

Sri Lakshmi Saraswathi Textiles (Arni) Limited

"CIN : L17111TN1964PLC005183"

RO/MS/SEC- 286 /2020-21

November 12, 2020

The Secretary
BSE Limited
25, Phiroze Jeejeebhoy Towers
Dalal Street
MUMBAI 400 001

Dear Sir,

Sub: Unaudited Results for the period ended 30th September 2020
Ref: Company Code – 521161
ISIN – INE456D01010

Please refer to our letter No. RO/MS/SEC- 284 /2020-21 October 30, 2020

We send herewith the followings:

- 1) Unaudited quarterly results for the Second quarter and Six months ended 30th September 2020
- 2) Limited Review Report thereon duly taken on record by the Board on 12.11.2020.
- 3) Letter of clarification on the Auditors Observation/ qualification in the Limited Review Report to BSE
- 4) News Paper results.

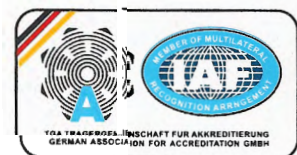
We wish to inform that the meeting commenced at 12 Noon and concluded at 3.20 PM.

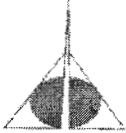
Please take the above information on record.

Thanking you,

Yours faithfully,
for **SRI LAKSHMI SARASWATHI
TEXTILES (ARNI) LIMITED**

Geetha Sundararaghavan
**(GEETHA SUNDARARAGHAVAN),
COMPANY SECRETARY**





SRI LAKSHMI SARASWATHI TEXTILES (ARNI) LIMITED

Registered Office: 16, Krishnama Road, Nungambakkam, Chennai - 600 034

CIN L17111TN1964PLC005183

Telephone No. 044 - 28277344, Email: slst@slstarni.com, Website: www.slstindia.com

Statement of Unaudited Financial Results for the Second Quarter / Half year ended 30th September 2020

(Rs.in.Lakhs)

S.No	Particulars	Quarter ended			Half year ended		Year ended
		30.09.20 Unaudited	30.06.20 Unaudited	30.09.19 Unaudited	30.09.20 Unaudited	30.09.19 Unaudited	31.03.20 Audited
1	INCOME FROM OPERATIONS						
	a) Net sales/Income from operations	2029.90	693.89	2367.22	2723.79	5000.83	9253.81
	b) Other Income	1.67	1.56	2.69	3.23	6.10	17.11
	Total Income from operations	2031.57	695.45	2369.91	2727.02	5006.93	9270.92
2	Expenses						
	a) Cost of material consumed	1198.84	429.83	1645.76	1628.67	3420.33	6298.24
	b) Purchases of stock in trade	0.05	34.50	16.74	34.55	16.74	51.58
	c) Changes in inventories of work-in-process	28.26	8.87	-9.96	37.13	10.01	13.91
	d) Changes in inventories of finished goods	94.04	67.07	-27.45	161.11	-32.22	-117.56
	e) Employee benefit expenses	340.86	166.77	396.94	507.63	765.25	1540.54
	f) Finance Cost	66.29	38.75	41.70	105.04	82.97	170.11
	g) Power & Fuel	316.56	145.99	382.15	462.55	800.27	1578.18
	h) Depreciation and amortisation expenses	40.25	37.83	34.12	78.08	68.13	141.64
	i) Other Expenditure	166.91	60.72	200.74	227.63	374.34	715.56
	Total Expenses	2252.06	990.33	2680.74	3242.39	5505.82	10392.20
3	Profit / Loss before Exceptional items & Tax (1 - 2)	-220.49	-294.88	-310.83	-515.37	-498.89	-1121.28
4	Add/(Less) Exceptional Items	0.00	0.00	0.00	0.00	0.00	0.00
5	Profit(+)/Loss(-) Before Tax (3 - 4)	-220.49	-294.88	-310.83	-515.37	-498.89	-1121.28
6	Tax Expenses						
	a) Current Tax	0.00	0.00	0.00	0.00	0	0.00
	b) (Excess)/Short Provision Tax relating to Earlier years	0.00	0.00	0.00	0.00	0	0.00
	c) Deferred Tax	0.00	0.00	0.00	0.00	0	0.00
	Sub Total	0.00	0.00	0.00	0.00	0.00	0.00
7	Net Profit(+)/Loss for the period (5 - 6)	-220.49	-294.88	-310.83	-515.37	-498.89	-1121.28
8	Other Comprehensive Income (Net of Tax)	0.00	0.00	-0.04	0.00	-0.06	-0.04
9	Total Comprehensive Income After Tax (7 + 8)	-220.49	-294.88	-310.87	-515.37	-498.95	-1121.32
10	Paid-up equity share Capital (Face value of the shares Rs.10/-each)	333.28	333.28	333.28	333.28	333.28	333.28
11	Reserve and Surplus	--	--	--	--	--	-1411.49
12	Earning Per share of Rs.10/- each (in Rs.) Not Annualised)						
	a) Basic Rs.	-6.62	-8.85	-9.33	-15.46	-14.97	-33.65
	b) Diluted Rs.	-6.62	-8.85	-9.33	-15.46	-14.97	-33.65



SRI LAKSHMI SARASWATHI TEXTILES (ARNI) LIMITED

STATEMENT OF ASSETS & LIABILITIES

Particulars	Un Audited As at 30-09-2020 (Rs.in Lakhs)	Audited As at 31-03-2020 (Rs.in Lakhs)
I. ASSETS		
1. Non-Current Assets :		
(a) Property, Plant and Equipment	1152.57	1179.78
(b) Other Intangible assets	0.73	0.74
(c) Financial Assets :		
i. Investments	41.79	41.79
(d) Other Non- Current Assets	127.35	127.35
Total of Non Current Assets	1322.44	1349.66
2. Current Assets :		
(a) Inventories	654.89	910.68
(b) Financial Assets :		
i. Trade Receivables	142.66	84.26
ii. Cash and Cash Equivalents	18.10	13.48
iii. Bank balance other than (ii) above	18.74	68.22
iv. Security Deposits	146.43	156.64
(c) Current Tax Assets (Net)	7.77	9.70
(d) Other Current Assets	231.97	250.20
Total of Current Assets	1220.56	1493.18
TOTAL ASSETS	2543.00	2842.84
II. EQUITY AND LIABILITIES		
1) Equity:		
a) Equity Share Capital	333.28	333.28
b) Other Equity	-1926.85	-1411.49
Total Equity atributable to Equity Shareholders	-1593.57	-1078.22
2) Liabilities:		
Non Current Liabilities :		
a) Financial Liabilities		
i. Borrowings	111.96	211.96
b) Deferred tax liabilities (Net)	0.00	0.00
Total of Non Current Liabilities	111.96	211.96
3) Current Liabilities :		
a) Financial Liabilities		
i. Borrowings Secured	3.50	0.00
ii. Borrowings Un Secured	762.20	507.70
iii. Trade Payables		
- Dues to micro and small enterprises	18.07	14.20
- Dues to other than micro and small entrprises	1874.83	2123.75
iv. Other financial liabilities	599.78	375.18
b) Provisions	766.23	688.26
Total of Current Liabilities	4024.61	3709.09
TOTAL EQUITY AND LIABILITIES	2543.00	2842.84




CASH FLOW STATEMENT FOR THE SIX MONTHS PERIOD ENDED 30TH SEPTEMBER 2020

	Amount Rs. in lakhs		
	Un Audited		Audited
	For the Half Year 'Ended 30th Sep 20	For the Half Year 'Ended 30th Sep 19	For the Year 'Ended 31st Mar 20
A. CASH FLOW FROM OPERATING ACTIVITIES			
Net Profit before tax	(515.37)	(498.89)	(1,121.28)
Adjustments for :			
Add :- Depreciation	78.08	68.13	141.64
Finance Expenses	105.04	82.97	170.11
	(332.25)	(347.79)	(809.53)
(Less) / Add :- (Profit) / Loss on sale of assets	-	(0.06)	(3.85)
Interest received	(3.05)	(5.06)	(11.73)
Operating Profit before Working Capital Changes	(335.30)	(352.91)	(825.11)
Adjustments for :-			
(Increase)/ Decrease in Inventories	255.81	76.44	(74.99)
(Increase)/ Decrease in Receivables	(58.40)	166.53	223.60
(Increase)/ Decrease in other financial assets	10.21	97.02	89.46
(Increase)/ Decrease in other current assets	18.23	14.94	(72.32)
Increase/(Decrease) in Trade payable	(245.05)	48.33	457.68
Increase/(Decrease) in other financial liabilities	202.57	13.28	118.78
Cash Generated from Operations	(151.93)	63.63	(82.90)
Direct taxes paid	1.93	1.84	(1.89)
NET CASH FROM OPERATING ACTIVITIES (a)	(150.00)	65.47	(84.79)
B. CASH FLOW FROM INVESTING ACTIVITIES			
Purchase of Fixed assets and other Capital expenses	(50.87)	(19.55)	(237.38)
Sale of Fixed assets	-	0.44	5.45
Sale/Purchase of shares	-	0.00	-
Increase/(Decrease) Bank deposit	49.48	(10.60)	(21.99)
Remeasurement of defined benefit plans	0.00	0.00	0.00
Interest received	3.05	5.06	11.73
NET CASH FROM INVESTING ACTIVITIES (b)	1.66	(24.65)	(242.19)
C. CASH FLOW FROM FINANCING ACTIVITIES			
(Decrease)/ Increase in Working Capital Bank Finance	0.00	0.00	0.00
Proceeds Unsecured Loans and other Loans	254.50	86.50	272.50
Repayment of vehicle loan	--	(4.31)	(7.89)
Proceeds secured Loans	3.50	-	200.00
Payment of Dividend and tax thereon	0.00	0.00	0.00
Finance Expenses	(105.04)	(82.97)	(170.11)
NET CASH FROM FINANCING ACTIVITIES (c)	152.96	(0.78)	294.50
Net Change in Cash and Cash Equivalent (a+b+c)	4.62	40.04	(32.48)
Cash and Cash Equivalent as at 1st April - 2020 (2019)	13.48	45.96	45.96
Cash and Cash Equivalent as at 30th Sep. - 2020 (2019)	18.10	86.00	13.48




SRI LAKSHMI SARASWATHI TEXTILES (ARNI) LIMITED

- Note: 1. Figures were regrouped wherever required.
2. Textiles is the only segment of operation of the company.
3. The above unaudited results were reviewed by the Audit Committee in its meeting held on 11th November 2020 and approved by the Board of directors in the meeting held on 12th November 2020
4. The quarterly results have been subjected to a "Limited Review " by the Auditors of the Company.
5. The Previous period figures have been re-grouped / re-stated wherever necessary.

Place: Chennai
Date : November 12, 2020



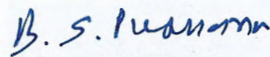
for and on behalf of the
Board of Directors


(BALAKRISHNA S)
MANAGING DIRECTOR

This is the statement of Un-audited Financial Results referred to in our limited Review Report dated 12th November 2020

for M/s.B.Purushottam & Co
Firm No. 002808S

Place: Chennai
Date : November 12, 2020


(B.S. PURSHOTHAM)

Member Ship .No.26785
Partner
CHARTERED ACCOUNTANTS





DRAFT LIMITED REVIEW REPORT

INDEPENDENT AUDITOR'S REVIEW REPORT TO THE BOARD OF DIRECTORS OF SRI LAKSHMI SARASWATHI TEXTILES (ARNI) LIMITED

Introduction

We have reviewed the accompanying statement of Standalone Unaudited Financial results of SRI LAKSHMI SARASWATHI TEXTILES (ARNI) LIMITED, ('the Company') for the Second quarter and half year ended 30th September 2020 ('the Statement'), being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. This Statement which is the responsibility of the Company's Management and approved by the Board of Directors. Our responsibility is to issue a report on the statement based on our review. The financial statement has been prepared in accordance with accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) prescribed under section 133 of the Companies Act 2013 read with relevant rules issued thereunder.

Scope of Review

We conducted our review of the Statement 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 the Institute of chartered Accounts of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the statement is free of material misstatement. A review is limited to making 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.

Basis for Qualified Opinion

We draw attention that the accumulated losses of Rs.3415.49 lakhs upto 31st March 2020 and further loss of Rs.515.35 lakhs for the half year ended as on 30th September 2020 has eroded the net worth of the company. The statement of profit and loss account also indicates that the company has been incurring net losses for the previous three years. These events indicate that a material uncertainty exists that may cast significant doubt on the company's ability to continue as a going concern. However, the company's statement of unaudited financial results for the half year ended as on 30th September 2020 have been prepared using the going concern basis of accounting, based on the opinion of the management that the company would generate sufficient profits in the foreseeable future.



According to the information and explanation given to us, there is an outstanding advance given by the Company to raw material suppliers of Rs.69.96 Lakhs as on 30th September 2020 for which the company has no proper records. Hence, we are unable to comment on the completeness, existence, accuracy and appropriateness of the transaction and the consequent impact on its revenue.

Qualified Conclusion

Based on our review conducted as above, with the exception of the matter described in the preceding paragraph, nothing has come to our attention that causes us to believe that the Statement of unaudited standalone financial results has not been prepared in accordance with recognition and measurement principles laid down in the applicable Ind AS specified under Section 133 of the Companies Act, 2013, read with relevant rules issued thereunder and other recognized accounting practices and policies and has not disclosed the information required to be disclosed in terms 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, including the manner in which it is to be disclosed, or that it contains any material misstatement.

Place: Chennai
Date: November 12, 2020

For.B.Purushottam & Co
Chartered Accountants
Reg No. 002808S

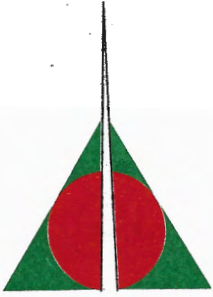
B. S. Purshotham

B.S.Purshotham
Partner
UDIN:20026785AAAAFN9889



Sri Lakshmi Saraswathi Textiles (Arni) Limited

"CIN : L17111TN1964PLC005183"



RO/MS/SEC- 290 /2020-21

November 12, 2020

The Secretary
BSE Limited
25, Phiroze Jeejeebhoy Towers
Dalal Street
MUMBAI 400 001

Dear Sir,

Sub: Unaudited quarterly results for the Second quarter/ half year ended 30th September 2020 – submission of clarification on the opinion expressed by Auditors in their Limited Review Report.

Ref: Company Code – 521161
ISIN – INE456D01010

The Auditors in their Limited Review Report on the Statement of Unaudited Financial Results for the Second quarter/ half year ended 30th September 2020, interalia, have reported as under:

Quote

"Basis for Qualified Opinion

We draw attention that the accumulated losses of Rs.3415.49 lakhs upto 31st March 2020 and further loss of Rs.515.35 lakhs for the half year ended as on 30th September 2020 has eroded the net worth of the company. The statement of profit and loss account also indicates that the company has been incurring net losses for the previous three years. These events indicate that a material uncertainty exists that may cast significant doubt on the company's ability to continue as a going concern. However, the company's statement of unaudited financial results for the half year ended as on 30th September 2020 have been prepared using the going concern basis of accounting, based on the opinion of the management that the company would generate sufficient profits in the foreseeable future.

According to the information and explanation given to us, there is an outstanding advance given by the Company to raw material suppliers of Rs.69.96 Lakhs as on 30th September 2020 for which the company has no proper records. Hence, we are unable to comment on the completeness, existence, accuracy and appropriateness of the transaction and the consequent impact on its revenue".

Unquote

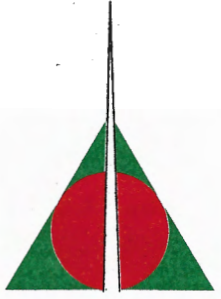
Management's View:

For the above referred observation of the Auditors, the company provides the following clarifications:



Contd..2...





Sri Lakshmi Saraswathi Textiles (Arni) Limited

"CIN : L17111TN1964PLC005183"

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4. Though the company has incurred loss during the current year and in previous years due to adverse conditions prevailing in the industry and net worth has eroded, it continues its business operation to the optimum level. The company, with the favourable change of industrial conditions, is confident of making profits.
5. In view of the above, the company continues to prepare its Accounts and the Statement of Unaudited Financial Results using going concern basis of accounting.
6. The Company has given advances for the purchase of cotton to various parties and out of the advance there was an outstanding of Rs.69.96 Lakhs as on 30.09.2020. Due to COVID-19 Pandemic the parties wise details and confirmation from those parties could not be obtained. The company has recovered / got supply for Rs.20 lakhs out of the said advance during the second quarter. The management is confident of getting supply of cotton from these parties for the full value of advance given and there will be no impact on profit and loss

Thanking you,

Yours faithfully,
for SRI LAKSHMI SARASWATHI
TEXTILES (ARNI) LIMITED


(BALAKRISHNA S)
MANAGING DIRECTOR





SRI LAKSHMI SARASWATHI TEXTILES (ARNI) LIMITED
Registered Office: 16, Krishnama Road, Nungambakkam, Chennai - 600 034
CIN L17111TN1964PLC005183
Telephone No. 044 - 28277344, Email: slst@slstarni.com, Website: www.slstindia.com
Statement of Unaudited Financial Results for the Second Quarter / Half year ended 30th September 2020

(Rs.in.Lakhs)

S.No.	Particulars	Quarter ended			Half Year Ended		Year Ended
		30.09.20 Unaudited	30.06.20 Unaudited	30.09.19 Unaudited	30.09.20 Unaudited	30.09.19 Unaudited	31.03.20 Audited
1.	Total Income from operations (net)	2031.57	695.45	2369.91	2727.02	5006.93	9270.92
2.	Net Profit / (Loss) for the period (before Tax, Exceptional and/or Extraordinary items#)	-220.49	-294.88	-310.83	-515.37	-498.89	-1121.28
3.	Net Profit / (Loss) for the period before tax (after Exceptional and/or Extraordinary items#)	-220.49	-294.88	-310.83	-515.37	-498.89	-1121.28
4.	Net Profit / (Loss) for the period after tax (after Exceptional and/or Extraordinary items#)	-220.49	-294.88	-310.83	-515.37	-498.89	-1121.28
5.	Total Comprehensive Income for the period [Comprising Profit / (Loss) for the period (after tax) and Other Comprehensive Income (after tax)]	-220.49	-294.88	-310.87	-515.37	-498.95	-1121.32
6.	Equity Share Capital	333.28	333.28	333.28	333.28	333.28	333.28
7.	Reserves (excluding Revaluation Reserve)	--	--	--	--	--	-1411.49
8.	Earnings Per Share (of Rs. 10/- each)						
	1. Basic.	Rs. -6.62	-8.85	-9.33	-15.46	-14.97	-33.65
	2. Diluted:	Rs. -6.62	-8.85	-9.33	-15.46	-14.97	-33.65

Note: a. The above is an extract of the detailed format of Quarterly Financial Results filed with the Stock Exchanges under Regulation 33 of the SEBI (Listing and Other Disclosure Requirements) Regulations, 2015. The full format of the Quarterly Financial Results are available on the Stock Exchange website. BSE: <http://www.bseindia.com> and Company Website [Http://www.slstindia.com](http://www.slstindia.com).

b. The Previous period figures have been re-grouped / re-stated wherever necessary.

Place : Chennai
Date : November 12, 2020



for and on behalf of the
Board of Directors


(BALA KRISHNA S)
MANAGING DIRECTOR