

**SURYALAKSHMI COTTON MILLS LIMITED**

Regd. office : Surya towers, 6th Floor, 105 S.P Road, Secunderabad - 500003. Ph.:040-27819856 / 30571600  
email : slcmltd@suryalakshmi.com; website : www.suryalakshmi.com; CIN - L17120AP1962PLC000923

**UNAUDITED FINANCIAL RESULTS FOR THE QUARTER/HALF YEAR ENDED SEPTEMBER 30, 2017**

(Rs. In lakhs)

Particulars	For the Quarter Ended			For Six Months Ended	
	30-Sep-17	30-Jun-17	30-Sep-16	30-Sep-17	30-Sep-16
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited
I Revenue from operations	17,457.53	17,425.62	20,030.04	34,883.15	39,109.62
II Other income	152.16	69.85	156.41	222.02	181.16
III Total Revenue(I+II)	17,609.69	17,495.47	20,186.45	35,105.17	39,290.78
IV Expenses					
Cost of materials consumed	10,292.18	11,201.71	11,490.01	21,493.89	21,923.59
Purchase of stock In trade	-	-	-	-	-
Change in inventories of finished goods, stock in trade and work in progress	(278.86)	(2,727.02)	(1,637.38)	(3,005.88)	(3,164.26)
Employee benefit Expenses	1,862.26	1,846.71	1,869.25	3,708.97	3,681.61
Finance costs	974.53	877.37	938.30	1,851.90	1,912.25
Depreciation and amortisation expenses	720.15	688.68	811.07	1,408.83	1,613.30
Other expenses	3,998.98	5,568.28	5,400.22	9,567.26	10,878.47
Total Expenses(IV)	17,569.23	17,455.74	18,871.46	35,024.97	36,844.96
V Profit before exceptional items and tax(III-IV)	40.46	39.74	1,315.00	80.20	2,445.82
VI Exceptional Items	(3.16)	40.09	14.38	36.93	14.90
VII Profit before tax	37.30	79.83	1,329.38	117.14	2,460.72
VIII Tax expense:					
Current tax - MAT	6.00	17.00	299.00	23.00	550.00
Mat Credit Entitlement	-	-	-	-	-
Deferred tax	7.00	10.63	150.29	17.63	300.41
Earlier years tax	-	-	-	-	-
IX Profit for the period (VII-VIII)	24.30	52.20	880.10	76.51	1,610.31
X OTHER COMPREHENSIVE INCOME					
A-(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					
B-(i) Items that will not be reclassified to the profit or loss					
a) Remeasurement of Defined employee benefit					
(ii) Income tax on items that will not be reclassified to the profit or loss					
Total Other Comprehensive Income (net of taxes)	-	-	-	-	-
Total Comprehensive Income for The Period	24.30	52.20	880.10	76.51	1,610.31
XI Earnings per Equity share-Basic and diluted	0.15	0.31	5.28	0.46	9.66
Weighted average number of equity shares (Face Value of Rs. 10 each)	16,672,290	16,672,290	16,672,290	16,672,290	16,672,290



Notes:

1. The company has presented its financial results under Indian accounting standards ("Ind AS") and accordingly these 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 the other accounting principles generally accepted in India. Financial results for the comparative period have also been presented in accordance with the recognition and measurement principles of Ind AS-34

2. Reconciliation of Net profit between the financial results as previously reported (referred to as "Previous GAAP") and Ind AS are as under:

Nature of Adjustments	Note no	For Quarter Ended	For Six Months
		30-Sep-16	30-Sep-16
<u>AS per the Previous GAAP</u>		<b>942.04</b>	<b>1,716.86</b>
Interest	a	(67.65)	(114.89)
Depreciation Adjustment	b	3.36	6.69
Others	c	2.35	1.65
<u>AS per Ind AS</u>		<b>880.10</b>	<b>1,610.31</b>

**a. Measurement of financial liabilities**

As per Ind AS, certain financial liabilities like Term Loans from Financial Institutions, Preference shares, Sales tax Deferment and Loan from related parties have been recognised at fair value on initial recognition. Subsequently, those have been measured at amortised cost by using Effective Interest Method (EIR).

Hence the resultant interest has been charged to profit and loss.

**b. Excess depreciation**

Under Ind AS, upfront fees paid on long term loans is adjusted with the loan amount and measured at amortised cost using effective interest rate. Some of the upfront fees which were capitalised were reversed from Property, Plant and Equipment. As a result excess depreciation was also reversed back.

**c. Other adjustments**

Other adjustments include recognition of fair value gain on investments measured at Fair Value through Profit and Loss, adjustments for lease rental on leasehold land, amortisation of government grant on measurement of sales tax deferment at fair value and tax

3. The above mentioned income from operations are disclosed inclusive of excise duty except for current quarter ended 30th September 2017. For quarter ended 30th September, GST collected on sales is excluded from Revenue as per Ind AS 18 - Revenue.

4. The above unaudited financial results have been reviewed by the audit committee and approved by the board at their meeting held on 7th December, 2017. The statutory auditors of the company have carried out limited review of the results for the quarter ended 30th September, 2017. Figures for the quarter and half year ended 30th September 2016 prepared under Ind AS are not subjected to Limited Review. However the management has exercised necessary due diligence to ensure that the financial results provide a true and fair view of its affairs and performance.

5. The comparative results for quarter ended 30th June 2017 were reviewed by the predecessor statutory auditors.

6. Figures of the previous quarters/period have been regrouped and reclassified, wherever considered necessary to correspond with current period presentation.

Place : Secunderabad  
Date : 07/12/2017



For and On behalf Of Board

*L.N. Agarwal*  
L.N.AGARWAL  
CHAIRMAN & MANAGING DIRECTOR

**SURYALAKSHMI COTTON MILLS LIMITED**

CIN-L17120AP1962PLC000923

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**UNAUDITED SEGMENT-WISE REVENUE, RESULTS, ASSETS AND LIABILITIES FOR THE QUARTER/HALF YEAR ENDED SEPTEMBER 30,**  
(Rs. In lakhs)

Particulars	For the Quarter Ended			For Six Months Ended	
	30-Sep-17	30-Jun-17	30-Sep-16	30-Sep-17	30-Sep-16
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited
<b>1. Segment Revenue</b> (Inclusive of excise duty from each segment)					
a) Spinning	8,970.05	9,895.46	10,621.46	18,865.51	19,577.68
b) Denim manufacturing	8,709.59	8,801.69	10,253.67	17,511.28	21,246.57
c) Power Plant	915.15	790.87	1,118.69	1,706.02	2,226.68
d) Garment	1,945.61	1,650.18	1,867.67	3,595.79	3,709.21
Total	20,540.39	21,138.20	23,861.49	41,678.59	46,760.14
Less: Inter Segment Revenue	3,082.86	3,712.58	3,831.45	6,795.44	7,650.52
<b>Net Sales/Income from Operations</b>	<b>17,457.53</b>	<b>17,425.62</b>	<b>20,030.04</b>	<b>34,883.15</b>	<b>39,109.62</b>
<b>2. Segment Results (Profit)(+)/Loss (-) before Tax and Finance charges from each segment)</b>					
a) Spinning	430.45	455.14	621.89	885.59	1,012.60
b) Denim manufacturing	402.88	560.70	1,293.16	963.59	2,650.35
c) Power Plant	22.85	40.24	163.25	63.09	320.09
d) Garment	155.64	(98.87)	189.38	56.76	389.93
Total	1,011.82	957.21	2,267.68	1,969.03	4,372.97
Less: i) Finance charges	974.53	877.37	938.30	1,851.90	1,912.25
ii) Other Un-allocable Expenditure net off					
Add: Un-allocable income					
<b>Total Profit before Tax</b>	<b>37.30</b>	<b>79.84</b>	<b>1,329.38</b>	<b>117.13</b>	<b>2,460.72</b>
<b>3. Segment Assets</b>					
a) Spinning	29,142.88	28,302.01	29,306.07	29,142.88	29,306.07
b) Denim manufacturing	35,326.30	35,153.10	31,453.19	35,326.30	31,453.19
c) Power Plant	12,714.45	13,130.48	13,460.40	12,714.45	13,460.40
d) Garment	6,360.28	6,108.14	5,266.26	6,360.28	5,266.26
Total	83,543.91	82,693.73	79,485.91	83,543.91	79,485.91
<b>4. Segment Liabilities</b>					
a) Spinning	21,051.50	20,111.59	21,116.46	21,051.50	21,116.46
b) Denim manufacturing	15,165.60	14,918.34	12,072.55	15,165.60	12,072.55
c) Power Plant	12,886.65	13,225.62	13,402.16	12,886.65	13,402.16
d) Garment	5,927.86	5,749.53	4,632.91	5,927.86	4,632.91
Total	55,031.61	54,005.07	51,224.09	55,031.61	51,224.09


  
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**UNAUDITED BALANCE SHEET AS AT 30th SEPTEMBER 2017**

(Rs. in Lakhs)

Particulars	As at 30-Sep-2017
<b>ASSETS</b>	
<b>Non-current assets</b>	
(a) Property, Plant and Equipment	40,746.42
(b) Capital work-in-progress	807.13
(c) Intangible assets	29.39
(d) Financial Assets	
(i) Loans	524.56
(ii) Other financial assets	369.37
(e) Other non-current assets	580.73
	<b>43,057.60</b>
<b>Current assets</b>	
(a) Inventories	18,884.95
(b) Financial Assets	
(i) Investments	7.29
(ii) Trade receivables	13,674.66
(iii) Cash and cash equivalents	275.24
(iv) Others financial assets	4,952.56
(c) Other current assets	2,691.61
	<b>40,486.30</b>
<b>Total Assets</b>	<b>83,543.90</b>
<b>EQUITY AND LIABILITIES</b>	
<b>Equity</b>	
(a) Equity Share capital	1,844.53
(b) Other Equity	26,667.77
	<b>28,512.30</b>
<b>Liabilities</b>	
<b>Non - current liabilities</b>	
(a) Financial Liabilities	
(i) Borrowings	14,758.89
(b) Provisions	586.27
(c) Deferred tax liabilities	4,063.18
(d) Other Non Current Liabilities	36.11
	<b>19,444.45</b>
<b>Current liabilities</b>	
(a) Financial Liabilities	
(i) Borrowings	17,963.38
(ii) Trade payables	-
(A) total outstanding dues of micro enterprises and small enterprises: and	-
(B) total outstanding dues of creditors other than micro enterprises and small enterprises	9,726.23
(iii) Other financial liabilities	6,154.72
(b) Other current liabilities	702.62
(c) Provisions	928.29
(d) Current tax liabilities	111.93
	<b>35,587.16</b>
<b>Total Equity and Liabilities</b>	<b>83,543.90</b>





**Limited Review Report**

**Review Report**

**To the Board of Directors of SuryaLakshmi 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 and half year ended 30th September, 2017 (the "statement") 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 these financial statements 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. The figures for quarter ended 30th June 2017 and quarter and half year ended 30th September 2016 included in this statement under report were reviewed/audited by another firm of Chartered Accountants, who were the immediate preceding statutory auditors, who expressed an unmodified conclusion/opinion thereon.
4. 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

Place : Hyderabad  
Date : 07.12.2017