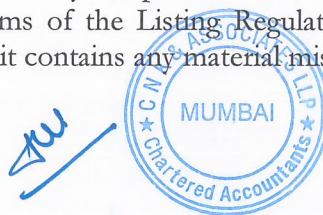
Krishna M. Jhunjhunwala



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

To
The Board of Directors
Sarla Performance Fibers Limited

1. We have reviewed the accompanying statement of Unaudited Standalone Financial Results of Sarla Performance Fibers Limited (the "Company") for the quarter ended 30th September, 2023 and year to date result for the period 1st April, 2023 to 30th September, 2023 (the "Statement") together with the notes thereon attached herewith, being submitted by the Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "Listing Regulations").
2. This Statement, which is the responsibility of the Company's Management and approved by the Company's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34, "Interim Financial Reporting" (Ind AS 34), prescribed under Section 133 of the Companies Act, 2013 (the Act) as amended, read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with the Listing Regulations. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.
4. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in aforesaid Indian Accounting Standards ("Ind AS") specified under Section 133 of the Act as amended, read with relevant rules issued thereunder and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of the Listing Regulations, including the manner in which it is to be disclosed, or that it contains any material misstatement.



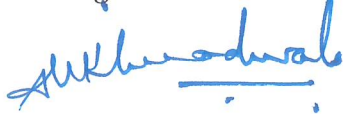
Mistry Bhavan, 3rd Floor, Dhinshaw Vachha Road, Churchgate, Mumbai 400 020. Tel: +91 22 6623 0600
501-502, Narain Chambers, M.G. Road, Vile Parle (E), Mumbai 400 057. Tel: +91 22 6250 7600
Website: www.cnkindia.com

5. Emphasis of Matter:

We draw attention to Note 3 to the statement, stating that the company has received a Goods and Service Tax (GST) Recovery Order for Rs 643.51 lakhs (Rs 585.01 Lakhs and Rs 58.50 Lakhs penalty) and interest (not ascertainable), pertaining to the GST refund availed on exports on payment of IGST in EOU unit for FY 2018-19 to FY 2021-22. For reasons mentioned in the note, no provision has been made for the above amount in the period ended 30th September 2023.

Our conclusion is not modified in respect of the above matter.

For C N K & Associates LLP
Chartered Accountants
Firm Registration No. 101961W/W-100036



Himanshu Kishnadwala
Partner

Membership No. 037391
UDIN: 23037391BGUMFI3554
Place: Mumbai
Date: 4th November, 2023



Independent Auditor's Review Report on the Quarterly and Year to Date Unaudited Consolidated Financial Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended

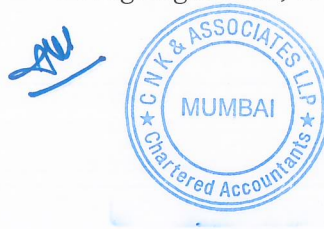
To

The Board of Directors

Sarla Performance Fibers Limited

1. We have reviewed the accompanying Statement of Unaudited Consolidated Financial Results of Sarla Performance Fibers Limited (the "Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as the "Group") for the quarter ended 30th September, 2023 and year to date result for the period 1st April, 2023 to 30th September, 2023 (the "Statement"), attached herewith, being submitted by the Holding Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "Listing Regulations").
2. This Statement, which is the responsibility of the Holding Company's Management and approved by the Holding Company's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013, (the Act) as amended, read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with the Listing Regulations. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagement (SRE) 2410, "Review of Interim Financial information performed by the Independent Auditor of the Entity" issued by the Institute of Chartered Accountants of India. This Standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

We also performed procedures in accordance with the Circular No. CIR/CFD/CMD1/44/2019 dated 29th March, 2019 issued by the Securities and Exchange Board of India under Regulation 33(8) of the Listing Regulations, to the extent applicable.



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4. The Statement includes the results of the subsidiaries as mentioned in Annexure to the Review Report.
5. Based on our review conducted and procedures performed as stated in paragraph 3 above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in aforesaid Indian Accounting Standards ('Ind AS') specified under Section 133 of the Companies Act, 2013 as amended, read with relevant rules issued thereunder and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of the Listing Regulations, including the manner in which it is to be disclosed, or that it contains any material misstatement.
6. Emphasis of Matters:
 - a. We draw attention to Note 3 to the statement, stating that the Holding Company has received a Goods and Service Tax (GST) Recovery Order for Rs 643.51 lakhs (Rs 585.01 Lakhs and Rs 58.50 Lakhs as a penalty) and interest (not ascertainable), pertaining to the GST refund availed on exports on payment of IGST in EOU unit for FY 2018-19 to FY 2021-22. For reasons mentioned in the note, no provision has been made for the above amount in the period ended 30th September 2023.
 - b. We draw attention to the fact that Sarlaflex Inc. and Sarla Overseas Holdings Limited, subsidiaries, the Interim Financial results of the respective Companies are prepared on 'Going Concern' basis in spite of negative net worth due to suspension of manufacturing operations since December 2017 and impairment provision for investments in respective Company;
 - c. The investment made by the wholly owned subsidiary of the group M/s. Sarla Overseas Holdings Limited (SOHL) in three Joint Ventures (as per Annexure) are not consolidated on account of non-resolution of disputes, or non-receipt of financial results and other financial information for the quarter ended 30th September, 2023 and year to date from 1st April, 2023 to 30th September, 2023. Though these investments have been tested for impairment and necessary provisions have been made in FY 2017-18 on transition to Ind AS, we are unable to comment about impact of the same on the Unaudited Consolidated Financial results.

Our conclusion is not modified in respect of these matters.



7. Other Matter:

The accompanying Statement includes unaudited interim financial results and other financial information in respect of two subsidiaries whose interim financial results and other financial information reflect total assets of Rs. 3619.03 Lakhs as at 30th September, 2023 and total revenues of Rs. 77.64 lakhs and Rs.148.90 lakhs, total comprehensive loss of Rs. 255.70 Lakhs and Rs. 473.68 lakhs for the quarter ended 30th September, 2023 and for year to date from 1st April, 2023 to 30th September, 2023, respectively, as considered in the statement. The unaudited interim financial results and other unaudited financial information of these subsidiaries have not been reviewed by any auditor and have been approved and furnished to us by Management. Our conclusion on the Statement in so far as it relates to the affairs of these subsidiaries, is based solely on such unaudited interim financial results and other unaudited financial information, as certified by management. According to the information and explanations given to us by the Management, these interim financial results are not material to the Group.

For C N K & Associates LLP
Chartered Accountants
Firm Registration No. 101961W/W-100036



Himanshu Kishnadwala
Partner
Membership No. 037391
UDIN: 23037391BGUMFJ3119
Place: Mumbai
Date: 4th November, 2023



Annexure to the Limited Review Report:

Subsidiaries (held directly)

- a. Sarla Overseas Holding Limited
- b. Sarlaflex Inc

Subsidiaries (held indirectly)

- a. Sarla Europe, Lda
- b. Sarlaflex LLC
- c. Sarla Estate LLC
- d. Sarla Leverage Lender LLC

Joint Ventures (held indirectly)

- a. Savitex SA De C. V. Honduras;
- b. MRK SA De C. V. Honduras;
- c. Sarla Tekstil Filament Sanayi Ticaret A.S.

AW

