



Group  
Cheviot

# CHEVIOT COMPANY LIMITED

CIN: L65993WB1897PLC001409

Registered & Administrative Office

24 Park Street, Magma House, 9th Floor, Kolkata-700 016

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Email: [abanerjee@chevjute.com](mailto:abanerjee@chevjute.com) ; Website: [www.groupcheviot.net](http://www.groupcheviot.net)

Ref: CCL/SHARE/

Date: 5th June, 2020

To  
BSE Limited  
Phiroze Jeejeebhoy Towers  
Dalal Street, Fort  
Mumbai – 400 001

Ref: Company's Code No. 526817

Cheviot Company Limited: ISIN - INE974B01016

Dear Sir/Madam,

**Re: Outcome of the Board Meeting - Audited Standalone Financial Results for the quarter and year ended 31st March, 2020**

Pursuant to Regulations 30 and 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we are forwarding herewith the audited standalone financial results of the Company for the quarter and year ended 31st March, 2020 along with a statement of assets and liabilities as at 31st March, 2020 and Cash Flow Statement for the year ended 31st March, 2020 which have been approved and taken on record at the Board Meeting held on 5th June, 2020.

We also submit the Audit Report on the aforesaid financial results issued by the Statutory Auditors' of the Company with unmodified opinion(s) and a declaration to that effect.

Further, due to the lockdown for Covid-19 pandemic, the financial results shall not be published in the newspaper in accordance with the relaxation granted by Securities and Exchange Board of India vide circular dated 12th May, 2020. The financial results will be available on the website of the Company viz. [www.groupcheviot.net](http://www.groupcheviot.net) and on the website of BSE Limited viz. [www.bseindia.com](http://www.bseindia.com).

The meeting of the Board of Directors commenced at 12:00 noon and concluded at 12:25 P.M.

Kindly take the above on record.

Thanking you  
Yours faithfully  
For Cheviot Company Limited

  
(Aditya Banerjee)  
Company Secretary  
and Compliance Officer

Encl. as stated above

**Independent Auditor's Report on Audited Annual Financial Results of Cheviot Company Limited pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended)**

**INDEPENDENT AUDITORS' REPORT**

**TO THE BOARD OF DIRECTORS OF CHEVIOT COMPANY LIMITED**

**Report on the audit of the Annual Financial Results**

**Opinion**

We have audited the accompanying annual financial results of **Cheviot Company Limited** (hereinafter referred to as the "Company") for the year ended March 31, 2020, 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, the aforesaid annual financial results:

- a. are presented in accordance with the requirements of Regulation 33 of the Listing Regulations in this regard; and
- b. give a true and fair view in conformity with the recognition and measurement principles laid down in the applicable Indian Accounting Standards, and other accounting principles generally accepted in India, of the net profit and other comprehensive income and other financial information for the year ended March 31, 2020.

**Basis for Opinion**

We conducted our audit in accordance with the Standards on Auditing ("SAs") specified under section 143(10) of the Companies Act, 2013 ("the Act"). Our responsibilities under those SAs are further described in the *Auditor's Responsibilities for the Audit of the Annual 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. We believe that the audit evidence we have obtained, is sufficient and appropriate to provide a basis for our opinion on the annual financial results.

**Management's and Board of Directors' Responsibilities for the Annual Financial Results**

These annual financial results have been prepared on the basis of the annual financial statements.

The Company's Management and the Board of Directors are responsible for the preparation and presentation of these annual financial results that give a true and fair view of the net profit and other comprehensive income and other financial information in accordance with the recognition and measurement principles laid down in Indian Accounting Standards prescribed under Section 133 of the

the Listing Regulations. This responsibility also includes maintenance of adequate accounting records

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 accuracy and completeness of the accounting records, relevant to the preparation and presentation of the annual financial results that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the annual financial results, the Management and the Board of Directors are responsible for assessing the Company's ability 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 is responsible for overseeing the Company's financial reporting process.

### **Auditor's Responsibilities for the Audit of the Annual Financial Results**

Our objectives are to obtain reasonable assurance about whether the annual financial results 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 annual financial results.

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 annual financial results, 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 through a separate report on the complete set of financial statements 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 in the financial results made by the Management and Board of Directors.
- Conclude on the appropriateness of the Management and 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 appropriateness of this assumption. 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 annual financial results or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based

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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 annual financial results, including the disclosures, and whether the annual financial results represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance 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**

The annual financial results 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 which were subject to limited review by us.

For **Singhi & Co.**

Chartered Accountants

Firm Registration No. 302049E

**ANKIT**  
**DHELIA**

Digitally signed  
by ANKIT DHELIA  
Date: 2020.06.05  
12:13:24 +05'30'

**(Ankit Dhelia)**

*Partner*

Place: Kolkata

Date: June 5, 2020

(Membership Number: 069178)

UDIN: 20069178AAAAAR6276



## CHEVIOT COMPANY LIMITED

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## STATEMENT OF STANDALONE AUDITED FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED 31ST MARCH, 2020

(₹ In Lakhs)					
Particulars	Quarter ended 31/03/2020 (Refer Note No.13)	Quarter ended 31/12/2019 (Unaudited)	Quarter ended 31/03/2019 (Refer Note No.13)	Year ended 31/03/2020 (Audited)	Previous year ended 31/03/2019 (Audited)
<b>1 Income</b>					
(a) Revenue from operations	11476.06	11400.75	10297.17	45,804.59	39455.96
(b) Other Income	(681.44)	737.53	760.74	971.61	2211.43
<b>Total Income</b>	<b>10794.62</b>	<b>12138.28</b>	<b>11057.91</b>	<b>46776.20</b>	<b>41667.39</b>
<b>2 Expenses</b>					
(a) Cost of materials consumed	6305.22	6242.78	5703.41	24,832.03	20739.85
(b) Changes in inventories of finished goods and work-in-progress	(200.60)	(113.08)	(124.71)	78.04	(1050.55)
(c) Employee benefits expense	1895.44	2018.50	1671.34	7,618.07	6944.50
(d) Finance costs	10.32	10.24	10.04	36.70	72.21
(e) Depreciation and amortization expense	108.26	111.67	105.65	430.58	432.90
(f) Other expenses	2019.40	1883.19	2013.76	7,596.08	7371.64
<b>Total Expenses</b>	<b>10138.04</b>	<b>10153.30</b>	<b>9379.49</b>	<b>40591.50</b>	<b>34510.55</b>
<b>3 Profit before exceptional items and tax (1-2)</b>	<b>656.58</b>	<b>1984.98</b>	<b>1678.42</b>	<b>6184.70</b>	<b>7156.84</b>
<b>4 Exceptional items</b>	-	-	-	-	-
<b>5 Profit before tax (3+4)</b>	<b>656.58</b>	<b>1984.98</b>	<b>1678.42</b>	<b>6184.70</b>	<b>7156.84</b>
<b>6 Tax expense :</b>					
(a) Current tax (including tax for earlier years)	318.27	364.00	408.01	1,473.27	2098.01
(b) Deferred tax	(12.05)	67.12	71.58	(100.69)	41.03
<b>Total tax expense</b>	<b>306.22</b>	<b>431.12</b>	<b>479.59</b>	<b>1372.58</b>	<b>2139.04</b>
<b>7 Profit for the period (5-6)</b>	<b>350.36</b>	<b>1553.86</b>	<b>1198.83</b>	<b>4812.12</b>	<b>5017.80</b>
<b>8 Other comprehensive income (Net of tax)</b>					
(a) Items that will not be reclassified to profit or loss	(37.53)	58.11	5970.56	138.68	6180.89
(b) Items that will be reclassified to profit or loss	-	-	-	-	-
<b>Total other comprehensive income (Net of tax)</b>	<b>(37.53)</b>	<b>58.11</b>	<b>5970.56</b>	<b>138.68</b>	<b>6180.89</b>
<b>9 Total comprehensive income for the period (7+8)</b>	<b>312.83</b>	<b>1611.97</b>	<b>7169.39</b>	<b>4950.80</b>	<b>11198.69</b>
<b>10 Paid-up ordinary share capital ( Face value - ₹ 10 each )</b>	<b>646.69</b>	<b>646.69</b>	<b>646.69</b>	<b>646.69</b>	<b>646.69</b>
<b>11 Other equity (Excluding revaluation reserve)</b>				<b>46469.97</b>	<b>45406.87</b>
<b>12 Earnings Per Share of ₹ 10/- each (EPS) (not annualised in ₹)</b>					
(a) Basic	5.42	24.03	18.54	74.41	77.59
(b) Diluted	5.42	24.03	18.54	74.41	77.59

Contd.....(2)



Notes :

1. Statement of Assets, Equity and Liabilities is given below :

Particulars	(₹ In Lakhs)	
	As at 31/03/2020 ( Audited )	As at 31/03/2019 ( Audited )
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment	21,780.83	21,787.36
Capital work-in-progress	2,595.93	1,440.14
Right of use assets	146.74	-
Investment property	21.80	22.25
Other intangible assets	21.95	33.11
<b>Financial assets</b>		
Investments	19,657.77	19,225.87
Loans	22.53	22.53
-Other financial assets	1,845.99	282.59
Non-current tax assets (net)	116.28	16.86
Other non-current assets	255.36	182.63
	<b>46,465.18</b>	<b>43,013.34</b>
<b>Current assets</b>		
Inventories	8,160.03	8,033.29
<b>Financial assets</b>		
Investments	5,903.91	8,559.05
Trade receivables	3,420.00	3,186.07
Cash and cash equivalents	1,139.55	893.46
Other bank balances	987.17	838.78
Other financial assets	232.88	190.39
Other current assets	1,326.29	1,762.07
	<b>21,169.83</b>	<b>23,463.11</b>
<b>Total Assets</b>	<b>67,635.01</b>	<b>66,476.45</b>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity</b>		
Equity share capital	647.04	647.04
Other equity	61,669.56	60,538.88
	<b>62,316.60</b>	<b>61,185.92</b>
<b>Liabilities</b>		
<b>Non-current liabilities</b>		
<b>Financial liabilities</b>		
Borrowings	37.04	55.65
Lease liabilities	110.72	-
Other financial liabilities	135.55	89.79
Provisions	61.27	65.08
Deferred tax liabilities (net)	2,243.47	2,396.49
Other non current liabilities	65.20	107.21
	<b>2,653.25</b>	<b>2,714.22</b>
<b>Current liabilities</b>		
<b>Financial liabilities</b>		
Borrowings	416.44	-
Lease liabilities	26.73	-
Trade payables	-	-
-Total outstanding dues of micro enterprises and small enterprises	1.50	1.14
-Total outstanding dues of creditors other than micro enterprises and small enterprises	357.26	516.83
Other financial liabilities	1,462.26	1,352.79
Other current liabilities	187.73	228.97
Provisions	213.21	400.04
Current tax liabilities (net)	-	76.54
	<b>2,665.16</b>	<b>2,576.31</b>
<b>Total Equity and Liabilities</b>	<b>67,635.01</b>	<b>66,476.45</b>

Contd.....(3)



2. Statement of Cash Flow is given below :

	(₹ In Lakhs)	
	For the year ended 31/03/2020 ( Audited )	For the year ended 31/03/2019 ( Audited )
<b>Particulars</b>		
<b>A. Cash flow from operating activities</b>		
Net profit before tax	6,184.70	7,156.84
Adjustments for:		
Depreciation and amortisation expense	430.58	432.90
Unrealised foreign exchange (gain)/loss	(15.71)	13.39
Income from deferred revenue grant	(19.81)	(29.32)
Net (gain)/loss on sale of investments measured at FVTPL	178.46	(180.90)
Net (gain)/loss on fair value changes of investments measured at FVTPL	191.89	(999.65)
Profit on sale of property, plant and equipment (net)	(8.71)	(16.55)
Interest income	(720.05)	(558.95)
Dividend income	(263.41)	(394.64)
Rental income	(5.32)	(3.00)
Impairment of investments	-	204.00
Bad debt / Sundry balances written off	22.54	31.21
Finance costs	36.70	72.21
Liabilities / Provisions written back	(83.47)	(3.44)
<b>Operating profit before working capital changes</b>	<b>5,928.39</b>	<b>5,724.10</b>
Adjustments for:		
(Increase)/decrease in inventories	(126.74)	(1,891.58)
(Increase)/decrease in trade receivables	(196.31)	583.76
(Increase)/decrease in other financial assets	(41.96)	26.72
(Increase)/decrease in other assets	503.41	(240.95)
Increase/(decrease) in trade payables	(158.64)	(38.16)
Increase/(decrease) in other financial liabilities	(96.88)	261.17
Increase/(decrease) in provisions	(115.25)	(26.92)
Increase/(decrease) in other liabilities	(36.16)	(165.45)
<b>Cash generated from operations</b>	<b>5,659.86</b>	<b>4,232.69</b>
Direct taxes paid	(1,645.43)	(2,275.15)
<b>Net cash from operating activities</b>	<b>4,014.43</b>	<b>1,957.54</b>
<b>B. Cash flow from investing activities</b>		
Purchase of property, plant and equipment and other intangible assets (including changes in capital work-in-progress, capital advances/ creditors)	(1,431.07)	(1,433.66)
Capital subsidy received	-	2.11
Sale of property, plant and equipment	13.56	20.64
Purchase of investments	(23,112.83)	(16,510.77)
Sale of investments	24,923.05	16,340.43
Investment in fixed deposits with a maturity more than 90 days	(1,628.25)	(720.07)
Rent received	5.32	2.70
Interest received	678.23	553.02
Dividend received	262.69	391.41
<b>Net cash (used in) investing activities</b>	<b>(289.30)</b>	<b>(1,354.19)</b>
<b>C. Cash flow from financing activities</b>		
Repayment of non-current borrowings	(29.81)	(29.81)
Payment of lease liabilities	(22.76)	-
Proceeds from/ (repayment of) current borrowings (net)	416.44	(458.93)
Dividend paid	(3,168.77)	(43.11)
Dividend distribution tax paid	(651.35)	(8.86)
Interest and other finance charges paid	(29.45)	(80.59)
<b>Net cash (used in) financing activities</b>	<b>(3,485.70)</b>	<b>(621.30)</b>
<b>Net increase / (decrease) in cash and cash equivalents (A+B+C)</b>	<b>239.43</b>	<b>(17.95)</b>
Cash and cash equivalents (opening balance)	893.02	903.37
<b>Effect of exchange rate changes on cash and cash equivalents</b>	<b>7.10</b>	<b>7.60</b>
<b>Cash and cash equivalents (closing balance)</b>	<b>1,139.55</b>	<b>893.02</b>
<b>Notes:</b>		
(i) Cash and cash equivalents included in the cash flow statement comprise the following balance sheet amounts:		
Cash on hand	5.85	3.11
Cheques on hand	0.64	0.71
Balances with banks		
- in current accounts	1,133.06	874.02
- in cash credit accounts	-	15.62
Cash and cash equivalents (closing balance)	1,139.55	893.46
Less : Restricted balance on account of fractional bonus shares lying in current account	-	0.44
	1,139.55	893.02
(ii) The above cash flow statement has been prepared under 'Indirect method' as set out in Ind AS - 7, "Statement of Cash Flows".		

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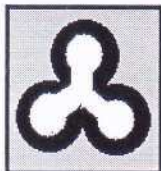




- 3 The above audited financial results were reviewed by the Audit committee and approved by the Board of Directors at their meetings held on 4th June, 2020 and 5th June, 2020 respectively.
- 4 The Board of Directors at their meeting held on 14th February, 2020 had approved a special interim dividend of ₹ 48/- per Ordinary Share of the face value of ₹ 10/- each on 64,66,875 Ordinary Shares which was paid on 2nd March 2020 resulting in total cash outflow amounting to ₹ 3742.16 Lakhs (including Dividend Distribution Tax of ₹ 638.06 Lakhs).
- 5 As the Company's business activity falls within a single significant primary business segment i.e. Jute Goods, no separate segment information is disclosed.
- 6 The Company has adopted IND AS 116 – Leases with effect from 1st April, 2019. There is no material impact on Statement of Profit and Loss on application of IND AS 116.
- 7 The Company has opted to apply concessional rate of taxation as per the provisions of Section 115BAA of the Income Tax Act, 1961 made effective from financial year 2019-20 pursuant to Taxation Laws (Amendment) Ordinance, 2019 dated September 20, 2019. Accordingly, the provision for Income Tax and Deferred Tax balances have been recorded/re-measured using the new tax rate and the resultant impact is recognised in the Statement of Profit and Loss for the year ended 31st March, 2020.
- 8 In view of the nationwide lockdown declared by the Government to prevent the spread of Covid-19 pandemic, the operations at Budge Budge unit was under complete shut down from 23rd March, 2020 to 2nd May, 2020. The Falta SEZ unit was under complete shut down from 23rd March, 2020 to 21st April, 2020. The Company had gradually resumed operations at very low capacity as per the Government permission. The effect of Covid-19 pandemic shall have adverse impact on the financial performance of the Company.







# CHEVIOT COMPANY LIMITED

CIN: L65993WB1897PLC001409

Registered & Administrative Office

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**Group  
Cheviot**

Ref: CCL/Share/

Date: 5th June, 2020

To  
BSE Limited  
Phiroze Jeejeebhoy Towers  
Dalal Street, Fort  
Mumbai – 400 001

Ref: Company's Code No. 526817

Cheviot Company Limited: ISIN - INE974B01016

Dear Sir/Madam,

**Sub: Declaration of Audit Report with unmodified opinion(s) on Audited Standalone Financial Statements of the Company for the quarter and year ended 31st March, 2020**

Pursuant to Regulation 33(3)(d) of the SEBI (Listing Obligations and Disclosure Requirements)