

SURYALAKSHMI COTTON MILLS LTD

(AN IS/ISO 9001 : 2015 & ISO 14001 : 2015 CERTIFIED COMPANY)

15th September, 2020.

To National Stock Exchange of India Limited "Exchange Plaza" Bandra-Kurla Complex Bandra (East) <u>MUMBAI - 400 051</u> Scrip Code : SURYALAXMI	To Department of Corporate Services, BSE Limited, 1 st floor, New Trading Ring, Rotunda Building, P.J. Towers, Dalal street, Fort, <u>MUMBAI 400 001.</u> Scrip No.: 521200
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Dear Sir,

Ref.: SURYALAXMI

Reg.: Unaudited financial results for the quarter ended 30/06/2020.

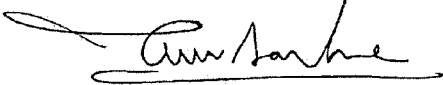
As per Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we are herewith enclosing a copy of the Unaudited Standalone Financial Results for the quarter ended 30/06/2020, which were taken on record by the Board of Directors at their meeting held on 15/09/2020.

We are also enclosing herewith a copy of the Limited Review Report for the quarter ended 30/06/2020.

This is for your information and records.

Thanking you,

Yours faithfully,
for SURYALAKSHMI COTTON MILLS LIMITED



E.V.S.V.SARMA
COMPANY SECRETARY



GOVERNMENT RECOGNISED EXPORT HOUSE

Regd. Office : Surya Towers, 6th Floor, 105 Sardar Patel Road, Secunderabad - 500 003. Telangana, INDIA

CIN Number : L17120TG1962PLC000923

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SURYALAKSHMI COTTON MILLS LIMITED

Regd. office : Surya towers, 6th Floor, 105 S.P Road, Secunderabad - 500003. Ph.:040-27885200
email : slcmltd@suryalakshmi.com; website : www.suryalakshmi.com; CIN - L17120TG1962PLC000923

UNAUDITED FINANCIAL RESULTS FOR THE QUARTER ENDED JUNE 30, 2020

(Rs. In lakhs)

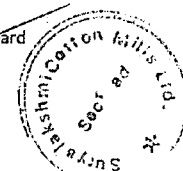
Particulars	For the Quarter Ended			For the Year Ended
	30-Jun-20	31-Mar-20	30-Jun-19	31-Mar-20
	Unaudited	Audited	Unaudited	Audited
I Revenue from operations	4,228.30	12,948.70	13,255.31	53,886.82
II Other income	119.29	100.84	70.32	323.74
III Total Revenue(I+II)	4,347.59	13,049.54	13,325.63	54,210.55
IV Expenses				
Cost of materials consumed	2,648.64	8,278.17	6,967.68	32,332.42
Purchase of stock in trade	15.91	(5.10)	4,075.22	5,007.15
Change in inventories of finished goods, stock in trade and work in progress	819.04	(608.21)	(828.75)	(3,323.22)
Employee benefit Expenses	427.51	1,250.77	953.27	5,131.72
Finance costs	799.56	741.45	850.71	3,279.89
Depreciation and amortisation expenses	500.67	549.83	544.48	2,202.19
Other expenses	823.44	3,201.83	1,848.58	11,878.25
Total Expenses(IV)	6,034.76	13,408.73	14,411.19	56,508.40
V Profit/(loss) before exceptional items and tax(III-IV)	(1,687.17)	(359.19)	(1,085.56)	(2,297.85)
VI Exceptional Items	-	14.51	1.82	2.49
VII Profit/(loss) before tax (V+VI)	(1,687.17)	(344.69)	(1,083.74)	(2,295.36)
VIII Tax expense:				
Current tax - MAT for the current year	-	-	-	-
Deferred tax	(523.80)	(96.74)	(333.02)	(687.73)
Earlier years tax	-	-	-	-
IX Profit/(loss) for the period from continuing operations (VII-VI)	(1,163.37)	(247.95)	(750.72)	(1,607.63)
X Profit/(loss) from discontinued operations	(66.59)	(1,722.58)	(147.55)	(2,274.37)
XI Tax expense on discontinued operations	(19.80)	(535.77)	(44.36)	(704.54)
XII Profit/(loss) from discontinued operations (after tax) (X-XI)	(46.79)	(1,186.81)	(103.20)	(1,569.83)
XIII Profit/(loss) for the period (IX+XII)	(1,210.16)	(1,434.76)	(853.92)	(3,177.47)
XIV OTHER COMPREHENSIVE INCOME				
A-(i) Items that will not be reclassified to the profit or loss	16.37	(192.62)	(0.12)	(191.56)
(ii) Income tax on items that will not be reclassified to the profit or loss	(5.11)	60.11	-	60.11
B-(i) Items that will be reclassified to the profit or loss	-	-	-	-
(ii) Income tax on items that will be reclassified to the profit or loss	-	-	-	-
Total Other Comprehensive Income (net of taxes)	11.26	(132.51)	(0.12)	(131.45)
XV Total Comprehensive Income for The Period (XIII+XIV)	(1,198.90)	(1,567.27)	(854.04)	(3,308.92)
XVI Earnings per Equity share (for continuing operations) -Basic and diluted (In Rs.)	(6.98)	(1.49)	(4.50)	(9.64)
XVII Earnings per Equity share (for discontinued operations) - Basic and diluted (In Rs.)	(0.28)	(7.12)	(0.62)	(9.42)
XVIII Earnings per Equity share (for discontinued & continuing operations) -Basic and diluted (In Rs.)	(7.26)	(8.61)	(5.12)	(19.06)
Weighted average number of equity shares (Face Value of Rs. 10 e	1,66,72,290	1,66,72,290	1,66,72,290	1,66,72,290

Notes:

- The above results for the quarter ended 30th June 2020, were reviewed by Audit Committee and approved by the Board of Directors at the meeting held on 15th September, 2020 and Statutory Auditors have carried out limited review.
- The Financial Results have been prepared in accordance with the recognition and measurement principles laid down in the Ind AS - 34 Interim Financial Reporting prescribed under section 133 of the Companies Act 2013 read with the relevant rules issued thereunder and other accounting principles generally accepted in India.
- (i) The operations have not yet become normal on account of non availability of entire work force and also very poor consumer interest due to COVID-19 affected public sentiments. The denim division has partially resumed operations as the domestic markets for denim in Delhi /Mumbai are yet to open up. The impact of COVID-19 on the operations and profitability of the Company will unfold only in the coming months after the markets open up and travel restrictions are eased internationally. (ii) The company has not provided for any allowance for the expected credit losses on trade receivables and has not provided any loss provision on the inventory as the management believes that their value will be realised over the normal course of business and there is no impact due to COVID 19 on the collectibility of these assets.
- (i) As the Company's Garment Division has become unviable on account of lack of demand /reduced margins due to cheaper Imports of Garments from Bangladesh, Sri Lanka, etc., under FTA, higher labour cost, the Company has closed down the division. Accordingly as required by the Ind AS 105 the operating results of the Garment Division have been regrouped and shown separately under Profit / Loss from discontinued operations. The loss of Rs. 13.78 crores on valuation of Garment assets held for sale, at lower of the (i) carrying value (ii) Fair Market Value (FMV) as of 31st March 2020, is included within the loss from discontinued operations for the quarter and year ended 31st March 2020. (ii) The Company has stopped operating its Captive Power Plant with effect from 1st November, 2019 and decided to draw its power requirement from MSEDCL.
- Expenses are recognised in statement of profit and loss using a classification based on the nature of expense method as per para 99 of Ind AS 1, Presentation of financial statements
- Deferred Tax for the current quarter is provided on the loss for the quarter.
- The above mentioned income from operations are disclosed net of GST collected on sales.

For and On behalf Of Board

PARITOSH AGARWAL
MANAGING DIRECTOR



Place : Secunderabad
Date : 15/09/2020

SURYALAKSHMI COTTON MILLS LIMITED

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UNAUDITED SEGMENT-WISE REVENUE, RESULTS, ASSETS AND LIABILITIES FOR THE QUARTER ENDED JUNE 30, 2020

(Rs. In lakhs)

Particulars	For the Quarter Ended			For the Year Ended
	30-Jun-20	31-Mar-20	30-Jun-19	31-Mar-20
	Unaudited	Audited	Unaudited	Audited
1. Segment Revenue				
a) Spinning	2,857.06	7,737.85	8,797.24	35,415.76
b) Denim manufacturing	1,490.97	6,577.53	5,039.87	25,490.57
c) Power Plant	-	1.58	39.11	388.02
d) Unallocated	15.68	2.16	19.68	48.15
Total	4,363.72	14,319.12	13,895.90	61,342.50
Less: Inter Segment Revenue	16.13	1,269.58	570.27	7,131.95
Total Revenue	4,347.59	13,049.54	13,325.63	54,210.55
2. Segment Results (Profit)(+)/Loss (-) before Tax and Finance charges from each segment)				
a) Spinning	(328.79)	864.97	528.86	2,744.97
b) Denim manufacturing	(482.23)	(383.00)	(648.96)	(1,425.17)
c) Power Plant	(92.38)	(86.42)	(132.62)	(382.88)
Total	(903.39)	395.55	(252.71)	936.92
Less: i) Finance charges	799.56	741.45	850.71	3,279.89
ii) Other Un-allocable Expenditure net off				
Add: Un-allocable income	15.78	1.21	19.68	47.62
Total Profit before Tax from continuing operations	(1,687.17)	(344.69)	(1,083.74)	(2,295.36)
3. Segment Assets				
a) Spinning	25,554.33	24,342.52	27,212.46	24,342.52
b) Denim manufacturing	29,284.72	31,084.51	29,100.88	31,084.51
c) Power Plant	11,127.20	11,219.58	11,659.80	11,219.58
d) Garment (held for sale)	3,795.43	3,874.56	6,237.38	3,874.56
e) Unallocated	1,873.85	2,112.82	3,224.82	2,112.82
Total	71,635.52	72,633.98	77,435.34	72,633.98
4. Segment Liabilities				
a) Spinning	14,456.16	13,470.62	18,284.49	13,470.62
b) Denim manufacturing	16,338.26	17,184.42	13,162.72	17,184.42
c) Power Plant	12,831.22	12,567.61	12,537.25	12,567.61
d) Garment (relating to assets held for sale)	4,841.23	5,041.84	6,654.32	5,041.84
e) Unallocated	704.17	706.12	678.31	706.12
Total	49,171.04	48,970.61	51,317.08	48,970.61

Surya Lakshmi Cotton Mills Ltd.
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Limited Review Report – Financial Results

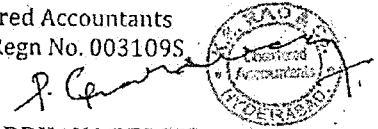
To the Board of Directors of SURYA LAKSHMI COTTON MILLS Limited,

1. We have reviewed the accompanying Statement of Unaudited Financial Results of SURYA LAKSHMI COTTON MILLS LIMITED (“the Company”) for the quarter ended 30th June 2020 being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with SEBI Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016.

This statement is the responsibility of the Company’s Management and has been approved by the Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 “Interim Financial Reporting”, prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to issue a report on the financial statement based on our review.

2. We conducted our review 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 Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the financial statements are free from material misstatements. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.
3. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying statement of unaudited financial results prepared in accordance with applicable Indian Accounting Standards (Ind AS) and other recognized accounting principles and policies, has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as modified by Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016, including the manner in which it is to be disclosed, or that it contains any material misstatement.

for K S Rao & Co.
Chartered Accountants
firm’s Regn No. 003109S



(P. GOVARDHANA REDDY)

Partner

Membership No. 029193

UDIN : 20029193 AAAA IB 3090

Place : Hyderabad
Date : 15th Sept, 2020