

M. S. Jagannathan & Visvanathan

CHARTERED ACCOUNTANTS

To
The Board of Directors
The Lakshmi Mills Company Limited
Coimbatore.

- 1 We have reviewed the accompanying statement of unaudited financial results of The Lakshmi Mills Company Limited for the Quarter and Half year ended 30th September 2019. This statement is the responsibility of the Company's Management and has been approved by the Board of Directors. Our responsibility is to issue a report on these financial statements based on our review.
- 2 We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity", issued by the 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 of material misstatement. 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 accounting standards and other recognized accounting practices 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 including the manner in which it is to be disclosed, or that it contains any material misstatement.

For M S Jagannathan & Visvanathan
Chartered Accountants
FRN:01209 S



Visvanathan

Partner
MNo:214178

UDIN: 19214178AAAADJ1778

Place: Coimbatore
Date: 07.11.2019

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Statement of Unaudited Financial Results for the quarter/half year ended 30th September 2019

(₹ in Lakhs)

S.No.	Particulars	Quarter Ended			Half year ended		Year ended
		30.09.2019	30.06.2019	30.09.2018	30.09.2019	30.09.2018	31.03.2019
		(Unaudited)			(Unaudited)		(Audited)
1	Income from Operations						
	Revenue from operations	5,642.47	5,369.36	6,313.50	11,011.83	12,125.95	24,770.32
	Other income	257.84	46.58	322.41	304.42	297.63	381.66
	Total income from Operations (Net)	5,900.31	5,415.94	6,635.91	11,316.25	12,423.58	25,151.98
2	Expenditure						
	a) Cost of materials consumed	2,609.07	2,997.30	3,763.34	5,606.37	6,862.08	13,318.59
	b) Purchase of stock-in-trade	419.29	510.82	286.53	930.11	429.00	1,440.45
	c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	185.57	(629.66)	(681.27)	(444.09)	(924.59)	(631.02)
	d) Employee benefits expense	954.85	930.85	899.30	1,885.70	1,733.52	3,574.35
	e) Finance costs	252.57	255.32	254.96	507.89	484.10	1,002.96
	f) Depreciation and amortisation expenses	200.31	198.87	292.51	399.18	541.15	1,139.88
	g) Impairment loss on financial assets	-	-	-	-	-	-
	g) Power & Fuel	892.31	812.07	763.60	1,704.38	1,452.95	2,897.33
	h) Excise duty	-	-	-	-	-	-
	i) Other expenditure	592.61	590.48	777.87	1,183.09	1,492.03	2,795.77
	Total Expenses	6,106.58	5,666.05	6,356.84	11,772.63	12,070.24	25,538.31
3	Profit/(Loss) from ordinary activities before exceptional items (1-2)	(206.27)	(250.11)	279.07	(456.38)	353.34	(386.33)
4	Exceptional items - Gain/ (Loss)	-	849.90	(21.37)	849.90	(28.57)	(28.57)
5	Profit/(Loss) from ordinary activities before tax (3+4)	(206.27)	599.79	257.70	393.52	324.77	(414.90)
6	Tax expense						
	Current Tax	-	-	-	-	-	-
	Deferred Tax	72.54	120.88	125.00	193.42	149.00	378.22
	Total Tax Expenses	72.54	120.88	125.00	193.42	149.00	378.22
7	Profit / (Loss) for the period after tax (5-6)	(278.81)	478.91	132.70	200.10	175.77	(793.12)
8	Other comprehensive income, net of income tax						
	a) (i) Items that will not be reclassified to Profit or loss	(7,906.76)	(4,817.66)	(8,336.60)	(12,724.42)	(3,681.96)	(4,405.15)
	(ii) Income tax relating to Items that will not be reclassified to Profit or loss	55.68	(16.45)	974.57	39.23	427.80	498.64
	b) (i) Items that will be reclassified to Profit or loss	-	-	-	-	-	-
	(ii) Income tax relating to Items that will be reclassified to Profit or loss	-	-	-	-	-	-
	Total other comprehensive income, net of income tax	(7,851.08)	(4,834.11)	(7,362.03)	(12,685.19)	(3,254.16)	(3,906.51)
9	Total comprehensive income for the period (7+8)	(8,129.89)	(4,355.20)	(7,229.33)	(12,485.09)	(3,078.39)	(4,699.63)
10	Paid up equity share capital (face value Rs. 100/-each)	695.55	695.55	695.55	695.55	695.55	695.55
11	Earnings per share (of Rs 100/- each) (not annualised)						
	(a) Basic	(40.08)	68.85	19.08	28.77	25.27	(114.03)
	(b) Diluted	(40.08)	68.85	19.08	28.77	25.27	(114.03)



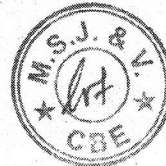
Segment Reporting
Primary Segment - Business segment

(₹ in Lakhs)

Particulars	Quarter Ended			Half year ended		Year ended
	30.09.2019	30.06.2019	30.09.2018	30.09.2019	30.09.2018	31.03.2019
	(Unaudited)					(Audited)
Segment Revenue						
Net Sales/Income						
a.Textiles	5,641.89	5,330.02	6,359.60	10,971.91	12,059.20	24,643.76
b.Rental services	72.86	82.84	70.44	155.70	145.05	273.60
c. Unallocated revenue	185.56	3.08	205.87	188.64	219.33	234.62
Net Sales/Income	5,900.31	5,415.94	6,635.91	11,316.25	12,423.58	25,151.98
Segment Results						
Profit / (Loss)						
a.Textiles	(165.36)	832.16	276.97	666.80	540.98	331.76
b.Rental services	77.27	69.76	76.73	147.03	141.12	230.33
Total	(88.09)	901.92	353.70	813.83	682.10	562.09
Less: Finance costs	252.57	255.32	254.96	507.89	484.10	1,002.96
Add /(Less): Other unallocable Income net of unallocable expenses	134.39	(46.81)	158.96	87.58	126.77	25.97
Total Profit/Loss before Tax	(206.27)	599.79	257.70	393.52	324.77	(414.90)
Segment Assets						
a.Textiles	41,937.92	49,163.18	55,760.90	41,937.92	55,760.90	54,626.27
b.Rental services	73.18	74.05	76.73	73.18	76.73	74.91
c.Unallocated	1,752.99	1,795.29	2,054.12	1,752.99	2,054.12	1,891.27
Total	43,764.09	51,032.52	57,891.75	43,764.09	57,891.75	56,592.45
Segment Liabilities						
a.Textiles	11,636.07	10,697.52	11,760.46	11,636.07	11,760.46	11,941.50
b.Rental services	297.35	299.62	172.15	297.35	172.15	293.27
c.Unallocated	-	-	-	-	-	-
Total	11,933.42	10,997.14	11,932.61	11,933.42	11,932.61	12,234.77
Capital Expenditure	284.42	57.57	102.06	341.99	202.16	439.31
Depreciation	200.31	198.87	292.51	399.18	541.15	1,139.88

Notes to the financial results:

- 1 The above unaudited financial results have been reviewed by the Audit Committee and approved by the Board of Directors at their meeting held on 7th November, 2019 and subjected to limited review by the statutory auditors of the Company.
- 2 These statements has been prepared in accordance with the Companies (Indian Accounting Standards) Rules, 2015 (Ind AS) prescribed under section 133 of the Companies Act, 2013 and other recognised accounting practices and policies to the extent applicable.
- 3 Exceptional item of Rs. 849.90 Lakhs relates to profit on sale of land.
- 4 The Company is structured into two reportable business segments – "Textiles" and "Rental Services". Textiles consists of manufacturing and sale of yarn and trading in cloth and garments. Rental services consist of letting out of properties.
- 5 The previous period figures have been regrouped / reclassified wherever necessary.



STATEMENT OF ASSETS AND LIABILITIES

(₹ in Lakhs)

Particulars	30.09.2019	31.03.2019
ASSETS		
1 Non-current assets		
(a) Property, plant and equipment	14,855.58	15,204.15
(b) Capital work-in-progress	358.19	72.05
(c) Intangible assets	4.89	5.15
(d) Investment Property	73.18	74.91
(e) Financial assets		
(i) Investments	19,270.05	31,945.29
(ii) Other financial assets	214.68	230.07
(f) Deferred tax assets (net)	1,677.88	1,832.06
(g) Other non-current assets	167.90	138.99
Total non - current assets	36,622.35	49,502.67
2 Current assets		
(a) Inventories	3,840.93	3,268.69
(b) Financial assets		
(i) Trade receivables	2,882.13	3,273.81
(ii) Cash and cash equivalents	63.01	191.68
(iii) Bank balance	95.01	95.01
(iv) Other financial assets	34.32	22.77
(c) Current tax assets (net)	14.16	27.10
(d) Other current assets	212.18	210.72
Total Current Assets	7,141.74	7,089.78
Total Assets	43,764.09	56,592.45
EQUITY AND LIABILITIES		
Equity		
(a) Equity share capital	695.55	695.55
(b) Other equity	31,135.12	43,662.13
Total Equity	31,830.67	44,357.68
LIABILITIES		
1 Non-current liabilities		
(a) Financial liabilities		
(i) Borrowings	1,570.40	1,699.87
(ii) Other financial liabilities	100.78	14.96
(b) Provisions	441.92	370.95
(c) Other non-current liabilities	139.82	161.71
(d) Deferred tax liabilities (Net)	-	-
Total Non - Current Liabilities	2,252.92	2,247.49
2 Current liabilities		
(a) Financial liabilities		
(i) Borrowings	4,344.70	4,444.86
(ii) Trade payables		
Total outstanding ME&SE	120.37	12.31
Total outstanding dues of creditors other than ME&SE	2,694.88	3,490.25
(iii) Other financial liabilities	1,416.50	1,460.92
(b) Provisions	141.82	107.04
(c) Other liabilities	962.23	471.90
(d) Current tax liabilities (net)	-	-
Total current liabilities	9,680.50	9,987.28
Total Equity and Liabilities	43,764.09	56,592.45



Cash Flow Statement for the period ended Sep 30, 2019

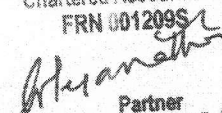
(₹ in Lakhs)

Particulars	30.09.2019	30.09.2018
A. Cash flow from operating activities		
Profit before tax	393.52	324.77
Adjustments for:		
Depreciation and amortisation expense	399.18	541.15
Provision for doubtful debts	-	-
Net loss/(gain) on disposal of property, plant and equipment	(855.29)	(11.95)
Interest income	(6.64)	(11.33)
Dividend income	(182.00)	(208.00)
Net unrealised exchange loss/(gain)	(79.98)	(19.06)
Interest expense	507.89	484.10
Operating profit before working capital changes	176.68	1,099.68
Adjustments for (increase)/decrease in operating assets:		
Inventories	(572.24)	(610.76)
Trade receivables	471.66	376.44
Other current financial assets	(11.55)	(1.50)
Other current assets	(1.46)	7.99
Other non-current financial assets	15.39	4.83
Other non-current assets	(0.07)	(6.99)
Adjustments for increase/(decrease) in operating liabilities:		
Other non-current financial liabilities	85.82	2.50
Other non-current liabilities	(21.89)	(2.36)
Trade payables	(687.31)	(20.34)
Provisions	21.81	11.52
Other financial liabilities	(115.83)	(5.58)
Other current liabilities	490.33	27.02
Cash used in / generated from operations	(148.66)	882.45
Net income tax (paid) / refunds	(15.91)	(12.51)
Net cash flow from operating activities (A)	(164.57)	869.94
B. Cash flow from investing activities		
Capital expenditure on property, plant and equipment	(341.99)	(202.16)
Proceeds from sale of property, plant and equipment	862.52	13.11
Bank balances not considered as cash and cash equivalents	-	178.36
Dividend income	182.00	208.00
Interest received	6.64	1.10
Net cash used in investing activities (B)	709.17	198.41
C. Cash flow from financing activities		
Proceeds from long term borrowings	270.37	-
Repayment of long term borrowings	(327.38)	(559.14)
Proceeds from short term borrowings (net)	(100.16)	(50.51)
Finance costs	(507.89)	(479.30)
Dividends paid, including tax thereon	(8.21)	-
Transfer of unclaimed dividend to IEPF	-	-
Net cash flow used in financing activities (C)	(673.27)	(1,088.95)
Net increase in Cash and cash equivalents (A+B+C)	(128.67)	(20.60)
Cash and cash equivalents at the beginning of the year	191.68	136.43
Cash and cash equivalents at the end of the year	63.01	115.83

For The Lakshmi Mills Company Limited

Place : Coimbatore
Date : 07.11.2019

S.Pathy
Chairman & Managing Director

For M.S. JAGANNATHAN & VISVANATHAN
Chartered Accountants
FRN 001209S

Partner
M No : 214178