



COSMO FERRITES LIMITED

(Govt. of India Recognised Export House)

CIN : L27106HP1985PLC006378

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CFR/SE/2020-21/NOV/02

November 10, 2020

The Manager (Listing)
Bombay Stock Exchange limited
PhirozeJeejeebhoy Towers,
Dalal Street,
Mumbat-400 001

Scrip Code: 523100

Security ID: COSMOFE

Sub: Audited Financial Results for the quarter ended as on September 30, 2020

Dear Sir,

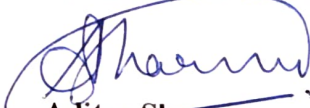
Pursuant to Regulation 30 read with Part A of Schedule III and Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, this is to inform that the Board of Directors of the Company at its meeting held today i.e. 10th November, 2020, has inter alia approved the Audited Financial Results of the Company for the Quarter ended as on 30th September, 2020. The Financial Results were duly reviewed by the Audit Committee and thereafter approved by the Board of Directors of the Company.

The meeting commenced at 12:15 PM and concluded at 1:20 P.M.

You are requested to take the same on records.

Thanking You

Yours faithfully
For Cosmo Ferrites Limited


Aditya Sharma

Company Secretary & Compliance Officer



Encl: as above



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

To
The Board of Directors of
Cosmo Ferrites Limited

Opinion

We have audited the accompanying quarterly financial results of Cosmo Ferrites Limited (the company) for the quarter ended 30th September, 2020 and the year to date results for the period from 1st April, 2020 to 30th September, 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 these financial results:

- i. are 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 recognition and measurement principles laid down in the applicable accounting standards and other accounting principles generally accepted in India of the net profit and other comprehensive income and other financial information for the quarter ended 30th September, 2020 and net loss and other comprehensive income and other financial information for the period from 1st April, 2020 to 30th September, 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 Standards are further described in the Auditor's Responsibilities for the Audit of the 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 results under the provisions of the Companies Act, 2013 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.



Responsibilities of Management and Those Charged with Governance for the Financial Statements

These quarterly financial results as well as the year to date financial results have been prepared on the basis of the interim financial statements. The Company's Board of Directors are responsible for the preparation of these financial results that give a true and fair view of the net loss and other comprehensive income and other financial information in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34, 'Interim Financial Reporting' prescribed under Section 133 of the Act read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. This responsibility also includes 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 design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial results that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial results, 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 are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Results

Our objectives are to obtain reasonable assurance about whether the 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 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 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, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.



- 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 Company's ability 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 financial results 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 financial results, including the disclosures, and whether the financial results represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

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.

Place: New Delhi
Date: 10.11.2020
UDIN: 20521915AAAAFJ5844



For Suresh Kumar Mittal & Co.
Chartered Accountants
Firm Registration No. 500063N

(ANKUR BAGLA)
PARTNER

Membership Number: 521915

COSMO FERRITES LIMITED
AUDITED FINANCIAL RESULTS

Sl. No.	Particulars	Quarter Ended			Half Year Ended		Rs in lakhs
		30.09.2020	30.06.2020	30.09.2019	30.09.2020	30.09.2019	Year Ended
							31.03.2020
I.	Revenue from operations	1,838	728	1,500	2,566	3,232	5,501
II.	Other Income	30	15	21	45	62	98
III.	Total Revenue (I+II)	1,868	743	1,521	2,611	3,294	5,599
IV.	Expenses						
	(a) Cost of materials consumed	483	238	661	719	1,239	2,050
	(b) Change in inventories of finished goods, work in progress and stock in trade	213	(150)	(158)	63	(19)	107
	(c) Employees benefits expense	334	250	393	584	770	1,414
	(d) Finance costs	92	78	116	170	231	418
	(e) Depreciation and amortisation expense	98	98	93	196	186	375
	(f) Other expenses	612	352	607	964	1,182	2,237
	Total expenses	1,832	864	1,712	2,696	3,589	6,601
V.	Profit / (Loss) before exceptional items and tax (III-IV)	36	(121)	(191)	(85)	(295)	(1,002)
VI.	Exceptional items	2	-	-	2	-	(2)
VII.	Profit / (Loss) before tax (V-VI)	38	(121)	(191)	(83)	(295)	(1,004)
VIII.	Tax expense						
	(i) Current Tax	-	-	-	-	-	-
	(ii) Deferred Tax	(1)	4	(1)	3	(2)	(1)
	Total tax expense	(1)	4	(1)	3	(2)	(1)
IX.	Profit / (Loss) for the period (VII-VIII)	39	(125)	(190)	(86)	(293)	(1,003)
X.	Other comprehensive income						
	Items that will not be reclassified to profit or loss	-	(9)	3	(9)	6	1
	Items that will be reclassified to profit or loss	-	-	-	-	-	-
	Total other comprehensive income	-	(9)	3	(9)	6	1
XI.	Total comprehensive income (IX + X)	39	(134)	(187)	(95)	(287)	(1,002)
XII.	Paid-up equity share capital of Rs. 10/- each	1,203	1,203	1,203	1,203	1,203	1,203
XIII.	Other Equity						175
XIV.	Earnings Per Equity Share (EPS) (In Rs.)						
	Basic	0.31	(1.03)	(1.59)	(0.72)	(2.44)	(8.34)
	Diluted	0.31	(1.03)	(1.59)	(0.72)	(2.44)	(8.34)

SUMMARY OF ASSETS AND LIABILITIES AS AT 30th SEPTEMBER 2020

Particulars	As at	As at
	30.09.2020	31.03.2020
A ASSETS		
1 Non-current assets		
(a) Property, Plant and Equipment	5489	5686
(b) Capital Work in Progress	0	-
(c) Other Financial Assets	73	53
Sub-total - Non-current assets	5662	5739
2 Current assets		
(a) Inventories	1015	997
(b) Financial Assets		
(i) Trade receivables	855	714
(ii) Cash and cash equivalents	54	21
(iii) Bank balance other than cash and cash equivalents	90	132
(iv) Other Current Financial Assets	73	64
(c) Income Tax Assets (net)	30	32
(d) Current Tax Assets	186	167
Sub-total - Current assets	2303	2127
TOTAL - ASSETS	7865	7866
A EQUITY AND LIABILITIES		
EQUITY		
(a) Equity Share Capital	1203	1203
(b) Other Equity	80	175
Sub-total - Shareholder's funds	1283	1378
LIABILITIES		
1 Non-current liabilities		
(a) Financial Liabilities		
(i) Borrowings	949	586
(b) Provisions	233	233
(c) Deferred tax liabilities (net)	-	-
(c) Other Non Current Liabilities	3	3
Sub-total - Non-current liabilities	1185	822
2 Current liabilities		
(a) Financial Liabilities		
(i) Borrowings	3340	3400
(ii) Trade payables		
(a) Total outstanding of micro, small and medium enterprises	297	353
(b) Total outstanding of other than micro, small and medium enterprises	686	1071
(iii) Other Financial Liabilities	303	176
(b) Provisions	22	22
(c) Other current liabilities	749	644
Sub-total - Current liabilities	5397	5666
TOTAL - EQUITY AND LIABILITIES	7865	7866

CASH FLOW STATEMENT FOR THE HALF YEAR ENDED 30th SEPTEMBER 2020		
Particulars	Half Year Ended 30.09.2020	Half Year Ended 30.09.2019
Net Profit/(Loss) before Tax	(82)	(285)
Adjustments for:-		
Depreciation and amortisation	196	186
Interest paid	156	204
(Profit) / Loss on sale of fixed assets	6	-
Actuarial Gain/Loss classified as Other Comprehensive Income	(13)	8
Operating profit /(loss) before working capital changes	263	103
Adjustment for (increase) /decrease in operating assets		
Inventories	(18)	(18)
Trade and other receivables	(189)	(180)
Trade payable and other liabilities	(336)	130
Cash generated from operations	(280)	55
Interest paid	(156)	(204)
Net income tax(paid)/refunds	2	-
Net Cash flow from /(used in) operating activities(A)	(434)	(149)
Cash Flow from Investing Activities		
Purchase of fixed assets	(6)	(48)
Bank balance other than cash and cash equivalents	42	(18)
Sale of fixed assets	3	-
Net Cash flow from/(used in) Investing Activities(B)	37	(64)
Cash Flow from Financing Activities		
Proceeds from long term borrowings	491	(164)
Proceeds from buyer's credit	-	-
Increase in bank borrowings	(210)	38
Increase in short term borrowings	150	390
Net Cash Flow from /(used in) Financing Activities (C)	431	264
Net Increase /(decrease) in Cash and Cash Equivalents (A+B+C)	34	51
Cash and cash equivalents at the beginning of the year	20	7
Cash and cash equivalents at the end of the year	54	58

Notes: Figures in bracket represent cash outflow

Notes :

- The above statement of audited financial result was taken on record by the Board of Directors in their meeting held on 10th November 2020. The statutory auditors have expressed an unmodified audit opinion on these results.
- These standalone financial results have been prepared in accordance with the Indian Accounting Standards (Ind-AS) as prescribed under Section 133 of the Companies Act, 2013 read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and relevant amendment rules thereunder.
- The operations of the company were impacted by Covid -19 Pandemic during Q1 FY 2020-21 due to lockdown enforced by the Government of India. Subsequently during Q2 FY 2020-21, operations of the Company have returned to near normalcy. The management has exercised due care in concluding on significant accounting judgements and estimates, inter-alia, recoverability of receivables, impairment assessment of financial and non-financial assets, realisability of Inventory and overall liquidity. The management believes that with financial support measures being extended by the Company's bank, the Company will be able to discharge the future liabilities as and when falling due. The Company will continue to monitor current and future conditions and impact thereof on Company's operations.
- Exceptional items represent gain/(loss) on disposal/settlement of some of the remaining assets and liabilities of the discontinued operations.

Place : New Delhi
Date : 10.11.2020



Amrish Jaipuria
Executive Director & C.E.O

COSMO FERRITES LIMITED
Regd. Office : Jabli, Distt Solan, Himachal Pradesh - 173 209