

# SURYALAKSHMI COTTON MILLS LTD



(AN IS/ISO 9001 : 2008 & ISO 14001 : 2004 CERTIFIED COMPANY)

May 19, 2018.

To

Department of Corporate Services,  
Bombay Stock Exchange Limited,  
1st Floor, New Trading Ring,  
Rotunda Building, P.J. Towers,  
Dalal Street, Fort,  
**MUMBAI - 400 001.**

Dear Sir,

**Ref.: 521200**

**Reg.: Audited financial results for the quarter and year ended 31/03/2018.**

As per Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we are herewith enclosing a copy of the Annual Audited Financial Results along with Audit Report for the year ended 31/03/2018, which were taken on record by the Board of Directors at their meeting held on 19/05/2018 concluded at 3.40 p.m.

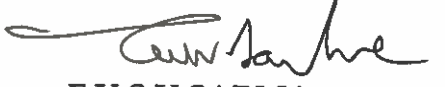
Also please find enclosed the statement of Assets & Liabilities for the year ended 31/03/2018.

We further declare that the Auditors have issued Audit Report with unmodified opinion on annual audited financial results for the financial year ended 31st March, 2018.

You may kindly inform your members accordingly.

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

Phone : +91-40-30571600, 27819856 / 857, Fax : +91-40-27846854

E-MAIL : slcmllid@suryalakshmi.com WEBSITE : www.suryalakshmi.com

**SURYALAKSHMI COTTON MILLS LIMITED**

Registered Office :Surya towers, 6th Floor,105 S.P Road, Secunderabad -500 003. Ph.: 040-27819856 / 30571600  
email : slcm ltd@suryalakshmi.com; website : www.suryalakshmi.com; CIN - L17120TG1962PLC000923

**STATEMENT OF UNAUDITED / AUDITED RESULTS FOR THE QUARTER ENDED 31.03.2018**

(Rs. in lakhs)

Particulars	For the Quarter Ended			For the Year Ended	
	31-Mar-18	31-Dec-17	31-Mar-17	31-Mar-18	31-Mar-17
	Unaudited			Audited	Audited
I Revenue from operations	24,300.59	16,849.57	24,026.46	76,058.53	77,709.33
II Other income	32.36	107.70	(80.99)	336.87	108.45
III Total Revenue(I+II)	24,332.95	16,957.28	23,945.47	76,395.40	77,817.77
IV Expenses					
Cost of materials consumed	9,886.44	10,001.91	11,329.33	41,382.23	42,524.27
Purchase of stock in trade	3,322.87	-	-	3,322.87	-
Change in inventories of finished goods, stock in trade and work in progress	3,296.09	(1,024.72)	3,571.79	(734.52)	(2,473.98)
Employee benefit Expenses	1,971.44	1,887.60	1,720.34	7,568.01	7,134.13
Finance costs	1,057.70	988.12	891.90	3,897.72	3,755.47
Depreciation and amortisation expenses	754.60	724.31	688.76	2,887.74	3,103.16
Other expenses	4,096.23	4,352.19	5,269.95	18,015.67	20,915.59
Total Expenses(IV)	24,385.37	16,929.39	23,472.06	76,339.72	74,958.64
V Profit/(loss) before exceptional items and tax(III-IV)	(52.41)	27.88	473.41	55.68	2,859.14
VI Exceptional Items	178.91	-	195.18	215.84	210.08
VII Profit/(loss) before tax (V+VI)	126.50	27.88	668.58	271.52	3,069.21
VIII Tax expense:					
Current tax - MAT for the current year	32.44	8.00	168.72	63.44	720.72
Deferred tax	(324.60)	-	97.76	(306.97)	397.61
Earlier years tax	-	-	-	-	-
IX Profit/(loss) for the period from continuing operations (VII-VI)	418.66	19.88	402.10	515.05	1,950.88
X Profit/(loss) from discontinued operations	-	-	-	-	-
XI Tax expense on discontinued operations	-	-	-	-	-
XII Profit/(loss) from discontinued operations (after tax) (X-XI)	-	-	-	-	-
XIII Profit/(loss) for the period (IX+XII)	418.66	19.88	402.10	515.05	1,950.88
XIV OTHER COMPREHENSIVE INCOME					
A-(i) Items that will not be reclassified to the profit or loss	(57.72)	-	(36.87)	(57.72)	(36.87)
(ii) Income tax on items that will not be reclassified to the profit or loss	18.45	-	12.60	18.45	12.60
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)	(39.27)	-	(24.27)	(39.27)	(24.27)
XV Total Comprehensive Income for The Period (XIII+XIV)	379.39	19.88	377.83	475.78	1,926.61
XVI Earnings per Equity share (for continuing operations) -Basic and diluted (In Rs.)	2.51	0.12	2.41	3.09	11.70
XVII Earnings per Equity share (for discontinued operations) -Basic and diluted (In Rs.)	-	-	-	-	-
XVIII Earnings per Equity share (for discontinued & continuing operations) -Basic and diluted (In Rs.)	2.51	0.12	2.41	3.09	11.70
Weighted average number of equity shares (Face Value of Rs. 10)	16,672,290	16,672,290	16,672,290	16,672,290	16,672,290



*Signature*

**Notes:**

- The above results for the quarter/year ended 31st March 2018, were reviewed by Audit Committee and approved by the Board of Directors at the meeting held on 19th May, 2018 and Statutory Auditors have audited them.
- The Financial Results of the company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 as amended by the Companies (Indian Accounting Standards) Amendment Rules, 2016. The Company adopted Ind AS from 1st April 2017 and accordingly the financial results (including for all the period presented in accordance with Ind AS 101 - First time adoption of Indian Accounting Standards) have been prepared in accordance with the recognition and measurement principle 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.
- The format for audited quarterly results as prescribed in SEBI's Circular CIR/CFD/CMD/15-2015, dated 30th November 2015, has been modified to comply with requirements of SEBI's circular dated 5th July, 2016.
- 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
- The results for the quarter/year ended 31st March 2017 have been restated to comply with Ind AS to make them comparable. Further previous quarter figures have been regrouped/reclassified, wherever necessary, to conform with the current period presentation to comply with Ind AS.
- The above mentioned income from operations are disclosed inclusive of excise duty in respect of garments division except for current quarter ended 31st March 2018 and previous quarter ended 31st December 2017. For these 2 quarters, GST collected on sales of all divisions is excluded from Revenue as per Ind AS 18 - Revenue.
- The figures of the Current quarter and quarter ended 31st March, 2017 are the balancing figures between the audited figures of the full financial year ended 31st March, 2018 and 31st March, 2017, respectively and the published year to date figures upto third quarter ended 31st December, 2017 and 31st December, 2016, respectively
- Consequent to transition to Ind AS, in accordance with para 32 of Ind AS 101 - First time adoption of Ind AS, reconciliation between net profit under 'Previous Indian GAAP' and total comprehensive income as per Ind AS for the quarter/ year ended 31st March 2017 is as follows:

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

Nature of Adjustments	Note no	For Quarter Ended	For Year Ended
		31-Mar-17	31-Mar-17
<b>AS per the Previous GAAP</b>		<b>451.43</b>	<b>2,186.70</b>
Interest	a	(51.78)	(249.00)
Depreciation Adjustment	b	43.42	53.52
Others	c	22.54	23.18
Income tax	e	(63.52)	(63.52)
<b>Profit as per Ind AS</b>		<b>402.10</b>	<b>1,950.88</b>
Other Comprehensive Income			
Remeasurement of Defined benefit plans/ Equity Instruments FVTOCI	d	(36.87)	(36.87)
Income tax on above	e	12.60	12.60
<b>Total Comprehensive Income as per Ind AS</b>		<b>377.83</b>	<b>1,926.61</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 adjustments for lease rental on leasehold land, amortisation of government grant on measurement of sales tax deferment at fair value.

**d. Remeasurement of Defined benefit plans/Equity Instruments**

**FVTOCI**

As per Ind AS,

(i) actuarial gains/losses arising on remeasurement of Defined benefit obligations relating to Gratuity and leave encashment

(ii) fair value gain on equity investments measured at Fair Value through Other Comprehensive Income should be recognised in other comprehensive income.

**e. Income taxes**

Deferred tax impact on above adjustments are accounted for.

9. In terms of SEBI Circular CIR/CFD/CMD56/2016 dated May 27, 2016, the Company hereby declares that the Auditors have issued Audit Report with unmodified opinion on annual audited financial results for the financial year ended 31st March, 2018.

For and On behalf Of Board

*L.N. Agarwal*

L.N. AGARWAL  
CHAIRMAN & MANAGING DIRECTOR



Place : SECUNDERABAD  
Date : 19th May, 2018.

**SURYALAKSHMI COTTON MILLS LIMITED**

Registered Office :Surya towers, 6th Floor,105 S.P Road, Secunderabad -500 003. Ph.: 040-27819856 / 30571600  
email : slcmltd@suryalakshmi.com; website : www.suryalakshmi.com; CIN - L17120TG1962PLC000923

**UNAUDITED / AUDITED SEGMENT-WISE REVENUE, RESULTS, ASSETS AND LIABILITIES FOR THE QUARTER/YEAR ENDED MARCH 31,  
(Rs. In lakhs)**

Particulars	For the Quarter Ended			For the Year Ended	
	31-Mar-18	31-Dec-17	31-Mar-17	31-Mar-18	31-Mar-17
	Unaudited			Audited	Audited
<b>1. Segment Revenue</b> (Inclusive of excise duty from each segment)					
a) Spinning	13,177.78	9,541.98	10,555.54	41,618.73	38,758.59
b) Denim manufacturing	11,182.85	8,483.03	14,194.25	37,324.43	43,410.61
c) Power Plant	1,035.15	763.43	1,087.01	3,504.59	4,282.00
d) Garment	2,264.83	1,675.93	1,841.66	7,549.57	6,862.68
e) Unallocated	7.24	2.52	11.51	38.02	26.99
<b>Total</b>	<b>27,667.85</b>	<b>20,466.90</b>	<b>27,689.98</b>	<b>90,035.35</b>	<b>93,340.87</b>
Less: Inter Segment Revenue	3,334.89	3,509.62	3,744.51	13,639.95	15,523.10
<b>Total Revenue</b>	<b>24,332.96</b>	<b>16,957.28</b>	<b>23,945.47</b>	<b>76,395.40</b>	<b>77,817.77</b>
<b>2. Segment Results (Profit)(+)/Loss (-) before Tax and Finance charges from each segment)</b>					
a) Spinning	1,192.57	791.95	240.87	2,858.98	1,558.96
b) Denim manufacturing	(169.05)	84.48	1,187.13	864.31	4,422.79
c) Power Plant	114.31	36.94	62.31	214.34	439.04
d) Garment	38.28	100.11	58.19	192.75	376.44
<b>Total</b>	<b>1,176.12</b>	<b>1,013.48</b>	<b>1,548.50</b>	<b>4,130.37</b>	<b>6,797.23</b>
Less: i) Finance charges	1,057.70	988.12	891.90	3,897.72	3,755.47
ii) Other Un-allocable Expenditure net off					
Add: Un-allocable income	8.09	2.52	11.98	38.87	27.46
<b>Total Profit before Tax</b>	<b>126.50</b>	<b>27.89</b>	<b>668.58</b>	<b>271.52</b>	<b>3,069.21</b>
<b>3. Segment Assets</b>					
a) Spinning	26,739.95	25,961.60	26,309.71	26,739.95	26,309.71
b) Denim manufacturing	35,909.33	35,541.31	33,204.81	35,909.33	33,204.81
c) Power Plant	12,461.04	12,415.30	12,647.62	12,461.04	12,647.62
d) Garment	6,683.25	7,127.71	6,122.54	6,683.25	6,122.54
e) Unallocated	3,156.77	2,485.69	2,611.20	3,156.77	2,611.20
<b>Total</b>	<b>84,950.34</b>	<b>83,531.62</b>	<b>80,895.89</b>	<b>84,950.34</b>	<b>80,895.89</b>
<b>4. Segment Liabilities</b>					
a) Spinning	20,565.75	19,432.90	20,276.44	20,565.75	20,276.44
b) Denim manufacturing	16,665.54	15,661.39	13,063.59	16,665.54	13,063.59
c) Power Plant	12,710.27	12,657.12	12,710.16	12,710.27	12,710.16
d) Garment	6,311.15	6,666.75	5,617.97	6,311.15	5,617.97
e) Unallocated	613.00	615.67	1,428.97	613.00	1,428.97
<b>Total</b>	<b>56,865.72</b>	<b>55,033.83</b>	<b>53,097.13</b>	<b>56,865.72</b>	<b>53,097.13</b>



**AUDITED BALANCE SHEET AS AT 31ST MARCH 2018**

(Rs. In Lakhs)

Particulars	As at 31-Mar-2018	As at 31-Mar-2017
<b>ASSETS</b>		
<b>Non-current assets</b>		
(a) Property, Plant and Equipment	40,263.41	40,810.01
(b) Capital work-in-progress	169.39	1,517.98
(c) Intangible assets	23.61	29.39
(d) Financial Assets		
(i) Loans	503.85	544.47
(ii) Other financial assets	52.25	274.58
(e) Other non-current assets	581.34	587.65
	<b>41,593.85</b>	<b>43,764.08</b>
<b>Current assets</b>		
(a) Inventories	17,316.49	17,755.51
(b) Financial Assets		
(i) Investments	5.02	5.87
(ii) Trade receivables	17,733.72	13,093.63
(iii) Cash and cash equivalents	104.29	219.38
(iv) Bank balances other than (iii) above	864.32	207.53
(v) Loans	38.26	49.98
(iv) Others financial assets	4,878.84	4,130.63
(c) Current tax asset (Net)	115.55	-
(d) Other current assets	2,300.01	1,669.28
	<b>43,356.48</b>	<b>37,131.80</b>
<b>Total Assets</b>	<b>84,950.33</b>	<b>80,895.88</b>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity</b>		
(a) Equity Share capital	1,844.53	1,844.53
(b) Other Equity	26,240.08	25,954.23
	<b>28,084.61</b>	<b>27,798.76</b>
<b>Liabilities</b>		
<b>Non - current liabilities</b>		
(a) Financial Liabilities		
(i) Borrowings	14,441.92	12,824.39
(b) Provisions	600.03	552.99
(c) Deferred tax liabilities (Net)	4,544.36	4,875.43
(d) Other Non Current Liabilities	32.82	39.39
	<b>19,619.14</b>	<b>18,292.20</b>
<b>Current liabilities</b>		
(a) Financial Liabilities		
(i) Borrowings	21,764.95	18,827.27
(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	10,038.78	7,641.36
(iii) Other financial liabilities	4,389.20	7,260.06
(b) Other current liabilities	718.19	665.90
(c) Provisions	335.46	268.49
(d) Current tax liabilities (Net)	-	141.85
	<b>37,246.58</b>	<b>34,804.93</b>
<b>Total Equity and Liabilities</b>	<b>84,950.33</b>	<b>80,895.88</b>





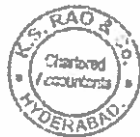
**AUDITOR'S REPORT ON AUDITED QUARTERLY FINANCIAL RESULTS AND YEAR TO DATE RESULTS OF THE COMPANY PURSUANT TO THE REGULATION 33 OF THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015**

To

The Board of Directors  
Surya Lakshmi Cotton Mills Limited  
6<sup>th</sup> Floor Surya Towers  
S P Road  
Secunderabad

We have audited the quarterly financial results of "SURYA LAKSHMI COTTON MILLS LIMITED SECUNDERABAD (CIN L17120 TG 1962 PLC 000923) for the quarter ended 31.03.2018 and the year to date results for the period 01.04.2017 to 31.03.2018 attached herewith, being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. These quarterly financial results as well as the year to date financial results have been prepared by the company's management. Our responsibility is to express an opinion on these financial results based on our audit of such financial statements, which have been prepared in accordance with the recognition and measurement principles laid down in Accounting Standards prescribed under section 133 of the Companies Act, 2013 read with Companies(Indian Accounting Standards)Rules 2015 issued thereunder, or by the Institute of Chartered Accountants of India, as applicable and other accounting principles generally accepted in India.

We conducted our audit in accordance with the auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial results are free of material misstatement(s). An audit includes examining, on a test basis, evidence supporting the amounts disclosed as financial results. An audit also includes assessing the accounting principles used and significant estimates made by management. We believe that our audit provides a reasonable basis for our opinion.



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In our opinion and to the best of our information and according to the explanations given to us these quarterly financial results as well as the year to date results:

- (i) are presented in accordance with the requirements of Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 in this regard;
- (ii) give a true and fair view of the profit for the Quarter ended 31.03.2018 and other financial information for the quarter ended 31.03.2018 as well as the year to date results for the period from 01.04.2017 to 31.03.2018; and
- (iii) the results for the quarter ended March 31, 2018 being the balance figure between audited figures in respect of full financial year and the published year to date figures up to the end of third quarter of the current financial year.

Place: Hyderabad  
Date: 19th May, 2018

for K.S. RAO & Co.,  
Chartered Accountants  
Firm Regn.No.0031095  
  
(P. GOVARDHANA REDDY)  
Partner  
Membership No.029193