

## Sri Lakshmi Saraswathi Textiles (Arni) Limited

"CIN : L17111TN1964PLC005183"

RO/MS/SEC- 003 /2024-25

June 20, 2024

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

Dear Sir,

**Ref: Company Code – 521161 -- Scrip Id : SLSTLQ**  
**ISIN – INE456D01010**

Sub: 60<sup>th</sup> Annual General Meeting - Annual Report FY 2023-24

Further to our letter dated May 27, 2024, we would like to inform you that the 60<sup>th</sup> Annual General Meeting ("AGM") of the Company will be held on Wednesday, July 17, 2024 at 02.30 PM. (IST) through ("VC") / Other Audio-Visual Means ("OAVM").

Pursuant to Regulation 34(1) of Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("the Listing Regulations"), we are submitting herewith the Annual Report of the Company for the Financial Year 2023-24, which includes the Notice of AGM as well, is being sent in electronic mode to the Shareholders of the Company.

The Annual Report for FY 2023-24 including the Notice of AGM has also been uploaded on the Company's website at: <https://slstindia.com/Annual-Report-Book-2024.pdf>

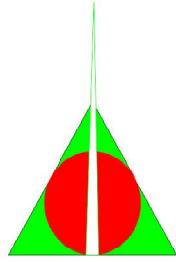
Please take the above information on record.

Thanking you,

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

**(JITENDRA KUMAR PAL)**  
**COMPANY SECRETARY &**  
**COMPLIANCE OFFICER**





**SRI LAKSHMI SARASWATHI TEXTILES  
(ARNI) LIMITED**

**60 th  
Annual Report 2023 - 2024**

**SRI LAKSHMI SARASWATHI TEXTILES (ARNI) LIMITED**  
(CIN : L17111TN1964PLC005183)

**ANNUAL REPORT 2023-24**



**SRI B. RAJAGOPAL NAIDU 1901 - 73**  
**OUR REVERED FOUNDER**

<b>Contents</b>	<b>Page Nos.</b>
Notice	2 - 17
Directors' Report	18 - 41
Independent Auditors' Report	42 - 51
Balance Sheet	52
Statement of Profit & Loss	53
Cash Flow Statement	54
Statement of changes in Equity	55 - 56
Notes forming part of Financial Statements	57 - 88



## Sri Lakshmi Saraswathi Textiles (Arni) Limited

(CIN : L17111TN1964PLC005183)

### BOARD OF DIRECTORS

SRI. BALAKRISHNA S  
Managing Director & Chief Executive Officer

SRI. R.PADMANABAN  
Joint Managing Director & Chief Financial Officer

SRI. S.SRIDHARA RAO  
Director

Ms. SIVARANI J  
Director

SRI. UMAA SHARVANI  
Director

Companay Secretary  
SRI. JITENDRA KUMAR PAL

### REGISTERED OFFICE

No.16, Krishnama Road,  
Nungambakkam,  
Chennai 600 034.  
Phone No. 044 – 28277344  
Email: slst@slstarni.com

**Email ID of the grievance redressal division**  
cs@slstarni.com

### Website:

www.slstindia.com

### FACTORY ADDRESS

Door No.1755, Raghunathapuram,  
Sevoor Village,  
PIN 632 316  
Arni Taluk, Tiruvannamalai District, Tamil Nadu

### REGISTRARS & SHARE TRANSFER AGENTS

Cameo Corporate Services Limited  
Subramanian Building,  
No.1 Club House Road, Chennai 600 002  
Phone No: 044-40020700  
Online Investor Portal-  
<https://wisdom.cameoindia.com>  
Website:[www.cameoindia.com](http://www.cameoindia.com)

### BANKERS

Indian Overseas Bank  
Chennai House  
Esplanade  
Chennai - 600 108

State Bank of India,  
Leather & International Branch,  
First Floor,  
157, Anna Salai,  
Chennai - 600 002.

### AUDITORS :

#### STATUTORY AUDITORS

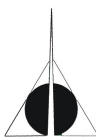
M/s.S B S B and Associates  
Chartered Accountants  
Old No.H43/1, New No.H13  
5<sup>th</sup> Street, Anna Nagar East  
Chennai – 600 102

#### SECRETARIAL AUDITORS

M/s. A.K.JAIN & ASSOCIATES  
Company Secretaries  
No. 2, Raja Annamalai Road,  
First Floor, Purasawalkam,  
Chennai - 600 084

#### INTERNAL AUDITORS

G. Natesan and Co.  
7/1, 4<sup>th</sup> Street,  
Champak Mahal,  
Abhiramapuram,  
Chennai – 600 018.



## Sri Lakshmi Saraswathi Textiles (Arni) Limited

---

### NOTICE TO SHAREHOLDERS

NOTICE is hereby given that the 60<sup>th</sup> Annual General Meeting of the Company will be held on Wednesday, 17<sup>th</sup> July 2024 at 02.30 P.M through Video Conferencing / Other Audio Visual Means (VC) to transact the following business:

#### ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Financial Statements of the company for the year ended 31<sup>st</sup> March 2024 and the Reports of the Directors and Auditors thereon.

To consider and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution

“RESOLVED that the Audited Financial Statements of the company for the year ended 31<sup>st</sup> March 2024 alongwith the Reports of the Directors and Auditors thereon, be and are hereby approved and adopted”

#### SPECIAL BUSINESS

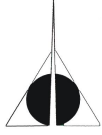
2. To appoint Ms.Umaa Sharvani (holding DIN 10566378) as an Independent Director (Non-Executive Director) of the company

To consider and, if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution:**

“**RESOLVED THAT** pursuant to the provisions of Sections 149, 150, 152 read with Schedule IV and other applicable provisions of the Companies Act, 2013 (the Act) and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or reenactment thereof for the time being in force), Ms. Umaa Sharvani DIN: 10566378, who was appointed as an Additional Director in the capacity of Independent Director of the Company by the Board of Directors with effect from May 27, 2024 in terms of Section 161 of the Companies Act, 2013, and whose appointment as an Independent Director was recommended by the Nomination and Remuneration Committee and the Board of Directors of the Company, and who has submitted a declaration that she meets the criteria of independence under Section 149(6) of the Act and regulation 16(1)(b) of the Listing Regulations and is eligible for appointment under the provisions of the Act, the rules made thereunder and the Listing Regulations, and in respect of whom the Company has received a notice in writing from a Member proposing her candidature for the office of Director pursuant to Section 160 of the Act be and is hereby appointed as an Independent Director of the Company, not liable to retire by rotation, for a period of five years with effect from May 27, 2024 to May 26, 2029.”

**RESOLVED FURTHER THAT** any of the Directors of the Company or the Company Secretary of the Company be and are hereby severally authorized to do all such acts, deeds, matters and things as may be deemed necessary or expedient, including filing of requisite forms with Ministry of Corporate Affairs or submission of documents with any other authority, for the purpose of giving effect to the foregoing Resolution.”

3. To appoint Ms. Sivarani J (holding DIN 02304269) as an Independent Director (Non-Executive Director) of the Company.



## Sri Lakshmi Saraswathi Textiles (Arni) Limited

To consider and, if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution**:

**“RESOLVED THAT** pursuant to the provisions of Sections 149, 150, 152 read with Schedule IV and other applicable provisions of the Companies Act, 2013 (the Act) and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or reenactment thereof for the time being in force), Ms. Sivarani J DIN: 02304269, who was a Non-executive Director in the capacity of Independent Director of the Company by the Board of Directors with effect from May 27, 2024 in terms of Section 161 of the Companies Act, 2013, and whose appointment as an Independent Director was recommended by the Nomination and Remuneration Committee and the Board of Directors of the Company, and who has submitted a declaration that she meets the criteria of independence under Section 149(6) of the Act and regulation 16(1)(b) of the Listing Regulations and is eligible for appointment under the provisions of the Act, the rules made thereunder and the Listing Regulations, and in respect of whom the Company has received a notice in writing from a Member proposing her candidature for the office of Director pursuant to Section 160 of the Act be and is hereby appointed as an Independent Director of the Company, not liable to retire by rotation, for a period of five years with effect from May 27, 2024 to May 26, 2029.”

**RESOLVED FURTHER THAT** any of the Directors of the Company or the Company Secretary of the Company be and are hereby severally authorized to do all such acts, deeds, matters and things as may be deemed necessary or expedient, including filing of requisite forms with Ministry of Corporate Affairs or submission of documents with any other authority, for the purpose of giving effect to the foregoing Resolution.”

#### 4. TO RATIFY REMUNERATION PAYABLE TO THE COST AUDITOR FOR THE FINANCIAL YEAR 2024-25

To ratify the remuneration payable to the Cost Auditors for the financial year 2024-25 and to consider, and if thought fit, to pass with or without modification(s), the following Resolution as an Ordinary Resolution:

**“RESOLVED THAT** pursuant to the provisions of Section 148 and other applicable provisions, if any, of the Companies Act, 2013, the Companies (Audit and Auditors) Rules, 2014 and the Companies (Cost Records and Audit) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force)-

- a. Remuneration of Rs. 80,000/- (Rupees Eighty Thousand Only) (excluding all taxes and reimbursement of out-of-pocket expenses) payable M/s. S V M & Associate, Cost Accountants, (Firm Registration No.000536) appointed by the Board of Directors as the Cost Auditors of the Company to conduct the audit of the cost records of the Company, for the financial year 2024-25, as approved by the Board of Directors, be and is hereby ratified;

**RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorized to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution.”

For and on behalf of the Board

Place : Chennai  
Date : May 27, 2024

(BALAKRISHNA S)  
**Chairman & Managing Director**



## Sri Lakshmi Saraswathi Textiles (Arni) Limited

---

### NOTE:

1. The statement pursuant to Section 102 of Companies Act 2013, which sets out details relating to Special Business at the meeting is annexed hereto.
2. Pursuant to the General Circular numbers 20/2020,1 412020,1712020 issued by the Ministry of Corporate Affairs (MCA) and Circular number SEBI/HO/CFD/CMD11/CIR/PI2020179 issued by the Securities and Exchange Board of India (SEBI) (hereinafter collectively referred to as “the Circulars”), companies are allowed to hold AGM through VC, without the physical presence of members at a common venue. Hence, in compliance with the Circulars, the AGM of the Company is being held through VC.
3. A member entitled to attend and vote is entitled to appoint a proxy to attend and vote instead of himself and such a proxy need not be a member. Since the AGM is being held in accordance with the Circulars through VC, the facility for appointment of proxies by the members will not be available.
4. Participation of members through VC will be reckoned for the purpose of quorum for the AGM as per section 103 of the Companies Act, 2013 (“the Act”).
5. Members of the Company under the category of Institutional Investors are encouraged to attend and vote at the AGM through VC. Corporate members intending to authorize their representatives to participate and vote at the meeting are requested to send a certified copy of the Board resolution / authorization letter to the Company or upload on the VC portal / e-voting portal.
6. The Register of Members and Share Transfer Books of the Company will remain closed from July 11, 2024 to July 17, 2024 (both days inclusive).
7. The ISIN No. allotted to the equity shares of your company for the purpose of de-materialization is **INE456D01010**
8.
  - a. Members holding shares in physical form are requested to notify the change in address, immediately. Members holding shares in the electronic form are requested to notify the change in address to their depository participants.
  - b. Members may please note that as per SEBI (LODR) Regulations 2015, requests for effecting transfer of securities, except in case of transmission or transposition of securities, shall not be processed unless the securities are held in dematerialized form with a depository w.e.f. 01.04.2019.
  - c. In order to avoid any inconvenience in the future in dealing with the shares of the company, members are advised to update their PAN and Bank account details by submitting the following documents to the Registrar & Transfer Agent – Cameo Corporate Services Limited.
    - Copy of self- attested PAN card of the shareholders including joint holders, if any.
    - Bank a/c details of the first/sole shareholder.
    - Original cancelled cheque leaf with the name of the first/sole shareholder printed on it or copy of bank passbook showing name & account details of the account holder attested by the bank.
9. a) Members holding shares in physical form are requested to register their email ids with the registrar / company for the purpose of sending Notice, Annual Reports and other communication by electronic mode.



## **Sri Lakshmi Saraswathi Textiles (Arni) Limited**

---

b) Members holding shares in electronic form are requested to register/ update their email ids with the depository participant for the purpose of sending Notice, Annual Reports and other communication by electronic mode.

c) In compliance with the Circulars, the Annual Report 2023-24, the Notice of the 60<sup>th</sup> AGM, and instructions for e-voting are being sent only through electronic mode to those members whose email addresses are registered with the Company / depository participant(s).

### **10. SHAREHOLDER INSTRUCTIONS FOR E-VOTING AND ATTENDING THE AGM THROUGH VC/OAVM**

- a) As you are aware, in view of the situation arising due to COVID-19 global pandemic, the general meetings of the companies shall be conducted as per the guidelines issued by the Ministry of Corporate Affairs (MCA) vide Circular No. 14/2020 dated April 8, 2020, Circular No.17/2020 dated April 13, 2020 and Circular No. 20/2020 dated May 05, 2020. The forthcoming AGM will thus be held through video conferencing (VC) or other audio visual means (OAVM). Hence, Members can attend and participate in the ensuing AGM through VC/OAVM.
- b) Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and MCA Circulars dated April 08, 2020, April 13, 2020 and May 05, 2020 the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with Central Depository Services (India) Limited (CDSL) for facilitating voting through electronic means, as the authorized e-Voting's agency. The facility of casting votes by a member using remote e-voting as well as the e-voting system on the date of the AGM will be provided by CDSL.
- c) The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available to atleast 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
- d) The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of ascertaining the quorum under Section 103 of the Companies Act, 2013.
- e) Pursuant to MCA Circular No. 14/2020 dated April 08, 2020, the facility to appoint proxy to attend and cast vote for the members is not available for this AGM. However, in pursuance of Section 112 and Section 113 of the Companies Act, 2013, representatives of the members such as the President of India or the Governor of a State or body corporate can attend the AGM through VC/OAVM and cast their votes through e-voting.
- f) In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, the Notice calling the AGM has been uploaded on the website of the Company at [www.slstindia.com](http://www.slstindia.com). The Notice can also be accessed from the website of the Stock Exchange i.e. BSE Limited at [www.bseindia.com](http://www.bseindia.com). The AGM Notice is also disseminated on the website of CDSL (agency for providing the Remote e-Voting facility and e-voting system during the AGM) i.e. [www.evotingindia.com](http://www.evotingindia.com).





## Sri Lakshmi Saraswathi Textiles (Arni) Limited

- g) The AGM has been convened through VC/OAVM in compliance with applicable provisions of the Companies Act, 2013 read with MCA Circular No. 14/2020 dated April 8, 2020 and MCA Circular No. 17/2020 dated April 13, 2020 and MCA Circular No. 20/2020 dated May 05, 2020.
- h) In continuation to this Ministry's **General Circular No. 20/2020** dated 05.05.2020, General Circular No. 02/2022 dated 05.05.2022 and General Circular No. 10/2022 dated 28.12.2022 and after due examination, it has been decided to allow companies whose AGMs are due in the Year 2023 or 2024, to conduct their AGMs through VC or OAVM on or before 30th September, 2024 in accordance with the requirements laid down in Para 3 and Para 4 of the General Circular No. 20/2020 dated 05.05.2020

### THE INTRUCTIONS OF SHAREHOLDERS FOR E-VOTING AND JOINING VIRTUAL MEETINGS ARE AS UNDER:

**Step 1** : Access through Depositories CDSL/NSDL e-Voting system in case of individual shareholders holding shares in demat mode.

**Step 2** : Access through CDSL e-Voting system in case of shareholders holding shares in physical mode and non-individual shareholders in demat mode.

- (i) The voting period begins at 9.00 AM on July 14, 2024 and ends at 5.00 PM on July 16, 2024. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date for e-voting) of July 10, 2024 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- (iii) Pursuant to SEBI Circular No. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 09.12.2020, under Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, listed entities are required to provide remote e-voting facility to its shareholders, in respect of all shareholders' resolutions. However, it has been observed that the participation by the public non-institutional shareholders/retail shareholders is at a negligible level.

Currently, there are multiple e-voting service providers (ESPs) providing e-voting facility to listed entities in India. This necessitates registration on various ESPs and maintenance of multiple user IDs and passwords by the shareholders.

In order to increase the efficiency of the voting process, pursuant to a public consultation, it has been decided to enable e-voting to all the demat account holders, by way of a single login credential, through their demat accounts/ websites of Depositories/ Depository Participants. Demat account holders would be able to cast their vote without having to register again with the ESPs, thereby, not only facilitating seamless authentication but also enhancing ease and convenience of participating in e-voting process.

**Step 1** : Access through Depositories CDSL/NSDL e-Voting system in case of individual shareholders holding shares in demat mode.

- (iv) In terms of SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Pursuant to abovesaid SEBI Circular, Login method for e-Voting and joining virtual meetings for Individual shareholders holding securities in Demat mode CDSL/NSDL is given below:



## Sri Lakshmi Saraswathi Textiles (Arni) Limited

Type of shareholders	Login Method
Individual Shareholders holding securities in Demat mode with CDSL Depository	<ol style="list-style-type: none"> <li>1) Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are requested to visit CDSL website <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on Login icon and select New System Myeasi Tab.</li> <li>2) After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers' website directly.</li> <li>3) If the user is not registered for Easi/Easiest, option to register is available at cdsi website <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on login &amp; New System Myeasi Tab and then click on registration option.</li> <li>4) Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page. The system will authenticate the user by sending OTP on registered Mobile &amp; Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.</li> </ol>
Individual Shareholders holding securities in demat mode with NSDL	<ol style="list-style-type: none"> <li>1) If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: <a href="https://eservices.nsd.com">https://eservices.nsd.com</a> either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</li> <li>2) If the user is not registered for IDeAS e-Services, option to register is available at <a href="https://eservices.nsd.com">https://eservices.nsd.com</a>. Select "Register Online for IDeAS "Portal or click at <a href="https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp</a></li> <li>3) Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.nsd.com/">https://www.evoting.nsd.com/</a> either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting</li> </ol>



## Sri Lakshmi Saraswathi Textiles (Arni) Limited

Type of shareholders	Login Method
Individual Shareholders (holding securities in demat mode) login through their Depository Participants (DP)	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After Successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. CDSL and NSDL

Login type	Helpdesk details
Individual Shareholders holding securities in Demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or contact at toll free no. 1800 22 55 33.
Individual Shareholders holding securities in Demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a> or call at : 022 - 4886 7000 and 022 - 2499 7000

**Step 2** : Access through CDSL e-Voting system in case of shareholders holding shares in physical mode and non-individual shareholders in demat mode

- (v) Login method for e-Voting and joining virtual meetings for Physical shareholders and shareholders other than individual holding in Demat form.
- 1) The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
  - 2) Click on "Shareholders" module.
  - 3) Now enter your User ID
    - a. For CDSL: 16 digits beneficiary ID,
    - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
    - c. Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.
  - 4) Next enter the Image Verification as displayed and Click on Login.
  - 5) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier e-voting of any company, then your existing password is to be used.
  - 6) If you are a first-time user follow the steps given below:



## Sri Lakshmi Saraswathi Textiles (Arni) Limited

	For Physical shareholders and other than individual shareholders holding shares in Demat.
PAN	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders). <ul style="list-style-type: none"><li>Shareholders who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number sent by Company/RTA or contact Company/RTA.</li></ul>
Dividend Bank Details OR Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. <ul style="list-style-type: none"><li>If both the details are not recorded with the depository or company, please enter the member id / folio number in the Dividend Bank details field.</li></ul>

- (vi) After entering these details appropriately, click on “SUBMIT” tab.
- (vii) Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders holding shares in demat form will now reach ‘Password Creation’ menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (viii) For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (ix) Click on the EVSN for the relevant Sri Lakshmi Saraswathi Textiles (Arni) Limited on which you choose to vote.
- (x) On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same the option “YES/NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xi) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- (xii) After selecting the resolution, you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.
- (xiii) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- (xiv) You can also take a print of the votes cast by clicking on “Click here to print” option on the Voting page.
- (xv) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xvi) There is also an optional provision to upload BR/POA if any uploaded, which will be made available to scrutinizer for verification.
- (xvii) Additional Facility for Non – Individual Shareholders and Custodians –For Remote Voting only.



## Sri Lakshmi Saraswathi Textiles (Arni) Limited

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves in the “Corporates” module.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
- After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
- The list of accounts linked in the login will be mapped automatically & can be delink in case of any wrong mapping.
- It is mandatory that, a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- Alternatively Non Individual shareholders are required to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address [slst@slstarni.com](mailto:slst@slstarni.com), if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

### **INSTRUCTIONS FOR SHAREHOLDERS ATTENDING THE AGM THROUGH VC/OAVM & E-VOTING DURING MEETING ARE AS UNDER:**

- a) The procedure for attending meeting & e-Voting on the day of the AGM is same as the instructions mentioned above for e-voting.
- b) The link for VC/OAVM to attend meeting will be available where the EVSN of Company will be displayed after successful login as per the instructions mentioned above for e-voting.
- c) Shareholders who have voted through Remote e-Voting will be eligible to attend the meeting. However, they will not be eligible to vote at the AGM.
- d) Shareholders are encouraged to join the Meeting through Laptops / IPads for better experience.
- e) Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
- f) Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
- g) Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request in advance atleast 5 days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at [slst@slstarni.com](mailto:slst@slstarni.com). The shareholders who do not wish to speak during the AGM but have queries may send their queries in advance 5 days prior to meeting mentioning their name, demat account number/ folio number, email id, mobile number at [slst@slstarni.com](mailto:slst@slstarni.com). These queries will be replied to by the company suitably by email.
- h) Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.
- i) Only those shareholders, who are present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available during the AGM.
- j) If any Votes are cast by the shareholders through the e-voting available during the AGM and if the same shareholders have not participated in the meeting through VC/OAVM facility, then the votes cast by such shareholders shall be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.



## Sri Lakshmi Saraswathi Textiles (Arni) Limited

---

### **PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL/MOBILE NO. ARE NOT REGISTERED WITH THE COMPANY/DEPOSITORIES.**

- a) For Physical shareholders- please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to [agm@cameoindia.com](mailto:agm@cameoindia.com) .
- b) For Demat shareholders - Please update your email id & mobile no. with your respective Depository Participant (DP)
- c) For Individual Demat shareholders – Please update your email id & mobile no. with your respective Depository Participant (DP) which is mandatory while e-Voting & joining virtual meetings through Depository.

If you have any queries or issues regarding attending AGM & e-Voting from the CDSL e-Voting System, you can write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or contact at toll free no. 1800 22 55 33.

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Sr. Manager, (CDSL, ) Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or call on toll free no. 1800 22 55 33.

11. Any person who acquires shares after despatch of the Notice of Annual General Meeting and holding shares as on the cut-off date for evoting, may obtain the login ID and password by sending a request at [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com)
12. Mr.Balu Sridhar, partner, M/s.A.K.Jain and Associates, Company Secretaries, (CP NO. 3550) has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.
13. The Scrutinizer shall within a period not exceeding 2 working days from the conclusion of the Annual General Meeting make a Scrutinizer's Report of the votes cast in favour or against, if any, forthwith to the Chairman of the Meeting.
14. The Results shall be declared within 2 working days of the conclusion of AGM of the Company. The Results declared alongwith the Scrutinizer's Report shall be placed on the Company's website [www.slstindia.com](http://www.slstindia.com) and on the website of BSE within 2 working days of AGM of the Company.
15. Details of application made or any proceeding pending under the insolvency and bankruptcy code, 2016 (31 of 2016) during the year alongwith their status as at the end of the financial year:
  - Not Applicable
16. The details of difference between amount of the valuation done at the time of one time settlement and the valuation done while taking loan from the banks or financial institutions along with the reasons thereof:
  - Not Applicable
17. The facility for voting during the AGM will also be made available. Members present in the AGM through VC and who have not cast their vote on the resolutions through remote e-voting and are otherwise not barred from doing so, shall be eligible to vote through thee-voting system during the AGM.



## Sri Lakshmi Saraswathi Textiles (Arni) Limited

---

18. Members may also note that the Notice of the 60th AGM and the Annual Report 2023-24 will also be available on the Company's website, [www.slstindia.com](http://www.slstindia.com) and website of BSE Limited [www.bseindia.com](http://www.bseindia.com).
19. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Company.
20. Details under Regulation 36, of SEBI (Listing Obligations and Disclosure *Requirements*). *Regulations 2015* in respect of the Directors seeking appointment/re-appointment at the Annual General Meeting, forms integral part of the notice. The Directors have furnished the requisite declarations for their appointment/re-appointment.
21. The Equity Shares of the Company are listed in the following Exchange:
- BSE Limited,  
Phiroze Jeejeebhoy Towers  
25<sup>th</sup> Floor, Dalal Street  
MUMBAI 400 023
- The company has paid the listing fees for 2023-24 to BSE Limited.
22. Since the AGM will be held through VC in accordance with the Circulars, the route map, proxy form and attendance slip are not attached to this Notice.

For and on behalf of the Board

Place : Chennai  
Date : May 27, 2024

(BALAKRISHNA S)  
**Chairman & Managing Director**



## Sri Lakshmi Saraswathi Textiles (Arni) Limited

### EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013:

Sub 2: Pursuant to Section 149(4) of the Companies Act 2013, Every listed public company shall have at least one third of the total number of Directors as Independent Directors. The members may note that Mr.J M Grover, had completed his second term as Independent Directors on March 31, 2024 and ceased to be Independent Director. Your Directors based on the recommendation of Nomination and Remuneration Committee dated May 27, 2024, appointed Ms. Umaa Sharvani DIN: 10566378 as Additional Director of the Company in the capacity of Independent Director with effect from May 27, 2024 for a period of five years.

As per Regulation 15(2) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 :

The compliance with the corporate governance provisions as specified in regulations 17, [17A,] 18, 19, 20, 21,22, 23, 24, [24A,] 25, 26, 27 and clauses (b) to (i) [and (t)] of sub-regulation (2) of regulation 46 and para C , D and E of Schedule V shall not apply, in respect of - (a) [a] listed entity having paid up equity share capital not exceeding rupees ten crore and net worth not exceeding rupees twenty five crore, as on the last day of the previous financial year:

[Provided that where the provisions of regulations 17 to 27, clauses (b) to (i) and (t) of sub-regulation (2) of regulation 46 and para C, D and E of Schedule V become applicable to a listed entity at a later date, it shall ensure compliance with the same within six months from such date:]

[Provided further that once the above regulations become applicable to a listed entity, they shall continue to remain applicable till such time the equity share capital or the net-worth of such entity reduces and remains below the specified threshold for a period of three consecutive financial years.].

The Company has been filing Non Applicability of Corporate Governance since June 2015 onwards. Our Company has also submitted declaration of non applicability of corporate governance provision for the quarter ending 31st March 2024, which was filed on 15th April 2024 with BSE.

The Company has also received notice in writing from a member proposing the candidature of Ms.Umaa Sharvani to be appointed as Director of the Company. The Company has received a declaration from Ms. Umaa Sharvani confirming that she meets the criteria of independence under the Companies Act, 2013 and the Listing Regulations. Further, the Company has also received from Ms. Umaa Sharvani a consent to act as a Director in terms of section 152 of the Companies Act, 2013 and a declaration that she is not disqualified from being appointed as a Director in terms of Section 164 of the Companies Act, 2013, nor debarred from holding the office of a director by virtue of any SEBI order or any such other regulatory authority and has successfully registered herself in the Independent Director's Data Bank maintained by Indian Institute of Corporate Affairs. In the opinion of the Board, Ms. Umaa Sharvani fulfils the conditions specified in the Companies Act, 2013 and rules made thereunder and the Listing Regulations for her appointment as an Independent Director of the Company and is independent of the management. In line with the Company's remuneration policy for Independent Directors, Ms. Umaa Sharvani will be entitled to receive remuneration by way of sitting fees as approved by the Board of Directors, reimbursement of expenses for participation in the Board meetings / Committee meetings, if any. Ms. Umaa Sharvani has rich experience and insights in the matters of audit, accountancy, finance.





## Sri Lakshmi Saraswathi Textiles (Arni) Limited

Also, the Board of Directors are of the opinion that Ms. Umaa Sharvani possess the requisite core skills and competencies as required in context of the business of the Company and it would be in the interest of the Company to appoint her as Independent Director for a period of five years with effect from May 27, 2024, to May26, 2029. Draft letter of appointment of Ms. Umaa Sharvani setting out the terms and conditions of her appointment is being made available for inspection by the Members. Except, Ms. Umaa Sharvani, being appointee, none of the Directors and Key Managerial Personnel of the Company and their relatives are concerned or interested, financial or otherwise, in the resolution set out at Item No. 2. Details of the proposed appointee pursuant to the provisions of (i) the Listing Regulations and (ii) Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India is provided under **Annexure A** to this Notice. The Board of Directors recommends the Ordinary Resolution set out at item No. 2 of the Notice for approval by Members

### ANNEXURE A

Details of the Directors seeking re-appointment / appointment / change in remuneration as required under Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard - 2.

Name of the Director	Ms. Umaa Sharvani
DIN	10566378
Age	46
Qualification	Chartered Accountant
Experience (including expertise inspecific functional area) / Brief Resume	12 years experience in the field of Accounts, Finance
Terms & Conditions of Appointment	Five years with effect from May 27, 2024
Remuneration last drawn(including sitting fees, if any)	—
Remuneration proposed to be paid	—
Date of first appointment on the Board	27.05.2024
Shareholding in the Company including shareholding as abeneficial owner as on date of Postal Ballot Notice	—
Relationship with other Directors/Key ManagerialPersonnel	Ms. Umaa Sharvani is not related to any of the Directors of the Company
Number of meetings of the Board attended during the financial year(2023-24)	—
Directorships of other Boards as on date of Postal Ballot Notice	—
Memberships / Chairmanships of committees of other Boards as on the date of Postal Ballot Notice	—
Listed entities from which the Director has resigned in the pastthree years	—



## Sri Lakshmi Saraswathi Textiles (Arni) Limited

Sub 3

### EXPLANATORY STATEMENT UNDER SECTION 102 OF THE COMPANIES ACT, 2013 – Sub 3

Pursuant to Section 149(4) of the Companies Act 2013, Every listed public company shall have at least one third of the total number of Directors as Independent Directors. The members may note that Mr.J M Grover, had completed his second term as Independent Directors on March 31, 2024 and ceased to be Independent Director. Ms. Sivarani J, Director has been with the Company since 2016 as a Non-executive Director. Your Directors based on the recommendation of Nomination and Remuneration Committee dated May 27, 2024, appointed Ms. Sivarani J DIN: 02304269 as a Director of the Company in the capacity of Independent Director with effect from May 27, 2024 for a period of five years.

As per Regulation 15(2) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 :

The compliance with the corporate governance provisions as specified in regulations 17, [17A,] 18, 19, 20, 21, 22, 23, 24, [24A,] 25, 26, 27 and clauses (b) to (i) [and (t)] of sub-regulation (2) of regulation 46 and para C, D and E of Schedule V shall not apply, in respect of - (a) [a] listed entity having paid up equity share capital not exceeding rupees ten crore and net worth not exceeding rupees twenty five crore, as on the last day of the previous financial year:

[Provided that where the provisions of regulations 17 to 27, clauses (b) to (i) and (t) of sub-regulation (2) of regulation 46 and para C, D and E of Schedule V become applicable to a listed entity at a later date, it shall ensure compliance with the same within six months from such date:]

[Provided further that once the above regulations become applicable to a listed entity, they shall continue to remain applicable till such time the equity share capital or the net-worth of such entity reduces and remains below the specified threshold for a period of three consecutive financial years.].

The Company has been filing Non Applicability of Corporate Governance since June 2015 onwards. Our Company has also submitted declaration of non applicability of corporate governance provision for the quarter ending 31st March 2024, which was filed on 15th April 2024 with BSE.

The Company has also received notice in writing from a member proposing the candidature of Ms. Sivarani J to be appointed as Director of the Company. The Company has received a declaration from Ms. Sivarani J confirming that she meets the criteria of independence under the Companies Act, 2013 and the Listing Regulations. Further, the Company has also received from Ms. Sivarani J a consent to act as a Director in terms of section 152 of the Companies Act, 2013 and a declaration that she is not disqualified from being appointed as a Director in terms of Section 164 of the Companies Act, 2013, nor debarred from holding the office of a director by virtue of any SEBI order or any such other regulatory authority and has successfully registered herself in the Independent Director's Data Bank maintained by Indian Institute of Corporate Affairs. In the opinion of the Board, Ms. Sivarani J fulfils the conditions specified in the Companies Act, 2013 and rules made thereunder and the Listing Regulations for her appointment as an Independent Director of the Company and is independent of the management. In line with the Company's remuneration policy for Independent Directors, Ms. Sivarani J will be entitled to receive remuneration by way of sitting fees as approved by the Board of Directors, reimbursement of expenses for participation in the Board meetings / Committee meetings, if any. Ms. Sivarani J has rich experience and insights in the matters of Agronomist. Also, the Board of Directors are



## Sri Lakshmi Saraswathi Textiles (Arni) Limited

of the opinion that Ms. Sivarani J possess the requisite core skills and competencies as required in context of the business of the Company and it would be in the interest of the Company to appoint her as Independent Director for a period of five years with effect from May 27, 2024, to May 26, 2029. Draft letter of appointment of Ms. Sivarani J setting out the terms and conditions of her appointment is being made available for inspection by the Members. Except, Ms. Sivarani J, being appointee, none of the Directors and Key Managerial Personnel of the Company and their relatives are concerned or interested, financial or otherwise, in the resolution set out at Item No. 3. Details of the proposed appointee pursuant to the provisions of (i) the Listing Regulations and (ii) Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India is provided under Annexure B to this Notice. The Board of Directors recommends the Ordinary Resolution set out at item No. 3 of the Notice for approval by Members

### ANNEXURE B

Details of the Directors seeking re-appointment / appointment / change in remuneration as required under Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard - 2.

Name of the Director	Ms. Sivarani J
DIN	02304269
Age	53
Qualification	Ms. SIVARANI J is a Agronomist and holds Master degree in Environmental Management
Experience (including expertise inspecific functional area) / Brief Resume	30 years
Terms & Conditions of Appointment	Five years with effect from 27th May 2024.
Remuneration last drawn(including sitting fees, if any)	—
Remuneration proposed to be paid	—
Date of first appointment on the Board	02.03.2016
Shareholding in the Company including shareholding as abeneficial owner as on date of Postal Ballot Notice	—
Relationship with other Directors/Key ManagerialPersonnel	Ms. Sivarani J is not related to any of the Directors of the Company
Number of meetings of the Board attended during the financial year(2023-24)	Board Meeting - 4 Audit Committee Meeting - 4
Directorships of other Boards as on date of Postal Ballot Notice	—
Memberships / Chairmanships of committees of other Boards as on the date of Postal Ballot Notice	—
Listed entities from which the Director has resigned in the pastthree years	—



## **Sri Lakshmi Saraswathi Textiles (Arni) Limited**

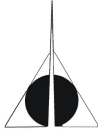
---

Sub 4: In accordance with the provisions of Section 148 of the Act, the Companies (Audit and Auditors) Rules, 2014 and the Companies (Cost Records and Audit) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), the Board of Directors of the Company on the recommendation of the Audit Committee, approved the appointment of M/s. S V M & Associate, (Firm Registration No.000536) Cost Accountant, as the Cost Auditors of the Company for the financial year 2024-25, for conducting the audit of the cost records of the Company at a remuneration of Rs. 80,000/- (Rupees Eighty Thousands only) excluding all taxes and reimbursement of out-of-pocket expenses). The remuneration payable to the Cost Auditors is required to be ratified by the Members of the Company. Accordingly, the consent of the Members is sought for passing an Ordinary Resolution as set out in Item No. 4 of this Notice for ratification of remuneration payable to the Cost Auditors for the financial year 2024-25. None of the Directors and/or, Key Managerial Personnel and their relatives are concerned with or interested, financially or otherwise, in the said Resolution

By Order of the Board  
for **SRI LAKSHMI SARASWATHI  
TEXTILES (ARNI) LIMITED**

(BALAKRISHNA S)  
**Chairman & Managing Director**

Place : Chennai  
Date : May 27, 2024



## Sri Lakshmi Saraswathi Textiles (Arni) Limited

### 60<sup>th</sup> ANNUAL REPORT DIRECTORS' REPORT

Ladies and Gentlemen,

Your Directors present the 60<sup>th</sup> Annual Report of the Company alongwith the audited statement of accounts for the year ended 31<sup>st</sup> March 2024.

#### 1. FINANCIAL RESULTS

S.NO.	Description	For the year ending 31.03.2024 (Rs.in Lakhs)	For the year ending 31.03.2023 (Rs.in Lakhs)
1.	Total Income	12744.50	15168.85
2.	Total Expenses	14742.85	17165.87
3.	Profit / (Loss) before exceptional items and tax (III - IV )	(2019.47)	(1988.70)
4.	Exceptional Items	—	—
5.	Profit / (Loss) before tax	(2019.47)	(1988.70)
6.	Tax expense	—	—
7.	Profit / (Loss) for the period	(2019.47)	(1988.70)
8.	Earning per equity share		
	(i) Basic Rs.	(60.59)	(59.67)
	(ii) Diluted Rs.	(60.59)	(59.67)

#### Details of Loss Carried Forward for the year ending 31.03.2024

Details	Rs. in lakhs	Rs. in lakhs
Profit from business operation before Financial Expenses and Depreciation		(1390.20)
Less:		
1) Financial Expenses	436.55	
2) Depreciation	192.72	629.27
Current year Loss		(2019.47)
Loss carried forward from previous years		(7125.15)

#### 2. PRODUCTION AND INCOME FROM OPERATIONS:

The production and income from operation of the current year and previous year are as under:

Details	2023-24	2022-23
Production in Kgs in Lakhs	57.73	62.50
Sales in Kgs in Lakhs	58.02	62.97
Revenue from operation Rs.in Lakhs	12711.70	15104.45



## Sri Lakshmi Saraswathi Textiles (Arni) Limited

---

### 3. DIVIDEND

Due to accumulated loss, your Directors do not recommend Dividend.

### 4. SCHEME OF ARRANGEMENT

The Board of Directors of Sri Lakshmi Saraswathi Textiles (Arni) Limited at their meeting held on 29th April 2022 approved the Scheme of Arrangement between Sri Lakshmi Saraswathi Textiles (Arni) Limited (**Demerged Company**) and SLST Industries Limited (**Resulting Company**) and their Respective members pursuant to the provisions of Section 232 read with Section 230 and all other applicable provisions of the Companies Act, 2013. Pursuant to the approval of the Scheme of arrangement by the Board Directors, the Company has submitted Application for getting In-Principle approval from BSE on 13th May 2022. The Company has received In-principle approval from BSE on 01<sup>st</sup> August 2023 and submitted application to NCLT, Chennai for its approval.

### 5. TRADE PROSPECT AND OUTLOOK

Overall the Textile industry has been going through turmoil for the past two years. High raw material prices, high imports of cheap yarns and fabrics, economic downturn and recessions scenarios across major buying markets of Europe of North America and Europe has disrupted the industry. Despite many companies closing operations temporarily, there has been very slow demand for yarns this financial year.

High Raw material prices - Cotton reached its peak prices of Rs.115,000 Per candy which destabilized the entire Textiles supply chain. This affected us drastically as our consumers were not able to absorb the increase in prices.

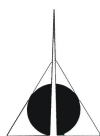
Low selling prices due to high imports from China. There has been very high imports of material at very low costs which has pushed the selling prices of Synthetic blended yarns drastically low. The government has implemented Quality Control Orders (QCO) against anti dumping of yarns and fabrics from China and other countries. We are positive this move will help over the current year in potentially better selling prices of our yarns.

Decline in Sales/ Demand- Our key selling markets has been very dull as they majority of Apparel manufacturers have sluggishness in export markets. Owing to war situations in Europe and North America, the quantities and demand for Finished products has been slower. Due to lack of export orders, most mills have been selling yarns in the domestic market with excess supply. This in turn has affected the supply chain of yarn and fabrics.

We are hopeful FY 2024-2025 will have a positive outlook as the government has made some policy changes regarding Imports and Anti Dumping duties in certain Textile products. With some stability in raw material pricing and improved export demand, we can expect a much better performance.

### 6. DIRECTOR APPOINTMENT / RESIGNATION / RETIRE BY ROTATION.

Mr. Jagamohan Grover (DIN: 00084735) ceased to be an Independent Director with effect from close of business hours of 31<sup>st</sup> March 2024 on completion of second terms of office. Your Directors put on records their appreciation for the guidance and valued services received from Mr. Jagamohan Grover during the tenure of his office



## Sri Lakshmi Saraswathi Textiles (Arni) Limited

### Appointment of Directors

Ms. Umaa Sharvani (DIN: 10566378) and Ms.Sivarani (DIN: 02304269), were appointed as Independent Directors of the Company by the Board of Directors of the Company at their meeting held on 27<sup>th</sup> May 2024 for a period of five years (first term) with effect from 27<sup>th</sup> May 2024 subject to the approval of the Members. The Nomination and Remuneration Committee (NRC) after considering their skills, background and experience, recommended to the Board their appointment as Independent Directors of the Company. Based on the recommendations of the NRC, the Board appointed them as Independent Directors, not liable to retire by rotation, subject to approval of the Members at the ensuing AGM of the Company, to hold office as under: “ Ms. Umaa Sharvani (DIN: 10566378) for first term commencing from 27<sup>th</sup> May 2024 up to 26<sup>th</sup> May 2029 (both days inclusive) and Ms.Sivarani (DIN: 02304269), for first term commencing from 27<sup>th</sup> May 2024 up to 26<sup>th</sup> May 2029 (both days inclusive). The resolutions seeking shareholders’ approval for their appointment forms part of the Notice.

### 7. DETAILS OF KEY MANAGERIAL PERSONNEL (KMP)

According to Section 203 of the Companies Act, 2013, the following are the Key Managerial Personnel of the Company:

Mr. Balakrishna S – Managing Director  
Mr. R. Padmanaban – Joint Managing Director and CFO  
Mr. Jitendra Kumar Pal- Company Secretary

### 8. ANNUAL RETURN

The Annual Return of the Company as on March 31, 2024 is available on the Company's website and can be accessed at [www.slstindia.com](http://www.slstindia.com)

### 9. DETAILS OF MEETINGS OF BOARD AND COMMITTEES OF BOARD HELD DURING 2023-24.

a) There were five Board meetings held during the year 2023-24. The details and attendance record of Directors at the Board Meetings are as under.

Date of Meeting	Board's Strength (on the date of meeting)	No.of Directors Present
29.05.2023	5	5
31.07.2023	5	3
09.08.2023	5	5
09.11.2023	5	5
09.02.2024	5	5



## Sri Lakshmi Saraswathi Textiles (Arni) Limited

b) There were Four Audit Committee meetings held during the year 2023-24. The details and attendance record of Directors at the Audit Committee Meetings are as under.

Date of Meeting	Committee's Strength (on the date of meeting)	No.of Directors Present
29.05.2023	3	3
09.08.2023	3	3
09.11.2023	3	3
09.02.2024	3	3

c) There was one Independent Directors meetings held during the year 2023-24. The details and attendance record of Directors at the Independent meetings are as under.

Date of Meeting	Independent Directors meetings Strength (on the date of meeting)	No.of Directors Present
09.02.2024	2	2

d) There was no Nomination and Remuneration Committee held during the year 2023-24.

e) There was no Stakeholders Relationship Committee Meeting held during the year 2023-24.

f) There was no Corporate Social Responsibility Committee held during the year 2023-24.

g) Details of Board and Committee Meetings' Attendance Record of Individual Directors:

Details		Annual General Meeting	Board Meetings	Audit Committee Meetings	Nomination and Remuneration Committee Meetings	Stakeholders Relationship Committee Meeting	Corporate Social Responsibility Committee Meeting	Independent Directors Meetings
Total No.of Meetings held during 2023-24		1	5	4	-	-	-	1
S. No	Name of the Director	Whether attended	— Number of Meetings Attended —					
1.	Sri Balakrishna S	Yes	5	N.A.	N.A.	--	--	N.A.
2.	Sri R.Padmanaban	Yes	5	N.A.	N.A.	--	--	N.A.
3.	Sri J M Grover	Yes	4	4	--	--	--	1
4.	Sri Sridhara Rao	Yes	5	4	--	--	N.A.	1
5.	Ms.Sivarani J	Yes	4	4	--	N.A.	N.A.	N.A.

### 9. DIRECTORS' RESPONSIBILITY STATEMENT

In terms of Section 134(5) of the Companies Act, 2013, the Directors state that –

1. In the preparation of Annual Accounts for the year ended 31st March 2024, the applicable accounting standards had been followed along with proper explanation relating to material departures.
2. The Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year ended 31st March 2024, and of the profit/ loss of the company for that period.





## Sri Lakshmi Saraswathi Textiles (Arni) Limited

3. The Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities.
4. The Directors had prepared the annual accounts on a going concern basis.
5. The Directors had laid down Internal Financial Controls to be followed by the company and that such internal financial controls are adequate and were operating effectively.
6. The Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

### 10. INDEPENDENT DIRECTORS

- a) The Company has received necessary declaration from each independent director under Section 149(7) of the Companies Act, 2013, that he/ she meets the criteria of independence laid down in Section 149(6) of the Companies Act, 2013 and Regulation 25 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- b) Terms and conditions of appointment of Independent Directors can be viewed at the company Website: [www.slstindia.com](http://www.slstindia.com)

### 11. REMUNERATION POLICY

The Remuneration Policy was recommended by Nomination and Remuneration Committee at its meeting held on February 11, 2015 and adopted by the Board of Directors at its meeting held on the same day and the policy can be viewed at the company website [www.slstindia.com](http://www.slstindia.com)

### 12. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186

The Company has not given any Loans, guarantees or Investments covered under Sec 186 of Companies Act 2013.

### 13. PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES UNDER SEC 188(1) COMPANIES ACT 2013

- (a) i) Disclosure of details of Related Parties under employment of the company. (Rs.in Lakhs)

Related Parties	Name of Director to whom related	Nature of relationship with Key Management persons	Salary, Allowance and Bonus	PF	Medical Benefit	Total
Mr.R.Thirumalai	R.Padmanaban	Brother	18.37	1.26	0.00	19.63
Mr.R.Rajagopal	R.Padmanaban	Brother	7.51	0.52	0.23	8.26
Mr.Srish Jayender Balakrishna	Balakrishna S	Son	7.51	0.52	0.00	8.03



## Sri Lakshmi Saraswathi Textiles (Arni) Limited

### ii) Borrowing from Director

A.	S.No.	Name of the Director	Year	Amount Borrowed Rs.in Lakhs
	1.	Sri R.Padmanaban, Joint Managing Director	2023-24	368.00

Amount outstanding as on 31<sup>st</sup> March 2024

B.	S.No.	Name of the Director	Total Amount Outstanding Rs.in Lakhs
	1.	Sri R.Padmanaban, Joint Managing Director	1160.20
	2	Sri. Balakrishna S, Managing Director	39.00

Interest Amount outstanding as on 31<sup>st</sup> March 2024

C.	S.No.	Name of the Director	Rs.in Lakhs
	1.	Sri R.Padmanaban, Joint Managing Director	392.81
	2	Sri. Balakrishna S, Managing Director	---

- (b) Disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 in Form No. AOC 2 is provided in **ANNEXURE – 2**.

#### 14. MATERIAL CHANGES

There are no material changes affecting the financial position of the company which occurred between the end of the financial year of the company to which the financial statements relate and the date of this report.

#### 15. DETAILS TO BE DISCLOSED UNDER RULE 8(3) OF COMPANIES (ACCOUNTS), RULES 2014.

The information to be disclosed under RULE 8(3) OF COMPANIES (ACCOUNTS), RULES 2014 is given in **ANNEXURE – 3**.

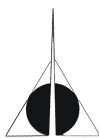
#### 16. RISK MANAGEMENT POLICY

The Board of Directors framed and adopted a Risk Management Policy at its meeting held on March 31, 2017 and the Risk Management Policy can be viewed at the Company website [www.slstindia.com](http://www.slstindia.com)

#### 17. CORPORATE SOCIAL RESPONSIBILITY

In terms of Section 135 and Schedule VII of the Companies Act, 2013, the Board of Directors have constituted a Corporate Social Responsibility (CSR) Committee on March 23, 2017. The Board of Directors adopted a CSR Policy, as recommended by the CSR Committee, which is in line with Section 135 of the Companies Act, 2013, which can be viewed at the Company Website: [www.slstindia.com](http://www.slstindia.com). Annexure - 4

As the company has incurred loss in the current year, the company is not required to spend any amount on CSR.



## **Sri Lakshmi Saraswathi Textiles (Arni) Limited**

---

### **18. EVALUATION OF BOARD**

BOARD EVALUATION Pursuant to the provisions of the Companies Act, 2013, and Regulation 17 of the SEBI (LODR) Regulations, 2015 the Board has carried out an annual performance evaluation of its own performance, the directors individually as well as the evaluation of the working of its Audit, Nomination & Remuneration and other Committees. The board's performance for the current year was assessed on the basis of participation of directors, quality of information provided, quality of discussion and contribution etc. The overall performance of the Board and Committee's of the Board was found satisfactory. The overall performance of Chairman, Executive Directors and the Nonexecutive Directors of the Company is satisfactory. The review of performance was based on the criteria of performance, knowledge, analysis, quality of decision making etc.

### **19. DETAILS TO BE DISCLOSED UNDER RULE 8(5) OF COMPANIES (ACCOUNTS), RULES 2014.**

The information to be disclosed under RULE 8(5) OF COMPANIES (ACCOUNTS), RULES 2014 is given in **ANNEXURE – 5**.

### **20. DISCLOSURE ON AUDIT COMMITTEE**

The composition of the Audit Committee is as below:

Member & Chairman	Sri J M Grover
Member	Sri S.Sridhara Rao
Member	Ms.Sivarani J

All the members have wide exposure in the relevant areas.

### **21. ESTABLISHMENT OF WHISTLE BLOWER POLICY AND VIGIL MECHANISM**

A Whistle Blower Policy and Vigil Mechanism was adopted by the Board of Directors at its meeting held on March 9, 2015. The policy can be viewed at the company website [www.slstindia.com](http://www.slstindia.com).

### **22. SECRETARIAL AUDIT REPORT**

The Secretarial Audit Report for the year 2022-23 is provided in **ANNEXURE - 6**.

There are no qualification made by the Secretarial Auditor.

### **23. DETAILS TO BE DISCLOSED UNDER RULE 5(1) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014**

The required disclosures are provided in **ANNEXURE – 7**.

### **24. DETAILS TO BE DISCLOSED UNDER RULE 5(2) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014.**



## **Sri Lakshmi Saraswathi Textiles (Arni) Limited**

None of the employees was in receipt of remuneration in excess of the prescribed limits, under Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014. Hence there is no report under this category.

### **25. INFORMATION REQUIRED UNDER THE SEXUAL HARASSMENT OF WOMEN AT THE WORKPLACE (PREVENTION, PROHIBITION & REDRESSAL) ACT, 2014.**

The company has complied with provisions relating to the constitution of Internal Complaints Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

The company has in place a system to redress complaints received regarding sexual harassment in line with the requirements of the Sexual Harassment of women at the workplace (Prevention, Prohibition & Redressal) Act, 2013

All employees (permanent, contractual, temporary, apprentices and trainees) are covered under this policy.

The following is a summary of sexual harassment complaints received and disposed off during the year 2023-24.

-	No of complaints received	-	Nil
-	No of complaints disposed off.	-	NA

### **26. FINANCE**

The Board of Directors thanks Indian Overseas Bank and State Bank of India for their continued assistance and co-operation.

### **27. LABOUR**

The relationship with labour continues to be cordial. Your Directors place on record their appreciation of the devoted services of the Officers, Members of the Staff and Workers during the year.

### **28. COST AUDIT**

Your Company is required to maintain cost records as specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013 and accordingly such accounts and records are made and maintained,

The Company has appointed M/s.S V M & Associates, Cost Accountants, as Cost Auditor of the Company for the financial year 2024-25.

The enabling resolution for appointment of M/s.S V M & Associates, Cost Accountants, as Cost Auditor of the Company has been placed in the AGM Notice.

### **29. AUDITORS AND AUDITORS REPORT.**

M/s.S B S B and Associates, Chartered Accountants were appointed as Statutory Auditors of the Company to hold office for a term of five years from the conclusion of this 56th Annual General Meeting till the conclusion of the 61st Annual General Meeting.



## Sri Lakshmi Saraswathi Textiles (Arni) Limited

The Notes on financial statements referred to in the Auditors' Report are self-explanatory and do not call for any further comments. The Auditors' Report does contain some qualification, reservation, remark or disclaimer for which reply has been given in the Directors Report.

### Auditors' Report:

The Report of Auditors and Notes forming part of the Accounts are attached along with the Annual Report.

### Comments on Statutory Auditor's Report:

#### Reply to the qualifications made in Auditor's report

S.No.	QUALIFICATION	REPLY
1.	The Company's net worth has completely eroded. The accumulated loss for the reporting period amounts to Rs. 7,125.15 Lakhs (Previous Year Rs. 5,105.68 Lakhs). The turnover during the year ended 31 <sup>st</sup> March 2024 amounts Rs. 12,711.70 Lakhs (Previous Year Rs. 15,104.45 Lakhs) as per the books of accounts. The statement of profit and loss account also indicates that the company has been incurring net losses for the previous two years including the period under audit. 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 audited financial results has been prepared on going concern basis of accounting, based on the opinion of the management that the company would generate sufficient profits in the foreseeable future	The company has incurred loss during the current year Rs.(2019.47) Lakhs and in previous years Loss of Rs.(1988.70) Lakhs, As a result the accumulated loss has been increased by Rs.(2019.47) lakhs during the current year. The total accumulated loss as on 31.03.2024 is Rs.7125.15 lakhs. The Company continues its business operation to the optimum level. The management is hope full that the company will generate to make profit in the ensuing quarters.
2.	We have observed that, advances paid to suppliers amounting to Rs. 47.58 Lakhs, which were long outstanding and since confirmation of balances have not been received for the same, we are unable to comment on the quality of such assets.	The management assures that all the money should be collected partially in the ensuing quarters. The remaining balance will be collected during the year 2024-25.

### **STATEMENT OF IMPACT OF QUALIFIED OPINION OF STATUTORY AUDITOR.:**

The Auditors qualified opinion, Management's explanations thereon and Statement of Impact of Audit Qualifications are given in **ANNEXURE – 1**.

### **33. MANAGEMENT DISCUSSION AND ANALYSIS REPORT**

Management Discussion and Analysis Report is part of Directors Report. **ANNEXURE–8**

### **34. DISCLOSURE REGARDING ACCOUNTING TREATMENT.**

In preparation of financial statement the treatment prescribed in all the applicable Accounting Standards are followed and no alternative treatment has been adopted.



## Sri Lakshmi Saraswathi Textiles (Arni) Limited

---

### **35. CORPORATE GOVERNANCE REPORT**

Regulation 15 of SEBI (Listing Obligations and Disclosure *Requirements*) *Regulations 2015*, does not apply to your company, as your company's equity share capital and net worth is below the threshold limit prescribed under the said Regulation and hence the Report on Corporate Governance is not provided.

### **36. DECLARATION BY CEO AFFIRMING COMPLIANCE WITH CODE OF CONDUCT**

Declaration from CEO has been given **ANNEXURE – 9**

### **37. COMPLIANCE CERTIFICATE REGARDING CORPORATE GOVERNANCE.**

The certificate is not applicable as the provisions of Corporate Governance does not apply to your company.

### **38. DISCLOSURES WITH RESPECT TO DEMAT SUSPENSE ACCOUNT/ UNCLAIMED SUSPENSE ACCOUNT**

There are no shares in demat suspense account or unclaimed suspense account.

### **39. STATEMENT OF DEVIATION/ VARIATION OF USE OF FUNDS RAISED THROUGH ANY PUBLIC ISSUE.**

The company has not raised any fund through public, right or preferential issue of any security in recent time. Hence there is no Report on any deviation/ variation of the use of such funds.

### **40. DISCLOSURE OF COMPLIANCE WITH SECRETARIAL STANDARDS.**

The Directors have devised proper systems to ensure compliance with the provisions of all applicable Secretarial Standards and that such systems are adequate and operating effectively.

### **41. RELATED PARTY TRANSACTION POLICY.**

The Board of Directors framed and adopted a Related Party Transaction Policy at its meeting held on October 9, 2021 and the Related Party Transaction Policy can be viewed at the Company website [www.slstindia.com](http://www.slstindia.com)

### **42. DIRECTORS' REPORT PLACED IN WEBSITE.**

This Directors' report is placed in company's website and the same can be viewed at [www.slstindia.com](http://www.slstindia.com)

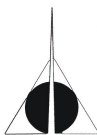
### **43. ACKNOWLEDGEMENT AND APPRECIATION**

Your Directors would like to thank Company' would like to express their gratitude for the co-operation and assistance extended to the Company by its Bankers, Customers, Suppliers, Contractors, Government and Local Authorities, etc. The Directors also wish to thank all its Shareholders for their unstinted support. The Directors would like to sincerely thank and place on record their appreciation of the consistent and dedicated services of the employees at all levels who have immensely contributed to the performance of the Company during the period under review.

By Order of the Board  
for **SRI LAKSHMI SARASWATHI  
TEXTILES (ARNI) LIMITED**

(BALAKRISHNA S)  
**Chairman & Managing Director**

Place : Chennai  
Date : May 27, 2024



## Sri Lakshmi Saraswathi Textiles (Arni) Limited

ANNEXURE – 1

### EXPLANATION TO QUALIFIED OPINION OF STATUTORY AUDITOR/ STATEMENT OF IMPACT OF QUALIFIED OPINION OF STATUTORY AUDITOR.

**Statement on Impact of Audit Qualifications (for audit report with modified opinion) submitted along-with Annual Audited Financial Results - (Standalone)**

<b>Statement on Impact of Audit Qualifications for the Financial Year ended March 31, 2024</b> [See Regulation 33 / 52 of the SEBI (LODR) (Amendment) Regulations, 2016]				
I	S.No.	Particulars	Audited Figures (as reported before adjusting for qualifications) (Rs.in Lakhs)	Adjusted Figures (audited figures after adjusting for qualifications) (Rs.in Lakhs)
	1.	Turnover / Total income	12711.70	12711.70
	2.	Total Expenditure	14742.85	14742.85
	3.	Net Profit/(Loss)	(2019.47)	(2019.47)
	4.	Earnings Per Share	(60.59)	(60.59)
	5.	Total Assets	3664.91	3664.91
	6.	Total Liabilities	8232.11	8232.11
	7.	Net Worth	(4787.88)	(4787.88)
	8.	Any other financial item(s) (as felt appropriate by the management)	Nil	Nil
<p>II. <u>Audit Qualification</u> (each audit qualification separately):</p> <p><b>a. Details of Audit Qualification:</b>            The Company's net worth has been completely eroded. The accumulated losses in the reporting year amounts to Rs. 7,125.15 Lakhs (Previous Year Rs. 5,105.68 Lakhs). The turnover during the period ended 31<sup>st</sup> March 2024, is Rs 12,711.70 Lakhs (Previous Year Rs.15,104.45 Lakhs) as per the books of accounts maintained.</p> <p>Advances paid to suppliers amounting to Rs. 47.58 Lakhs, which were long outstanding and since confirmation of balances have not been received for the same, we are unable to comment on the quality of such assets.</p> <p><b>b. Type of Audit Qualification : Qualified Opinion / Disclaimer of Opinion / Adverse Opinion</b></p> <p><b>c. Frequency of qualification: Whether Appeared first time / Repetitive / since how long continuing Since financial year 2020-2021.</b></p> <p><b>d. For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views:</b></p> <p>1) Auditor has not quantified the impact of qualified opinion.</p> <p>2) The management's view on the two qualified opinions is as below:</p> <p><b>Quote:</b></p> <p>(i) <u>Qualified opinion of Statutory Auditor:</u></p> <p>The Company's net worth has been completely eroded. The accumulated losses in the reporting year amounts to Rs 7125.16 Lakhs (Previous Year Rs.5105.66 Lakhs). The turnover during the period ended 31<sup>st</sup> March 2024, is Rs. 12744.50 Lakhs (Previous Year Rs.15,168.85 Lakhs) as per the books of accounts maintained.</p>				



## Sri Lakshmi Saraswathi Textiles (Arni) Limited

### **Unquote:**

#### Management's View:

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

1. The company has incurred loss during the current year Rs.(2019.47) Lakhs and in previous years profit of Rs.(1988.70) Lakhs, As a result the accumulated loss has been increased by Rs.(2019.47) lakhs during the current year. The total accumulated loss as on 31.03.2024 is Rs.7125.16 lakhs. It continues its business operation to the optimum level. The management is hope full that the company will generate to make profit in the ensuing quarters.

### **Quote:**

#### (ii) Qualified opinion of Auditor:

Advances paid to suppliers amounting to Rs. 47.58 Lakhs, which were long outstanding and since confirmation of balances have not been received for the same, we are unable to comment on the quality of such assets.

### **Unquote:**

#### Management View:

The management assures that all the money should be collected partially in the ensuing quarters. The remaining balance will be collected during the year 2024-25.

#### **e. For Audit Qualification(s) where the impact is not quantified by the auditor:**

- (i) **Management's estimation on the impact of audit qualification:** Management is of the view that both the qualified opinions (i) and (ii) of the above have no impact and hence not quantified.

- (ii) **If management is unable to estimate the impact, reasons for the same:**  
———— Not Applicable ————

- (iii) **Auditors' Comments on (i) or (ii) above:** Auditors have no comments

### III. Signatories:

- **CEO/Managing Director** -signed-
- **CFO** -signed-
- **Audit Committee Chairman** -signed-
- **Statutory Auditor** -signed-

for **SRI LAKSHMI SARASWATHI  
TEXTILES (ARNI) LIMITED**

**(BALAKRISHNA S)  
MANAGING DIRECTOR &  
CHIEF EXECUTIVE OFFICER**

Place: Chennai  
Date : May 27, 2024





## Sri Lakshmi Saraswathi Textiles (Arni) Limited

ANNEXURE - 2

**Disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arms length transactions under third proviso thereto**

### Form AOC – 2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

#### **1. Details of contracts or arrangements or transactions not at arm's length basis**

(a) Name(s) of the related party and nature of relationship	Nil
(b) Nature of contracts / arrangements / transactions	Nil
(c) Duration of the contracts / arrangements/transactions	Nil
(d) Salient terms of the contracts or arrangements or transactions including the value, if any	Nil
(e) Justification for entering into such contracts or arrangements or transactions	Nil
(f) date(s) of approval by the Board	Nil
(g) Amount paid as advances, if any	Nil
(h) Date on which the special resolution was passed in general meeting as required under first proviso to section 188	Nil

#### **2. Details of material contracts or arrangement or transactions at arm's length basis**

i) (a) Name(s) of the related party and nature of relationship:

Related Parties	Name of Director to whom related	Nature of relationship	Salary & Allowance Rs. in lakhs	* Date of approval by the Board
Mr.R.Thirumalai	R.Padmanaban	Brother	19.63	01.02.2022
Mr.R.Rajagopal	R.Padmanaban	Brother	8.26	01.02.2022
Mr.Srish Jayender Balakrishna	Balakrishna S	Son	8.03	01.02.2022

\* Dates of appointment and latest revision

(b) Nature of contracts/arrangements/transactions: : Employment

(c) Duration of the contracts / arrangements / transactions : 2023-24

(d) Salient terms of the contracts or arrangements or transactions including the value, if any: : Normal employment terms of the company.



## Sri Lakshmi Saraswathi Textiles (Arni) Limited

(ii) a) Name(s) of the related party and nature of relationship: Sri R.Padmanaban, Joint Managing Director

Related Parties	Name of Director to whom related	Nature of relationship	Borrowing from Director Rs.in lakhs	* Date of approval by the Board
Sri R.Padmanaban	R.Padmanaban	Director	1284.20 (maximum amount) 1160.20 (Balance as on 31.03.2024)	13.02.2018/ 27.03.2018/ 13.02.2019/ 12.11.2019/ 13.02.2020 15.09.2020 & 11.10.2021

Name(s) of the related party and nature of relationship: Sri Balakrishna S, Managing Director

Related Parties	Name of Director to whom related	Nature of relationship	Borrowing from Director Rs.in lakhs	* Date of approval by the Board
Sri Balakrishna S	Balakrishna S	Director	39 (Balance as on 31.03.2024)	29.05.2023

(b) Nature of contracts/arrangements/transactions: : Borrowing from Directors

(c) Duration of the contracts / arrangements / transactions : Short Term Borrowing

(d) Salient terms of the contracts or arrangements or transactions including the value, if any: : a) Rate of Interest 11.00%

b) Interest Payable upto 31.03.2023 for Mr.R.Padmanaban. (Accumulated Interest) Rs.108.98 Lakhs.

c) Interest Paid upto 31.03.2023 for Mr.Balakrishna S. Rs.4.29

By order of the Board  
For SRI LAKSHMI SARASWATHI  
TEXTILES (ARNI) LIMITED

(BALAKRISHNA S)  
**Chairman & Managing Director**

Place: Chennai  
Date : May 27, 2024



## Sri Lakshmi Saraswathi Textiles (Arni) Limited

Annexure - 3

### DETAILS TO BE DISCLOSED UNDER RULE 8(3) OF COMPANIES (ACCOUNTS) RULES 2014.

#### Details on Conservation of energy, Technology absorption and Foreign exchange earnings and Outgo

Details	Disclosure	
<b>(A) Conservation of energy-</b> (i) the steps taken or impact on conservation of energy;	The company conducts periodical energy audit and implements the advice given by the energy audit team. In all machines and areas wherever required energy savings equipments / spares/ component are used to conserve energy	
(ii) the steps taken by the company for utilising alternate sources of energy;	The company as alternate source has installed 1 No. Wind Turbine Generator.	
(iii) the capital investment on energy conservation equipments;	During the year – Nil.	
<b>(B) Technology absorption-</b>	Nil	
<b>(C) Foreign exchange earnings and Outgo</b>	2023-24	
The Foreign Exchange earned in terms of actual inflows during the year and the Foreign Exchange outgo during the year in terms of actual outflows.	<u>Earnings/ Inflow</u> Through Export	Rs.in lakhs 295.33
	<u>Expenses / Outgo</u> Raw Material Import Travel Expenses Total Outgo } }	Nil

By order of the Board  
For SRILAKSHMI SARASWATHI  
TEXTILES (ARNI) LIMITED

Place : Chennai  
Date : May 27, 2024

(BALAKRISHNA S)  
**Chairman & Managing Director**

Annexure – 4

### ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES

- A brief outline of the company's CSR policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programs.**

The objective of the CSR Policy is to

- Ensure an increased commitment at all levels in the organisation, to operate its business in an economically, socially & environmentally sustainable manner, while recognising the interests of all its stakeholders.
- To directly or indirectly take up programmes that benefit the communities in & around its work locations and results, over a period of time, in enhancing the quality of life & economic well-being of the local populace.
- To generate, through its CSR initiatives, a community goodwill for SLST and help reinforce a positive & socially responsible image of SLST as a corporate entity.

Weblink to the CSR Policy:

<http://www.slstindia.com>



## Sri Lakshmi Saraswathi Textiles (Arni) Limited

**2. The Composition of the CSR Committee.**

- a. Ms. Umaa Sharvani, Chairperson
- b. Sri Balakrishna. S, Member
- c. Sri. R. Padmanaban, Member

**3. Average net profit of the company for last three financial years Rs.(-)1181.81 Lakhs**

**4. Prescribed CSR Expenditure (two per cent of the amount as in item 3 above). Nil.**

**5. Details of CSR spent during the financial year:**

**(a) Total amount to be spent for the financial year: Nil**

**(b) Amount unspent, if any: Not Applicable**

**(c) Manner in which the amount spent during the financial year is detailed below:**

(1) S.No	(2) CSR Project or activity identified	(3) Sector in which the Project is covered	(4) Projects or programs (1) Local area or other (2) Specify the State and district where projects or programs was undertaken	(5) Amount outlay (budget) project or programs wise	(6) Amount spent on the projects or programs sub-heads: 1) Direct expenditure on projects or programs. 2) Overheads	(7) Cumulative expenditure upto to the reporting period	(8) Amount Spent Direct or through implementing agency
1							
2							
3							
Total							

\*Give details of implementing agency:

**6. In case the company has failed to spend the two per cent of the average net profit of the last three financial years or any part thereof, the company shall provide the reasons for not spending the amount in its Board report.**

**--- NOT APPLICABLE ---**

**7. A responsibility statement of the CSR Committee that the implementation and monitoring of CSR Policy, is in compliance with CSR objectives and Policy of the company**

**--- NOT APPLICABLE ---**

Place : Chennai  
Date : May 27, 2024

Balakrishna S,  
(Managing Director &  
Chief Executive Officer,  
Chairman,  
CSR Committee)



## Sri Lakshmi Saraswathi Textiles (Arni) Limited

Annexure – 5

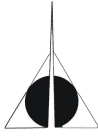
### DETAILS TO BE DISCLOSED AS PER PROVISION OF RULE 8(5) OF COMPANIES (ACCOUNTS), RULES 2014.

(i) The financial summary or highlights	The same has already been discussed in the earlier portion of this report.
(ii) The change in the nature of business, if any	Nil
(iii) The details of directors or key managerial personnel who were appointed or have resigned during the year	Not Applicable
(iii a) a statement regarding opinion of the Board with regard to integrity, expertise and experience (including the proficiency) of the independent directors appointed during the year	Not Applicable
(iv) The names of companies which have become or ceased to be its Subsidiaries, joint ventures or associate companies during the year	Nil
(v) The details relating to deposits, covered under Chapter V of the Act	The company does not accept deposit from public.
(vi) The details of deposits which are not in compliance with the requirements of Chapter V of the Act	No such deposit
(vii) the details of significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and company's operations in future	No such transaction
(viii) the details in respect of adequacy of internal financial controls with reference to the Financial Statements	Adequate internal financial controls are in vogue.
(ix) a disclosure, as to whether maintenance of cost records as specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013, is required by the Company and accordingly such accounts and records are made and maintained	Yes. Complied with
(x) a statement that the company has complied with provisions relating to the constitution of Internal Complaints Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 [14 of 2013]	Yes. Complied with

By order of the Board  
For SRI LAKSHMI SARASWATHI  
TEXTILES (ARNI) LIMITED

(BALAKRISHNA S)  
**Chairman & Managing Director**

Place: Chennai  
Date : May 27, 2024



## Sri Lakshmi Saraswathi Textiles (Arni) Limited

Form No.MR-3

ANNEXURE – 6

### SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31.03.2024

[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]

To,  
The Members,  
**SRI LAKSHMI SARASWATHI TEXTILES (ARNI) LIMITED**  
16, Krishnama Road, Nungambakkam,  
Chennai – 600034

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **M/s. SRI LAKSHMI SARASWATHI TEXTILES (ARNI) LIMITED**, (hereinafter called as “the company”). The secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company’s books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the company has, during the audit period covering the financial year ended on 31.03.2024, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31.03.2024 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
  - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  - (c) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
  - (d) The Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018;
  - (e) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

We report that, the provisions of the following regulations are not applicable to the Company during the audit period:-

- (a) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021;
- (b) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
- (c) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021;
- (d) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021;
- (e) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018.



## **Sri Lakshmi Saraswathi Textiles (Arni) Limited**

---

We further report that, having regard to the compliance system prevailing in the Company and based on the written representations received from the officials/executives of the Company, we state that there are adequate systems and processes commensurate with the size and operations of the company to monitor and ensure compliance of the following laws applicable specifically to the Company;

- (a) The Factories Act, 1948.
- (b) The Water (Prevention and Control of Pollution) Act, 1974.
- (c) The Air (Prevention and Control of Pollution) Act, 1981.

We have also examined compliance with the applicable clauses of the following:

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India.
- (ii) The Listing Agreement entered into by the Company with BSE Limited (BSE) as per SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015.

We further report that the applicable financial laws, such as the Direct and Indirect Tax Laws, have not been reviewed under our audit as the same falls under the review of statutory audit and by other designated professionals.

We further report that, the Company has no Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowing.

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc.

### **We further report that**

- (a) The board of directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.
- (b) Adequate notice is given to all the directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.
- (c) All the decisions at Board meetings and Committee Meetings are carried out unanimously as recorded in the minutes of the meetings of the Board of Directors or Committee of the Board, as the case may be.
- (d) There are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.



## Sri Lakshmi Saraswathi Textiles (Arni) Limited

---

We further report that during the audit period, there were no instances of:

- (i) Public / Right / preferential issue of Shares / Sweat Equity Shares.
- (ii) Redemption / Buy-back of Securities.
- (iii) Foreign technical collaborations.
- (iv) Merger / Amalgamation / Reconstruction.

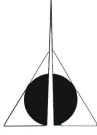
**For A.K.JAIN & ASSOCIATES**  
Company Secretaries

Place: Chennai  
Date: May 27, 2024

**BALU SRIDHAR**  
Partner  
M.No. F5869  
C.P. No. 3550  
UDIN: F00586F000462193  
P.R No: 1201/2021

This report is to be read with our letter of even dated which is annexed as 'Annexure-A' and form an integral part of this report.





## **Sri Lakshmi Saraswathi Textiles (Arni) Limited**

---

### **Annexure A**

To,  
The Members,  
**SRI LAKSHMI SARASWATHI TEXTILES (ARNI) LIMITED**  
16, Krishnama Road, Nungambakkam,  
Chennai – 600 034

Our report of even date is to be read along with this letter.

1. Maintenance of Secretarial Records is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial Records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events, etc.
5. The compliances of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor the efficacy or effectiveness with which the management has conducted the affairs of the Company.

**For A.K.JAIN & ASSOCIATES**  
**Company Secretaries**

Place: Chennai  
Date: May 27, 2024

**BALU SRIDHAR**  
**Partner**  
**M.No. F5869**  
**C.P. No. 3550**  
**UDIN: F00586F000462193**  
**P.R No: 1201/2021**



## Sri Lakshmi Saraswathi Textiles (Arni) Limited

Annexure – 7

### DETAILS DISCLOSED AS PER PROVISION OF RULE 5(1) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014

S. No.	Disclose Requirements	Disclosure			
(i) & (ii)	The ratio of the remuneration of each Director to the median remuneration of the Company for 2023-24, the percentage increase in remuneration of each Director, Chief Finance Officer, Chief Executive Officer and Company Secretary in 2023-24.	Name of Director / KMP and Designation	Remuneration of Director/ KMP for 2023-24 (Rs.in Lakhs)	% increase in the remuneration in 2023-24 % increase (Decrease)in the remuneration	Ratio of remuneration of each Director to median Remuneration of employee.
		Balakrishna S, Managing Director and Chief Executive Officer	37.40	10%	37
		R.Padmanaban Joint Managing Director and Chief Financial Officer	24.19	10%	24
		Jitendra Kumar Pal Company Secretary	12.16	—	Not Applicable
(iii)	The percentage increase in the median remuneration of employees in the financial year	There was a increase 4% in the median remuneration.			
(iv)	The number of permanent employees on the rolls of company;	1597			
(v)	Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration;	There was a increased of 10% in the average remuneration of managerial personnel and the average remuneration of employees other than the managerial personnel was decreased by 28%.			
(vi)	Affirmation that the remuneration is as per the remuneration policy of the company.	It is affirmed that the remuneration of all employees including directors is as per the remuneration policy of the company.			

By order of the Board  
For SRI LAKSHMI SARASWATHI  
TEXTILES (ARNI) LIMITED

Place : Chennai  
Date : May 27, 2024

(BALAKRISHNA S)  
**Chairman & Managing Director**



### REPORT ON MANAGEMENT'S DISCUSSION AND ANALYSIS

#### i. Industry structure and developments

Our company is engaged in the manufacture of all types of yarn used for manufacture of woven and knitted fabrics and is sold both in the domestic and international markets. Demand for yarn in the domestic market depends upon demand for fabrics for domestic consumption and for fabrics for export as such or for manufacture of garments and other textile products exports. Thus domestic demand of yarn depends on the level of domestic consumption through direct use and capability to sell fabrics and garments and other textile products in the international market. Direct export of yarn is for the manufacture of fabrics in the foreign countries. In India, especially in Tamil Nadu, excess spinning capacity has been established without corresponding capacity build-up for fabrics production, processing capacity and garment manufacture. No effective system has been put in place to scrap obsolete spindle capacity and to ensure a coordinated capacity additions in all segments of textile industry. Non-availability of adequate number of employees has resulted in reduction in production of yarn. Maintaining good quality, increasing the volume, optimizing the product mix and capacity utilization, ensuring availability of adequate power at reasonable cost, cost reduction and taking up down stream value are the ways to progress. Current developments and effect of the same in the performance were discussed in the Directors' Report.

#### ii. Opportunities and threats

Non availability of adequate skilled manpower, high cost of all inputs and lack of financial support from Banks, resulted in reduction in capacity utilization of marginal spinning mills and thereby reduction in supply of yarn. This has provided an opportunity to the established players to strengthen their position. Changes in the international market for raw cotton, policies preferences of Government affecting Textiles, high cost of power, non availability of adequate skilled man power and lack of financial support from banking system are the threats faced by the industry.

#### iii. Segment wise or product wise performance

Since the company is engaged in the production of Textile products only, there is no segment wise or product wise reporting of performance.

#### iv. Outlook

As discussed in the Directors' Report, the industrial conditions are now favourable spinning sector and performance of the company is expected to improve.

#### v. Risks and concerns

Inconsistency in the price and the demand for yarn and highly volatile cotton market are the two risks associated with spinning mills. Your company plans to face these risks, through suitable sales efforts, optimum product mix, prudent purchase of cotton, improving raw material realization, ensuring availability of adequate power by purchase from private power producers at reasonable cost, implementing cost reduction measures and improving productivity.

#### vi. Internal control systems and their adequacy

The company is having an efficient and adequate internal control system commensurate with size and level of operations of the company.

#### vii. Discussion on financial performance with respect to operational performance.

This has been discussed in details in the Directors Report.

#### viii. Material developments in Human Resources/ Industrial Relations front, including number of people employed.

The company's performance in the industrial relations front continues to be very cordial. Currently the company has 1597 employees of all ranks on its rolls.



## **Sri Lakshmi Saraswathi Textiles (Arni) Limited**

---

**ANNEXURE – 9**

### **DECLARATION REGARDING COMPLIANCE WITH CODE OF CONDUCT**

All the members of the Board of Directors and Senior Management have affirmed compliance with the code of conduct, laid down by the Board.

Place: Chennai  
Date: May 27, 2024

**for SRILAKSHMI SARASWATHI  
TEXTILES (ARNI) LIMITED**

**(BALAKRISHNA S)  
MANAGING DIRECTOR &  
CHIEF EXECUTIVE OFFICER**



## Sri Lakshmi Saraswathi Textiles (Arni) Limited

**INDEPENDENT AUDITORS REPORT TO THE MEMBERS OF  
SRI LAKSHMI SARASWATHI TEXTILES (ARNI) LIMITED  
(CIN: L17111TN1964PLC005183)**

### **Report on the audit of Standalone Ind AS Financial Statements**

#### **Qualified Opinion**

In our opinion and to the best of our information and according to the explanations given to us, except for the matters described in the Basis for Qualified Opinion paragraph below the aforesaid Standalone Financial Statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under Section 133 of The Act read with the companies (Indian Accounting Standards) Rules, 2015 as amended ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31<sup>st</sup> March 2024, and Loss for the year ended on that date.

We have audited the accompanying Standalone Financial Statements of SRI LAKSHMI SARASWATHI TEXTILES (ARNI) LIMITED ("the Company") which comprises the Balance Sheet as at 31<sup>st</sup> March 2024, the Statement of Profit and Loss and the Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

#### **Basis for Qualified Opinion**

The Company's net worth has completely eroded. The accumulated loss for the reporting period amounts to Rs. 7,125.15 Lakhs (Previous Year Rs. 5,105.68 Lakhs). The turnover during the year ended 31<sup>st</sup> March 2024 amounts Rs. 12,711.70 Lakhs (Previous Year Rs. 15,104.45 Lakhs) as per the books of accounts. The statement of profit and loss account also indicates that the company has been incurring net losses for the previous two years including the period under audit. 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 audited financial results has been prepared on going concern basis of accounting, based on the opinion of the management that the company would generate sufficient profits in the foreseeable future.

We have observed that, advances paid to suppliers amounting to Rs. 47.58 Lakhs, which were long outstanding and since confirmation of balances have not been received for the same, we are unable to comment on the quality of such assets.

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the Standalone Financial Statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### **Emphasis of matter paragraph.**

We have observed that an advance to an extent of Rs 21.40 Lakhs (Previous Year 21.40 Lakhs), has been given, for the purchase of machinery which is outstanding for more than one year.

Our opinion is not modified with respect to the above matters.

#### **Key Audit Matters –**

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financials statements of the current period. These matters were addressed in the context of our



## **Sri Lakshmi Saraswathi Textiles (Arni) Limited**

---

audit of the financial statements, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

### **Information Other Than Financial Statements and Auditor's Report Thereon**

The Company's Board of Directors is responsible for the other information in the Annual Report, comprising of the Director's report and its annexures, but does not include the standalone financial statements and our auditor's report thereon.

Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements, or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that if there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

### **Management's Responsibility for the Standalone Financial Statements**

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation and presentation of these Standalone Financial Statements that give a true and fair view of the Standalone Financial position, Standalone Financial Performance and Standalone Cash Flows of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Standalone Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Standalone Financial Statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the Company's Financial reporting process.

### **Auditor's Responsibility for the Audit of the Standalone Financial Statements**

Our objectives are to obtain reasonable assurance about whether the Standalone Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Standalone financial statements.

As part of an audit in accordance with SAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also



## **Sri Lakshmi Saraswathi Textiles (Arni) Limited**

---

- Identify and assess the risks of material misstatement of the Standalone Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143 (3) (i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate Internal Financial Controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Standalone Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure, and content of the Standalone Financial Statements, including the disclosures, and whether the Standalone Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Financial Statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the Financial Statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

### **Report on Other Legal and Regulatory Requirements**

1. As required by section 143(3) of the Act, we report that.
  - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief are necessary for the purpose of our audit.
  - b. In our opinion, proper books of accounts as required by the law have been kept by the Company as far as it appears from our examinations of those books.
  - c. The Balance Sheet, Statement of Profit and Loss, and the Cash Flow Statement are in agreement with the books of accounts.



## **Sri Lakshmi Saraswathi Textiles (Arni) Limited**

---

- d. In our opinion, the aforesaid Financial Statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- e. On the basis of written representations received from the directors as on 31 March 2024 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2024 from being appointed as a director in terms of Section 164 (2) of the Act.
- f. In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the company to its directors during the year is in accordance with the requirements of Section 197(16) of the Act, as amended.
- g. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such control refer to our separate report in "Annexure A."
- h. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
  - i. The Company has no pending litigations and hence, reporting under this clause is not applicable.
  - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
  - iii. The company is not required to transfer any amount to Investor Education and Protection Fund.
  - iv.
    - a. The management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other person or entity, including foreign entity ("intermediary"), with the understanding, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
    - b. The management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the company shall, whether, directly or indirectly, lend or invest in other person or entities identified in any manner whatsoever by or the like on behalf of the Ultimate Beneficiaries:
    - c. Based on the audit procedures that we have considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations as provided under (a) and (b) above, contain any material misstatement.





## Sri Lakshmi Saraswathi Textiles (Arni) Limited

---

- v. The board of directors of the company have not proposed final dividend for the year which is subject to the approval of members at the ensuing annual general meeting.
  - vi. The company does not have the accounting software which has the feature of recording audit trail (edit log) facility as applicable to the company with effect from April 1, 2023 as prescribed under Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014.
2. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), as amended, issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure B" a statement on the matters specified in the paragraphs 3 and 4 of the Order to the extent applicable.

Place: Chennai  
Date : May 27, 2024

**for M/s.S B S B and Associates**  
**Firm No.012192S**  
**(D.SHARAT KUMAR)**  
**Member Ship .No.024568**  
**Partner**  
**CHARTERED ACCOUNTANTS**  
**UDIN: 24024568BKCZGR8773**



## **Sri Lakshmi Saraswathi Textiles (Arni) Limited**

---

### **ANNEXURE “A” TO THE INDEPENDENT AUDITOR’S REPORT OF EVEN DATE ON THE STANDALONE IND AS FINANCIAL STATEMENTS OF SRI LAKSHMI SARASWATI TEXTILES (ARNI) LIMITED**

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”).

We have audited the internal financial controls over financial reporting of SRI LAKSHMI SARASWATI TEXTILES (ARNI) LIMITED. (“the Company”) as of 31<sup>st</sup> March 2024 in conjunction with our audit of the Standalone Ind AS Financial Statements of the Company for the year ended on that date.

#### **Managements Responsibility for Internal Financial Control**

The Company’s management is responsible for establishing and maintaining internal financial controls based on “the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI).” These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

#### **Auditor’s Responsibility**

Our responsibility is to express an opinion on the Company’s internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the Auditor’s judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company’s internal financial controls system over financial reporting.

#### **Meaning of Internal Controls for Financial Reporting**

A company’s internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company’s internal financial control over financial reporting includes those policies and procedures that.



## **Sri Lakshmi Saraswathi Textiles (Arni) Limited**

---

1. Pertain to the maintenance of controls of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company.
2. Provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and Directors of the company; and
3. Provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

### **Inherent Limitations of Internal Financial Controls Over Financial Reporting**

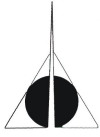
Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

### **Opinion**

In our opinion, the Company has, in all material respects, an adequate Internal Financial Controls System over Financial Reporting and such Internal Financial Controls over Financial Reporting were operating effectively as at March 31 2024, based on the Internal Control over Financial Reporting criteria established by the Company, considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by ICAI.

Place: Chennai  
Date : May 27, 2024

**for M/s.S B S B and Associates**  
**Firm No.012192S**  
**(D.SHARAT KUMAR )**  
**Member Ship .No.024568**  
**Partner**  
**CHARTERED ACCOUNTANTS**  
**UDIN: 24024568BKCZGR8773**



## Sri Lakshmi Saraswathi Textiles (Arni) Limited

### **ANNEXURE “B” TO THE INDEPENDENT AUDITORS REPORT OF EVEN DATE ON THE STANDALONE IND AS FINANCIAL STATEMENTS OF SRI LAKSHMI SARASWATI TEXTILES (ARNI) LIMITED**

The annexure referred to in Paragraph 2 under the heading ‘Report on Other Legal and Regulatory Requirement’ of our report of even date.

To the best of our information and according to the explanations provided to us by the Company and the books of account and records examined by us in the normal course of audit, we state that:

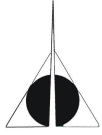
1. In respect of the Company’s Property, Plant and Equipment and Intangible Assets.
  - a. The company has maintained proper records showing full particulars, including quantitative details and situation of its Property, Plant, and Equipment.  
  
The Company is maintaining proper records showing full particulars of intangible assets.
  - b. The Property, Plant, and Equipment has been physically verified by the management at reasonable intervals and no material discrepancies were noticed on such verification.
  - c. Based on our examination of the property tax receipts, registered sale deed/ transfer deed/ conveyance deed and confirmation from bank for the title deeds held with them we report that the title in respect of self-constructed buildings and the title deeds of all other immovable properties, disclosed in financial statements included under property plant and equipment are held in name of company as at balance sheet date.
  - d. The Company has not revalued its Property, Plant, and Equipment (including Right of Use assets) or intangible assets or both during the year.
  - e. No proceedings have been initiated or are pending against the company as at March 31 2024 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.
2. In respect of the Company’s Inventory,
  - a. The management has conducted physical verification of inventory at reasonable intervals and in our opinion, the coverage and procedure of such verification by the management is appropriate; Discrepancies of 10 percent or more were not noticed
3. The Company has been sanctioned working capital limits in excess of ‘ 5 crores, in aggregate during the year from Bank on the basis of security of current assets. Monthly statements have been submitted to the Bank and the details of the differences between the books of account and statements submitted to the Bank at the end of each quarter are given in Note No. 37 to Financial statement.
4. The company has made investments in certain companies during the year.
  - a. As per the records examined by us and the information provided, the investments made by the company during the year are not prejudicial to the company’s interests.
  - b. However, the company has not provided any guarantee or security, or granted any loans or advances in the nature of loans, secured or unsecured, to any Companies, Firms, Limited Liability Partnerships, or any other party, therefore reporting under Clause 3 (b), (c), (d), (e), and (f) are not applicable.



## **Sri Lakshmi Saraswathi Textiles (Arni) Limited**

---

5. The Company has complied with the provisions of Sections 185 and 186 of the Companies Act, 2013, in respect of investments made by the company. The Company has not provided any loans, guarantee or security to any Company covered under Section 185.
6. The company has not accepted any deposits or amounts which are deemed to be deposits during the year. Hence, this clause is not applicable.
7. The maintenance of Cost Records has been specified by the Central Government under sub-section (1) of Section 148 of the Act. We have broadly reviewed the books of account maintained by the Company pursuant to the rules made by the Central Government for the maintenance of cost records under Section 148 of the Act, and are of the opinion that prima facie, the prescribed and such accounts and records have been made and maintained.
8. In respect of statutory dues:
  - a. In our opinion, the Company has generally been regular in depositing undisputed statutory dues, including Goods and Services tax, Provident Fund, Income Tax, Duty of Custom, Cess and other material statutory dues applicable to it with the appropriate authorities.
  - b. There are no disputed statutory dues, as per the information and explanations given to us and the records examined by us. Hence, reporting in this clause is not applicable.
9. There were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year under the Income Tax Act 1961.
10.
  - a. The company has not defaulted on its repayment schedule during the year.
  - b. The company has not been declared wilful defaulter by any bank or financial institutions or government or any government authority.
  - c. The company has applied the term loans for the purpose for which they were obtained.
  - d. On overall examination of financial statements of company, funds raised on short term basis have prima facie, not been used during the year for long term purposes by the company.
  - e. On overall examination of financial statements of company, the company has no subsidiaries. Hence this clause is not applicable.
  - f. On overall examination of financial statements, the company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, joint ventures, and associates.
11.
  - a. The company has not raised moneys by way of initial public offer or further public offer during the year. Hence, this clause is not applicable to the Company.
  - b. During the year, the company has not made preferential allotment or private placement of shares or convertible debentures during the year. Accordingly, Clause (x) of the Order is not applicable to the Company.
12. The company has not noticed any fraud by the company or any fraud on the company during the year. Consequently, the provisions of clause 11 (a) (b) and (c) are not applicable to the Company.
13. The Company is not a Nidhi company and hence complying with the provisions of the Nidhi Rules, 2014 does not arise Hence this clause is not applicable.



## **Sri Lakshmi Saraswathi Textiles (Arni) Limited**

14. In our opinion, all transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 and the details have been disclosed in the Standalone Financial Statements as required by the applicable accounting standards.
- 15.
- a. According to the information and explanations given to us, the company has an adequate internal audit system commensurate with the size and nature of its business.
- b. We have considered the reports of the Internal Auditors for the period under audit issued to the company during the year and till date.
16. According to the information and explanations given to us, the company has not entered into any non-cash transactions as per section 192 of the Companies Act 2013, with directors or persons connected with him. Hence, this clause is not applicable.
17. The company is not required to be registered under section 45 IA of the Reserve Bank of India Act 1934. Hence this clause 16 (a) (b) (c) (d) is not applicable.
18. According to the information and explanations given to us, the company has incurred cash losses during the year, which amounts to Rs. 12.01 Lakhs (Previous year cash loss of Rs. 106.41 Lakhs).
19. There has not been any resignation of the statutory auditors during the year. Hence this clause is not applicable.
20. In our opinion, on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, no material uncertainty exists as on the date of the audit report that company is capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date.
- 21.
- a. According to the information and explanations given to us, the company is not required to transfer any amount to a Fund specified in Schedule VII to the Companies Act within a period of six months of the expiry of the year. Hence this clause is not applicable.
- b. The Company is not required to spend the minimum amount required to be spent as stipulated in Section 135 of the Companies Act. Hence this clause is not applicable.
22. The company has no subsidiary and hence Clause 21 is not applicable.

Place: Chennai  
Date : May 27, 2024

**for M/s.S B S B and Associates**  
**Firm No.012192S**  
**(D.SHARAT KUMAR )**  
**Member Ship .No.024568**  
**Partner**  
**CHARTERED ACCOUNTANTS**  
**UDIN: 24024568BKCZGR8773**



## Sri Lakshmi Saraswathi Textiles (Arni) Limited

### BALANCE SHEET AS AT 31<sup>st</sup> MARCH 2024

Amount Rs. in lakhs

ASSETS	Notes	As at 31st Mar 2024	As at 31st Mar 2023
<b>1. Non-Current Assets :</b>			
(a) Property, Plant and Equipment	6	1542.06	1518.76
(b) Capital Work In Progress	6	434.10	541.90
(c) Other Intangible assets	6	1.09	1.49
(d) Financial Assets :			
i. Investments	7	101.82	102.89
(e) Other Non- Current Assets	8	127.35	127.35
<b>Total Non -Current Assets</b>		<b>2206.42</b>	<b>2292.39</b>
<b>2. Current Assets :</b>			
(a) Inventories	9	489.02	894.13
(b) Financial Assets :			
i. Trade Receivables	10	178.54	124.25
ii. Cash and Cash Equivalents	11	26.41	38.42
iii. Bank balance other than (ii) above	12	184.48	117.86
iv. Security Deposits	13	376.90	319.22
(c) Current Tax Assets (Net)	14	18.67	15.93
(d) Other Current Assets	15	184.47	270.99
<b>Total Current Assets</b>		<b>1458.49</b>	<b>1780.80</b>
<b>TOTAL ASSETS</b>		<b>3664.91</b>	<b>4073.19</b>
<b>EQUITY AND LIABILITIES</b>			
<b>1. EQUITY</b>			
(a) Equity Share Capital	16	333.28	333.28
(b) Other Equity	17	-5121.16	-3101.66
<b>Total Equity</b>		<b>-4787.88</b>	<b>-2768.38</b>
<b>2. LIABILITIES:</b>			
<b>A Non Current Liabilities :</b>			
(a) Financial Liabilities			
i. Borrowings	18	220.68	358.06
(b) Deferred tax liabilities (OCI)	19	0.00	9.05
<b>Total Non Current Liabilities</b>		<b>220.68</b>	<b>367.11</b>
<b>B Current Liabilities :</b>			
(a) Financial Liabilities			
i. Borrowings Secured	20	0.00	0.00
ii. Borrowings Un Secured	21	1199.20	955.20
iii. Trade Payables	22		
- Dues to micro and small enterprises		17.20	17.06
- Dues to other than micro and small enterprises		4761.07	3497.58
iv. Other financial liabilities	23	1388.04	1118.29
(b) Provisions	24	866.60	886.33
(c) Current Tax Liabilities (Net)	25	0.00	0.00
<b>Total Current Liabilities</b>		<b>8232.11</b>	<b>6474.46</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>3664.91</b>	<b>4073.19</b>

Significant Accounting Policies

Note Numbers: 1 - 5

NOTES 6 TO 25 AND ADDITIONAL INFORMATION IN NOTE 36 (A) to 38 FORM PART OF THIS BALANCE SHEET

**BALAKRISHNA S**  
Managing Director &  
Chief Executive Officer  
DIN: 00084524

**Jitendra Kumar Pal**  
Company Secretary

**R.PADMANABAN**  
Joint Managing Director &  
Chief Financial Officer  
DIN: 00084579

for M/s. **S B S B and Associates**  
CHARTERED ACCOUNTANTS  
Firm No.012192S

(D.SHARAT KUMAR)

Partner

Member Ship .No.024568

Place: Chennai  
Date : May 27, 2024



## Sri Lakshmi Saraswathi Textiles (Arni) Limited

### STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31<sup>st</sup> MARCH 2024

	Particulars	Note No.	Amount Rs. in lakhs	
			31st Mar 2024	31st Mar 2023
	<b>INCOME:</b>			
I	Revenue from Operations	26	12711.70	15104.45
II	Other Income	27	32.80	64.40
III	<b>Total Income ( I + II )</b>		<b>12744.50</b>	<b>15168.85</b>
IV	<b>EXPENSES:</b>			
	Cost of materials consumed	28	8951.94	10958.43
	Purchase of Stock-in-Trade	29	99.30	141.98
	Changes in inventories of work-in-process	30	34.59	114.60
	Changes in inventories of finished goods	31	83.31	130.60
	Employee benefits expense	32	1878.60	1858.71
	Finance costs	33	436.55	374.72
	Depreciation	6	192.72	173.03
	Other expenses	34	3065.84	3413.80
	<b>Total Expenses (IV)</b>		<b>14742.85</b>	<b>17165.87</b>
V	Profit / (Loss) before exceptional items and tax (III - IV )		<b>-1998.35</b>	<b>-1997.02</b>
VI	Exceptional Items (+) / (-)	35	0.00	0.00
VII	<b>Profit / (Loss) before tax (V-VI)</b>		<b>-1998.35</b>	<b>-1997.02</b>
VIII	<b>Tax expense</b>			
	a. Current Tax		0.00	0.00
	b. Deferred Tax		0.00	0.00
	c. Prior Years' Tax Charge		0.00	0.00
			0.00	0.00
IX	Profit / (Loss) for the year from Continuing Operations (VII-VIII)		-1998.35	-1997.02
X	Profit / (Loss) from discontinued Operations		0.00	0.00
XI	Tax Expense of Discontinued Operations		0.00	0.00
XII	Profit/(Loss) from discontinued Operations after tax (X-XI)		0.00	0.00
XIII	Profit / (Loss) for the period (IX+XII)		-1998.35	-1997.02
XIV	<b>Other Comprehensive income</b>			
	(i) Remeasurement of defined benefit plans		-30.17	13.86
	(ii) Equity instrument through other comprehensive income		0.00	0.00
	(iii) Income tax (expenses)/savings		9.05	-5.54
XV	<b>Total other comprehensive income</b>		<b>-21.12</b>	<b>8.32</b>
XVI	<b>Total comprehensive income for the period (XIII+XV)</b>		<b>-2019.47</b>	<b>-1988.70</b>
	Earning per equity share (for Continuing Operation)			
	(i) Basic Rs.		-60.59	-59.67
	(ii) Diluted Rs.		-60.59	-59.67
	Earning per equity share (for discontinued operation)			
	(i) Basic Rs.		0	0
	(ii) Diluted Rs.		0	0
	Earning per equity share (for Total Operations)			
	(i) Basic Rs.		-60.59	-59.67
	(ii) Diluted Rs.		-60.59	-59.67

Significant Accounting Policies

Note Nos.1 - 5

NOTES 26 TO 35 AND ADDITIONAL INFORMATION IN NOTE 36 (A) to 38 FORM PART OF THIS STATEMENT OF PROFIT & LOSS ACCOUNT

**BALAKRISHNA S**  
**Managing Director &**  
**Chief Executive Officer**  
 DIN: 00084524

**Jitendra Kumar Pal**  
**Company Secretary**

**R.PADMANABAN**  
**Joint Managing Director &**  
**Chief Financial Officer**  
 DIN: 00084579

for M/s. **S B S B and Associates**  
**CHARTERED ACCOUNTANTS**  
**Firm No.012192S**

**(D.SHARAT KUMAR)**

Partner

**Member Ship .No.024568**

Place: Chennai  
 Date : May 27, 2024





## Sri Lakshmi Saraswathi Textiles (Arni) Limited

### CASH FLOW STATEMENT FOR THE YEAR ENDED ON 31<sup>st</sup> MARCH 2024

	Amount Rs. in lakhs	
	2023-24	2022-23
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net Profit before tax	(1,998.35)	(1,983.16)
Adjustments for :		
Add :- Depreciation	192.72	173.03
Finance Expenses	436.55	374.25
	(1,369.08)	(1,435.88)
(Less) / Add :- (Profit) / Loss on sale of assets	-	(43.29)
Interest received	(31.62)	(19.55)
Operating Profit before Working Capital Changes	(1,400.70)	(1,498.72)
Adjustments for :-		
(Increase)/ Decrease in Inventories	405.11	585.68
(Increase)/ Decrease in Receivables	(54.29)	93.55
(Increase)/ Decrease in other financial assets	(57.68)	-141.23
(Increase)/ Decrease in other current assets	86.52	-60.37
Increase/(Decrease) in Trade payable	1,263.63	1246.16
Increase/(Decrease) in other financial liabilities	135.83	367.25
Cash Generated from Operations	378.42	592.32
Direct taxes paid	(2.74)	8.53
<b>NET CASH FROM OPERATING ACTIVITIES (a)</b>	375.68	600.85
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of Fixed assets and other Capital expenses	(107.82)	(818.27)
Sale of Fixed assets	-	49.71
Sale/Purchase of shares	1.06	(61.27)
Increase/(Decrease) Bank deposit	(66.62)	(44.37)
Interest received	31.62	19.55
<b>NET CASH FROM INVESTING ACTIVITIES (b)</b>	(141.76)	(854.65)
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>		
(Decrease)/ Increase in Working Capital Bank Finance	-	-
Proceeds Unsecured Loans and other Loans	244.00	162.50
Proceeds secured loan	36.98	379.24
Repayment of Term loans	(90.36)	(20.10)
Finance Expenses	(436.55)	(374.25)
<b>NET CASH FROM FINANCING ACTIVITIES (c)</b>	(245.93)	147.39
<b>Net Change in Cash and Cash Equivalent (a+b+c)</b>	(12.01)	(106.41)
<b>Cash and Cash Equivalents as at the beginning</b>	38.42	144.83
<b>Cash and Cash Equivalents as at the end</b>	26.41	38.42

**BALAKRISHNA S**  
Managing Director &  
Chief Executive Officer  
DIN: 00084524

**Jitendra Kumar Pal**  
Company Secretary

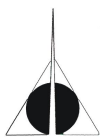
**R.PADMANABAN**  
Joint Managing Director &  
Chief Financial Officer  
DIN: 00084579

for M/s. **S B S B and Associates**  
CHARTERED ACCOUNTANTS  
Firm No.012192S

**(D.SHARAT KUMAR)**  
Partner

Member Ship .No.024568

Place: Chennai  
Date : May 27, 2024



## Sri Lakshmi Saraswathi Textiles (Arni) Limited

### STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31st MARCH 2024

CIN: L17111TN1964PLC005183

#### EQUITY SHARE CAPITAL

(1) Current reporting period (Amount in Rs Lakhs)

Balance at the beginning of 23-24	Changes in Equity Share Capital due to prior period errors	Restated balance at the beginning of 23-24	Changes in equity share capital during 23-24	Balance at the end of 23-24
333.28	-	333.28	-	333.28

(2) Previous reporting period (Amount in Rs. In Lakhs)

Balance at the beginning of 22-23	Changes in Equity Share Capital due to prior period errors	Restated balance at the beginning of 22-23	Changes in equity share capital during 22-23	Balance at the end of 22-23
333.28	-	333.28	-	333.28

#### OTHER EQUITY

(1) Current Reporting Period

Rs. in Lakhs

Particulars	Reserves and Surplus				Total
	Capital Reserve	Securities Premium	General Reserve	Retained Earnings	
Balance at the beginning of 23-24	-	443.42	1,560.57	-5,105.68	-3,101.69
Changes in accounting policy or prior period errors	-		-		-
(A) Restated balance at the beginning of 23-24	-	443.42	1,560.57	-5,105.68	-3,101.69
<b>Additions During the Year</b>					
Profit for the year 23-24				-1,998.35	-1,998.35
Items that will not be reclassified to Profit or loss					
Re-measurement of Defined benefit Plans				-30.17	-30.17
Income Tax relating to items that will not be reclassified in to profit or loss				9.05	9.05
(B) Total Comprehensive Income for 23-24	-	-		-2,019.47	-2,019.47
<b>(C) Reduction During the Year</b>					
Dividends	-	-	-	-	-
Transfer to General Reserve	-	-	-	-	-
(D) Balance at the end of 23-24 (A+B-C)	-	443.42	1,560.57	-7,125.15	-5,121.16

**(2) Previous reporting period**

Particulars	Reserves and Surplus				Total
	Capital Reserve	Securities Premium	General Reserve	Retained Earnings	
Balance at the beginning of 22-23	-	443.42	1,560.57	-3,116.96	-1,112.97
Changes in accounting policy or prior period errors	-	-	-	-	-
(A) Restated balance at the beginning of 22-23	-	443.42	1,560.57	-3,116.96	-1,112.97
Additions During the Year					
Profit for the year 22-23	-	-	-	-1,997.02	-1,997.02
Items that will not be reclassified to Profit or loss	-	-	-	-	-
Remeasurement of Defined benefit Plans	-	-	-	13.86	13.86
Income Tax relating to items that will not be reclassified in to profit or loss				-5.54	-5.54
(B) Total Comprehensive Income for 22-23				-1,988.70	-1,988.70
(C) Reduction During the Year					
Dividends	-	-	-	-	-
Transfer to General Reserve	-	-	-	-	-
(D) Balance at the end of 22-23 (A+B-C)	-	443.42	1,560.57	-5,105.68	-3,101.69

**BALAKRISHNA S**  
**Managing Director &**  
**Chief Executive Officer**  
DIN: 00084524

**Jitendra Kumar Pal**  
**Company Secretary**

**R.PADMANABAN**  
**Joint Managing Director &**  
**Chief Financial Officer**  
DIN: 00084579

for M/s. **S B S B and Associates**  
**CHARTERED ACCOUNTANTS**  
**Firm No.012192S**

**(D.SHARAT KUMAR)**  
Partner

**Member Ship .No.024568**

Place: Chennai  
Date : May 27, 2024



## Sri Lakshmi Saraswathi Textiles (Arni) Limited

### Notes forming part of Financial Statements

#### Note: 1 Company Overview

Sri Lakshmi Saraswathi Textiles (Arni) Limited is a public limited company incorporated and domiciled in India and has its registered office at No. 16, Krishnamma Road, Nungambakkam, Chennai – 600 034. The company's shares are listed in BSE Ltd. The company is principally engaged in the manufacture of yarn and surgical face masks. The company is also engaged in generation of electricity from its windmills for its captive consumption. The financial statements of the company for the year ended 31<sup>st</sup> March 2024 were approved and adopted by the Board of Directors of the company in its meeting held on 27<sup>th</sup> May 2024.

#### Note: 2 Statement of compliance

All accounting policies followed by the company are in accordance with the Indian Accounting Standards (Ind AS) notified u/s 133 of the Companies Act, 2013 read with the Companies (Indian Accounting Standards) Rules, 2015 and conform to Schedule III to the Companies Act, 2013 as applicable.

#### Note: 3 Basis of Preparation and Compliance

The financial statements are prepared in accordance with the historical cost convention except for certain items that are measured at fair values at the end of each reporting period, as explained in the accounting policies set out below. The financial statements are prepared on a going concern basis using accrual concept except for the cash flow information.

Historical cost is generally based on fair value of the consideration given in exchange for goods and services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date.

Fair value for measurement and/or disclosure purposes in these financial statements is determined on such a basis and measurements that have some similarities to fair value but are not fair value, such as net realizable value in Ind AS-2 inventories or value in use in Ind AS 36 – Impairment of Assets.

In addition, for financial reporting purposes, fair value measurements are categorized into Level 1, 2, or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, as described hereunder:

Level 1 -Quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date.

Level 2 -Other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and

Level 3 - Unobservable inputs for the asset or liability.



## Sri Lakshmi Saraswathi Textiles (Arni) Limited

### Notes forming part of the Financial Statements

#### Note: 4 Material Accounting Policy Information

Pursuant to the Companies (Indian Accounting Standards) Amendment Rules, 2023 effective 01-04-2023, the company is required to disclose 'material accounting policy Information' in lieu of the earlier requirement of disclosing 'significant accounting policies'.

Specific disclosure of material accounting policy information where Ind AS permits options is made hereunder:

The company has assessed the materiality of the accounting policy information, which involves exercising judgement and considering both quantitative and qualitative factors by considering not only the size and nature of the item or condition but also the characteristics of the transactions, events or conditions that could make the information more likely to impact the decisions of the users of the financial statements.

#### Note: 5 Significant Accounting Policies and key accounting estimates and judgments Significant Accounting Policies

##### 5.1 Property, Plant and Equipment (PPE)

- i. For transition to Ind AS, the Company has elected to continue with the carrying value of all of its PPE recognised as of April 1, 2016 (transition date) measured as per the previous IGAAP as its deemed cost as on the transition date.
- ii. Depreciation is recognized so as to write off the cost of assets (other than freehold land and properties under construction) less their residual values over their useful lives, using the straight-line method. The estimated useful lives and residual values are reviewed at the end of each reporting period and changes, if any, are treated as changes in accounting estimate. The useful lives are based on technical estimates and the management believe that the useful lives are realistic and fair approximation over the period of which the assets are likely to be used.
- iii. Estimated useful lives of the assets are as follows:

Asset	Years
Factory Buildings	30
Buildings (other than factory buildings) (Quarters)	60
Plant and Equipment (including continuous process plants)	15
Furniture and Fixtures	10
Vehicles	8 to 10
Office Equipment	5
Computer Equipment	Hardware 3
	Software 2
Electrical installation	10

- iv. Assets costing Rs.10,000/- and below are depreciated in full in the year of addition.



## Sri Lakshmi Saraswathi Textiles (Arni) Limited

### Notes forming part of the Financial Statements

#### 5.2 Intangible assets

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortization and accumulated impairment losses. Amortization is recognised on a straight-line basis over their estimated useful lives. The estimated useful life is reviewed annually with the effect of any changes in estimate being accounted for on a prospective basis.

Intangible assets are amortized equally over the estimated useful life not exceeding three years.

#### 5.3 Financial assets

##### a. Classification of financial assets

Debt instruments that meet the following conditions are subsequently measured at amortized cost. The debt instruments carried at amortised cost include Deposits, Loans and advances recoverable in cash.

- the asset is held within a business model whose objective is to hold assets in order to collect contractual cash flows; and
- the contractual terms of the instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

All other financial assets are subsequently measured at fair value.

##### b. Investments in equity instruments at FVTOCI

The Company has irrevocably designated to carry investment in equity instruments as Fair Value Through Other Comprehensive Income (FVTOCI). On initial recognition, the Company makes an irrevocable election (on an instrument-by-instrument basis) to present the subsequent changes in fair value in Other Comprehensive Income pertaining to investments in equity instruments. This election is not permitted if the equity investment is held for trading. These elected investments are initially measured at fair value plus transaction costs. Subsequently, they are measured at fair value with gains and losses arising from changes in fair value recognised in Other Comprehensive Income and accumulated in the 'Reserve for equity instruments through Other Comprehensive Income'. On derecognition of such Financial Assets, cumulative gain or loss previously reported in OCI is not reclassified from Equity to the Statement of Profit and Loss. However, the Company may transfer such cumulative gain or loss into retained earnings within equity.

The Company has equity investments which are not held for trading.

Dividends on these investments in equity instruments are recognised in the Statement of Profit or Loss when the Company's right to receive same is established, it is probable that the economic benefits associated with the dividend will flow to the Company, the dividend does not represent a recovery of part of cost of the investment and the amount of dividend can be measured reliably.

##### c. Impairment of Financial Assets

In accordance with Ind AS 109, the Company uses "Expected Credit Loss" (ECL) model, for evaluating impairment of financial assets other than those measured at Fair Value Through Profit and Loss (FVTPL).

Expected credit losses are measured through a loss allowance at an amount equal to:

- The 12 months expected credit losses (expected credit losses that result from those default events on the financial instrument that are possible within 12 months after the reporting date); or



## Sri Lakshmi Saraswathi Textiles (Arni) Limited

---

- Full lifetime expected credit losses (expected credit losses that result from all possible defaults events over the life of the financial instrument).

For trade receivable, Company applies 'simplified approach' which requires expected lifetime losses to be recognised from initial recognition of the receivables.

For other assets, the Company uses 12 months ECL to provide for impairment loss where there is no significant increase in credit risk. If there is significant increase in credit risk, full lifetime ECL is used.

### **d. Financial liabilities**

All financial liabilities are initially recognised at the value of respective contractual obligations. Financial liabilities that are not held-for-trading and are not designated as at FVTPL are measured at amortized cost at the end of subsequent accounting periods. The carrying amounts of financial liabilities that are subsequently measured at amortized cost are determined based on the effective interest method. Interest expense that is not capitalized as part of costs of an asset is included in the 'Finance costs' line item.

## **5.4 Inventories**

Inventories other than by-products are stated at lower of cost and net realizable value. Inventory of by-products is stated at net realizable value. Materials and other items intended for use in production of inventories are not written down below cost if the finished goods in which they will be incorporated are expected to be sold at or above cost.

Cost comprises of all costs of purchase (that includes taxes and duties, net of input tax credit entitlement), costs of conversion and other costs incurred in bringing the inventories to their present location and condition.

Cost of raw materials, consumables, stores and spares is determined on weighted average basis and includes inward freight and other direct expenses.

Net realizable value is the estimated selling price less estimated costs for completion and sale.

Obsolete, slow moving and defective inventories are periodically identified and written down when necessary.

## **5.5 Revenue Recognition**

### **a. Sale of products**

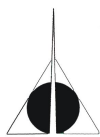
Revenue is recognized upon transfer of control of the products to customers at a point in time i.e., when the products are delivered to the carrier in an amount that reflects the consideration that the company expects to receive in exchange for those products.

### **b. Interest Income**

Interest income from a financial asset is recognized when it is probable that the economic benefits will flow to the company there exists no uncertainty in the ultimate realization of the interest income and the amount can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and using effective interest rate method.

### **c. Insurance Claims**

Insurance claims are recognized on the basis of claims admitted/ expected to be admitted and to the extent that the amount recoverable can be measured reliably and it is reasonable to expect ultimate collection.



## Sri Lakshmi Saraswathi Textiles (Arni) Limited

### 5.6 Government grants

Government grants are not recognised until there is reasonable assurance that the Company will comply with the conditions attaching to them and that the grants will be received.

Grants are recognised in the Statement of Profit and Loss on a systematic basis over the period in which the Company recognises as expense the related costs which the grants are intended to compensate. Specifically, Government grants whose primary condition is that the Company should purchase, construct or otherwise acquire non-current assets are recognised as deferred revenue in the Balance Sheet and transferred to the Statement of Profit and Loss on a systematic and rational basis over the useful lives of the related assets.

Grants that are receivable as compensation for expenses or losses incurred or for the purpose of giving immediate financial support to the Company with no future related costs are recognised in the Statement of Profit and Loss in the period in which they become receivable.

### 5.7 Employee Benefits

#### (a) Short term employee benefits

All employee benefits payable wholly within twelve months of rendering the service are classified as short-term employee benefits and recognised in the period in which the employee renders the related service. The Company recognizes the undiscounted amount of short-term employee benefits expected to be paid in exchange for services rendered as a liability (accrued expense) after deducting any amount already paid.

#### (b) Post-employment benefits

##### (i) Defined Contribution Plans

Contribution to Defined Contribution Schemes towards retirement benefits in the form of Provident fund is recognised as expense in the Statement of Profit and Loss during the period in which the employee renders the related service.

##### (ii) Defined Benefit Plans

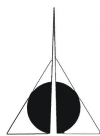
The Company operates Defined Benefit Gratuity Plan for employees. The cost of providing defined benefits is determined using the Projected Unit Credit Method with actuarial valuations being carried out at each reporting date. The defined benefit obligations recognised in the Balance Sheet represent the present value of the defined benefit obligations as reduced by the fair value of plan assets, if applicable. Any defined benefit asset (negative defined benefit obligations resulting from this calculation) is recognized representing the present value of available refunds and reductions in future contributions to the plan.

All expenses represented by current service cost, past service cost, if any, and net interest on the defined benefit liability/ (asset) are recognised in the Statement of Profit and Loss. Remeasurements of the net defined benefit liability / (asset) comprising actuarial gains and losses and the return on the plan assets (excluding amounts included in net interest on the net defined benefit liabilities / asset) are recognised in comprehensive income and taken to "retained earnings". Such re-measurements are not reclassified to the Statement of Profit and Loss in the subsequent periods.

The Company presents the above liability /(asset) as current and non-current in the Balance Sheet as per actuarial valuation by the independent actuary. However, the entire liability towards gratuity is considered as current as the Company will contribute this amount to the gratuity fund within the next twelve months.

The Company is exposed to various risks in providing the above gratuity benefit which are as follows:





## Sri Lakshmi Saraswathi Textiles (Arni) Limited

**Interest Rate risk:** The plan exposes the Company to the risk of fall in interest rates. A fall in interest rates will result in an increase in the ultimate cost of providing above benefit and will thus result in an increase in the value of the liability (as shown in financial statements).

**Investment Risk:** The probability or likelihood of occurrence of losses relative to the expected return on any particular investment.

**Salary Escalation Risk:** The present value of the defined benefit plan is calculated with the assumption of salary increase rate of plan participants in future, based on past experience. Deviation in the rate of increase of salary in future for plan participants from the rate of increase in salary used to determine the present value of obligation will have a bearing on the plan's liability.

**Demographic Risk:** The Company has used certain mortality and attrition assumptions in valuation of the liability. The Company is exposed to the risk of actual experience turning out adverse compared to the assumptions.

### (c) Other Long-term Employee Benefits

Entitlement to earned leave and sick leave is recognised when it accrues to employees. Earned leave/ sick leave can be availed or encashed either during service or on retirement subject to a restriction on the maximum number of accumulation of leave. The Company determines the liability for such accumulated leave using the Projected Unit Credit Method with actuarial valuation being carried out at each Balance Sheet date.

### 5.8 Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, (which are assets that necessarily take a substantial period of time to get ready for their intended use) are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. Interest income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalization. All other borrowing costs are recognised in the Statement of Profit and Loss in the period in which they are incurred.

### 5.9 Foreign Currency Transactions

#### a. Initial Recognition

On initial recognition, transactions in foreign currencies are recorded in the functional currency (i.e., Indian Rupee), by applying to the foreign currency amount the spot exchange rate between the functional currency and the foreign currency at the date of the transaction.

#### b. Measurement of foreign currency items at reporting date

Foreign currency monetary items are translated at the closing exchange rates. Non-monetary items that are measured at historical cost in a foreign currency, are translated using the exchange rate at the date of the transaction. Non-monetary items that are measured at fair value in a foreign currency, are translated using the exchange rates at the date when the fair value is measured.

#### c. Recognition of exchange difference

Exchange differences arising on the settlement of monetary items or on translating monetary items at rates different from those at which they were translated on initial recognition during the period or in previous financial statements is recognised in profit or loss in the period in which they arise.

### 5.10 Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that the Company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.



## Sri Lakshmi Saraswathi Textiles (Arni) Limited

---

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

### 5.11 Statement of Cash Flows

Cash flows are reported using the indirect method, whereby profit / (loss) before tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are based on classification made in a manner considered most appropriate to Company's business.

### Key Accounting estimates and judgments

#### 5.12 Use of Estimates

The preparation of financial statements in conformity with Ind AS requires management to make judgments, estimates and assumptions that affect the application of the accounting policies and the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the year. Actual results could differ from those estimates.

#### 5.13 Changes in estimates

The estimates and underlying assumptions are reviewed on an ongoing basis. The effect of change in an accounting estimate is recognized prospectively by including it in profit or loss in (a) the period of the change if the change affects only that period; or (b) the period of the change and future periods, if the change affects both.

However, the change in an accounting estimate that gives rise to changes in assets and liabilities, or relates to an item of equity, is recognized by adjusting the carrying amount of the related asset, liability or equity item in the period of the change.

#### 5.14 Key sources of estimation uncertainty

Key assumption concerning the future, and other key sources of estimation uncertainty at the end of the reporting period that may have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year is as given below.

##### a. Actuarial valuation

The determination of Company's liability towards defined benefit obligation to employees is made through independent actuarial valuation including determination of amounts to be recognized in the Statement of Profit and Loss and in Other Comprehensive Income. Such valuation depends upon assumptions determined after taking into account inflation, seniority, promotion and other relevant factors such as supply and demand factors in the employment market. Information about such valuation is provided in the Notes to the financial statements.

##### b. Claims, Provisions and Contingent Liabilities

The Company does not have any ongoing litigations with tax and regulatory authorities and third parties. Where an outflow of funds is believed to be probable and a reliable estimate of the outcome of the dispute can be made based on management's assessment of specific circumstances of each dispute and relevant external advice, management provides for its best estimate of the liability.



# Sri Lakshmi Saraswathi Textiles (Arni) Limited

## NOTES FORMING PART OF BALANCE SHEET AS AT 31 ST MARCH 2024 Property, Plant, Equipment and Other Intangible Assets

For 2023-24

**NOTE : 06**

Particulars	Gross Block			Accumulated Depreciation			NET BLOCK		
	Balance as at 1st April 2023	Additions during the year	Deletions during the year	Balance as at 31st March 2024	Depreciation charge for the year	Depreciation on deletions during the year	Balance as at 31st March 2024	WDV as on 31st March 2024	WDV as on 1st April 2023
<b>1. Property, Plant and Equipment</b>									
Land	22.87	0.00		22.87	0.00	0.00	0.00	22.87	22.87
Buildings	1226.42	8.57		1234.99	23.36	0.00	983.57	251.42	266.21
Plant and Machinery	7073.58	189.37		7262.95	139.01	0.00	6096.62	1166.33	1115.97
Electrical Installation	349.61	3.14		352.75	6.64	0.00	317.69	35.06	38.56
Furniture, Fixtures	202.30	4.53		206.83	10.43	0.00	177.95	28.88	34.78
Garment Sewing Machine	0.00	9.47		9.47	1.07	0.00	1.07	8.40	
Other Assets	24.56	0.00		24.56	0.55	0.00	23.22	1.34	1.89
Vehicles	161.06	0.00		161.06	10.72	0.00	134.14	26.92	37.64
Live Stock	0.84	0.00		0.84	0.00	0.00	0.00	0.84	0.84
<b>TOTAL - CURRENT YEAR TANGIBLE ASSETS</b>	<b>9061.24</b>	<b>215.08</b>	<b>0.00</b>	<b>9276.32</b>	<b>191.78</b>	<b>0.00</b>	<b>7734.26</b>	<b>1542.06</b>	<b>1518.76</b>
2 - Capital Work In Progress	541.90	72.21	180.01	434.10	0.00	0.00	0.00	434.10	541.90
<b>TOTAL - Capital Work In Progress</b>	<b>541.90</b>	<b>72.21</b>	<b>180.01</b>	<b>434.10</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>434.10</b>	<b>541.90</b>
3- Intangible Assets									
Computer Software	16.55	0.54		17.09	0.94	0.00	16.00	1.09	1.49
<b>TOTAL - CURRENT YEAR INTANGIBLE ASSETS</b>	<b>16.55</b>	<b>0.54</b>	<b>0.00</b>	<b>17.09</b>	<b>0.94</b>	<b>0.00</b>	<b>16.00</b>	<b>1.09</b>	<b>1.49</b>
Grand Total (Current year)	<b>9619.69</b>	<b>287.83</b>	<b>180.01</b>	<b>9727.51</b>	<b>192.72</b>	<b>0.00</b>	<b>7750.26</b>	<b>1977.25</b>	<b>2062.15</b>

Capital Work In Progress	(Amount in Rs. Lakhs)			
	To be completed in			
	Less than 1 year	1-2 years	2-3 years	More than 3 years
Solar power 970KVA	55.78	363.90		
Air Compressor (28.03.2024)	11.72			
NANSEY RESTORATION LLP (building)	2.70	0.00		
<b>TOTAL</b>	<b>70.20</b>	<b>363.90</b>		



# Sri Lakshmi Saraswathi Textiles (Arni) Limited

## NOTES FORMING PART OF BALANCE SHEET AS AT 31<sup>ST</sup> MARCH 2023 Property, Plant, Equipment and Other Intangible Assets

For 2022-23  
Amount Rs. In lakhs

**NOTE : 06**

Particulars	Gross Block				Accumulated Depreciation			NET BLOCK		
	Balance as at 1st April 2022	Additions during the year	Deletions during the year	Balance as at 31st March 2023	Balance as at 1st April 2022	Depreciation charge for the year	Depreciation on deletions during the year	Balance as at 31st March 2023	WDV as on 31st March 2023	WDV as on 1st April 2022
<b>1. Property, Plant and Equipment</b>										
Land	22.87	0.00	0.00	22.87	0.00	0.00	0.00	0.00	22.87	22.87
Buildings	1167.86	58.56	0.00	1226.42	939.22	20.99	0.00	960.21	266.21	228.64
Plant and Machinery	6903.38	325.22	155.02	7073.58	5978.00	128.21	148.60	5957.61	1115.97	925.38
Electrical Installation	327.69	21.92	0.00	349.61	308.39	2.66	0.00	311.05	38.56	19.30
Furniture, Fixtures	176.18	26.12	0.00	202.30	162.51	5.01	0.00	167.52	34.78	13.67
Other Assets	24.34	0.22	0.00	24.56	21.75	0.92	0.00	22.67	1.89	2.59
Vehicles	141.80	19.26	0.00	161.06	109.23	14.19	0.00	123.42	37.64	32.57
Live Stock	0.84	0.00	0.00	0.84	0.00	0.00	0.00	0.00	0.84	0.84
<b>TOTAL - CURRENT YEAR TANGIBLE ASSETS</b>	<b>8764.96</b>	<b>451.30</b>	<b>155.02</b>	<b>9061.24</b>	<b>7519.10</b>	<b>171.98</b>	<b>148.60</b>	<b>7542.48</b>	<b>1518.76</b>	<b>1245.86</b>
2 - Capital Work In Progress	176.73	365.17	0.00	541.90	0.00	0.00	0.00	0.00	541.90	176.73
<b>TOTAL - Capital Work In Progress</b>	<b>176.73</b>	<b>365.17</b>	<b>0.00</b>	<b>541.90</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>541.90</b>	<b>176.73</b>
3- Intangible Assets	14.75	1.80	0.00	16.55	14.01	1.05	0.00	15.06	1.49	0.74
Computer Software										
<b>TOTAL-CURRENT YEAR INTANGIBLE ASSETS</b>	<b>14.75</b>	<b>1.80</b>	<b>0.00</b>	<b>16.55</b>	<b>14.01</b>	<b>1.05</b>	<b>0.00</b>	<b>15.06</b>	<b>1.49</b>	<b>0.74</b>
<b>Grand Total (Current year)</b>	<b>8956.44</b>	<b>818.27</b>	<b>155.02</b>	<b>9619.69</b>	<b>7533.11</b>	<b>173.03</b>	<b>148.60</b>	<b>7557.54</b>	<b>2062.15</b>	<b>1423.33</b>

Capital Work In Progress	(Amount in Rs. Lakhs)			
	To be completed in			
	Less than 1 year	1-2 years	2-3 years	More than 3 years
SSolar power 450KVA	1.27	174.62		
Solar power 970KVA	363.90	0.00		
New Project	0.00	2.11		
<b>TOTAL</b>	<b>365.17</b>	<b>176.73</b>		



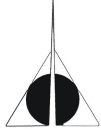
## Sri Lakshmi Saraswathi Textiles (Arni) Limited

### NON CURRENT ASSETS

7 INVESTMENT	Amount Rs. in lakhs			
Name of the Company	No. of Shares (In Lakhs)	Face Value (Rs.)	As at 31.03.2024	As at 31.03.2023
<b>INVESTMENT IN EQUITY INSTRUMENT</b>				
<b><u>Non Current Investments</u></b>				
(a) <b>Quoted Investment carried at FVTOCI</b>				
<b>Total - Quoted</b>			-	-
(b) <b>Unquoted Investments carried at Cost</b>				
TCP Power Limited	100.00	100	<b>0.47</b>	0.47
Gamma Green Power Private Limited	6,57,263	10	<b>65.73</b>	65.73
Armstrong Power Private Limited	1,398	100	<b>0.65</b>	1.40
Armstrong Knitting Mill Private Limited	701	100	<b>0.70</b>	1.02
SV Solars	9,000	10	<b>0.90</b>	0.90
Secan Renewables Infra Private Limited	2,60,000	10	<b>26.00</b>	26.00
NISO Wind Energy Private Limited	23,750	10	<b>2.37</b>	2.37
Dhanalakshmi Srinivasan Sugars Limited	50,000	10	<b>5.00</b>	5.00
<b>Total - Unquoted</b>			<b>101.82</b>	102.89
<b>Total Carrying Value</b>			<b>101.82</b>	102.89

### 8 OTHER NON CURRENT ASSETS

Particulars	Amount Rs. in lakhs	
	As at 31st Mar 2024	As at 31st Mar 2023
(i) MAT credit Entitlement	<b>105.95</b>	105.95
(ii) Capital Advances	<b>21.40</b>	21.40
<b>Total</b>	<b>127.35</b>	<b>127.35</b>



## Sri Lakshmi Saraswathi Textiles (Arni) Limited

### CURRENT ASSETS

#### 9 INVENTORIES

Amount Rs. in lakhs

Particulars	As at 31st Mar 2024	As at 31st Mar 2023
(a) Raw Materials		
(i) Cotton	54.76	258.40
(ii) Face Mask Fabric	1.00	9.02
(iii) Raw Material of Garments	2.36	4.16
(iv) Polyester Staple Fibre	40.65	113.66
	98.77	385.24
(b) Stock-in-Process	204.91	239.50
(c) Finished Goods		
(i) Yarn	88.98	170.66
(ii) Face Mask Fabric	23.11	24.14
(iii) Fabric Stock	1.41	0.00
(iv) Hand Bag	2.57	0.00
(v) Cotton and PC waste	24.36	28.94
	140.43	223.74
(d) Stock-in-trade	0.00	0.00
(e) Stores and Spares	44.91	45.65
<b>Total</b>	<b>489.02</b>	<b>894.13</b>

The mode of valuation of inventories disclosed in Note No. 5.11

#### 10 TRADE RECEIVABLES

Amount Rs. in lakhs

Particulars	As at 31st Mar 2024	As at 31st Mar 2023
<b>Trade Receivables</b>		
(a) Secured, considered good	0.00	0.00
(b) Unsecured considered good	178.54	124.25
(c) Receivable with significant increase in credit risk	0.00	0.00
(d) Receivable which are credit impaired	0.00	0.00
<b>Total</b>	<b>178.54</b>	<b>124.25</b>

#### TRADE RECEIVABLES AGEING SCHEDULE AS ON 31 ST MARCH 2024

PARTICULARS	(Amount in Lakhs.)					
	Outstanding for following periods from due date of payment					
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed trade receivables - Considered good	178.54	-	-	-	-	178.54
(ii) Undisputed trade receivables - which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed trade receivables - credit impaired	-	-	-	-	-	-
(iv) Disputed Trade Receivables - Considered good	-	-	-	-	-	-
(iv) Disputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-
(iv) Disputed Trade Receivables - Credit impaired	-	-	-	-	-	-
<b>TOTAL</b>	178.54	-	-	-	-	178.54



## Sri Lakshmi Saraswathi Textiles (Arni) Limited

### TRADE RECEIVABLES AGEING SCHEDULE AS ON 31 ST MARCH 2023

PARTICULARS	(Amount in Lakhs.)					
	Outstanding for following periods from due date of payment					
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed trade receivables - Considered good	124.25	-	-	-	-	124.25
(ii) Undisputed trade receivables - which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed trade receivables - credit impaired	-	-	-	-	-	-
(iv) Disputed Trade Receivables - Considered good	-	-	-	-	-	-
(iv) Disputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-
(iv) Disputed Trade Receivables - Credit impaired	-	-	-	-	-	-
<b>TOTAL</b>	124.25	-	-	-	-	124.25

### 11 CASH AND CASH EQUIVALENTS

Amount Rs. in lakhs

Particulars	As at 31st Mar 2024	As at 31st Mar 2023
(a) Cash on hand	3.68	4.18
(b) Balances with Banks	22.73	34.24
<b>Total</b>	<b>26.41</b>	<b>38.42</b>

### 12 BANK BALANCES OTHER THAN (11) ABOVE

Amount Rs. in lakhs

Particulars	As at 31st Mar 2024	As at 31st Mar 2023
(a) <b>Others</b>		
(i) Term deposits with bank held by banks as margin money	184.48	117.86
<b>Total</b>	<b>184.48</b>	<b>117.86</b>

### 13 SECURITY DEPOSITS

Amount Rs. in lakhs

Particulars	As at 31st Mar 2024	As at 31st Mar 2023
<u>Current</u> Security Deposits	376.90	319.22
<b>Total</b>	<b>376.90</b>	<b>319.22</b>



## Sri Lakshmi Saraswathi Textiles (Arni) Limited

### 14 CURRENT TAX ASSETS (Net)

Amount Rs. in lakhs

Particulars	As at 31st Mar 2024	As at 31st Mar 2023
(a) Provision for current tax unpaid	0.00	0.00
(b) Less: Tax paid pending adjustment	18.67	15.93
<b>Total</b>	<b>18.67</b>	<b>15.93</b>

### 15 OTHER CURRENT ASSETS

Amount Rs. in lakhs

Particulars	As at 31st Mar 2024	As at 31st Mar 2023
(i) Advances to Supplier/Contractors	100.60	127.87
(ii) Prepaid Expenses	26.89	28.53
(iii) CGST Input Credit	28.14	79.65
(vi) Travelling and Wages Advances	23.65	34.25
(vii) Interest Accrued and Receivable	1.60	0.69
(viii) Discount Receivable	3.59	4.50
<b>Total</b>	<b>184.47</b>	<b>270.99</b>

### 16 - EQUITY SHARE CAPITAL

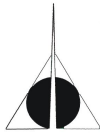
Particulars	31st March 2024		31st March 2023	
	No. of Shares	Amount in Rs.	No. of Shares	Amount in Rs.
<b>Authorised</b>				
Equity Shares of Rs.10 each	1,50,00,000	15,00,00,000	1,50,00,000	15,00,00,000
Preference share of Rs. 10 each	50,00,000	5,00,00,000	50,00,000	5,00,00,000
Total Authorised Share Capital	2,00,00,000	20,00,00,000	2,00,00,000	20,00,00,000
<b>Issued,Subscribed and fully paid up</b>				
Equity shares of Rs.10 each	33,32,750	3,33,27,500	33,32,750	3,33,27,500

Note: A

#### Terms / Rights attached to Equity Shares

The company has only one class of equity shares having a par value of Rs 10/- Per share. Each Holder of equity shares is entitled to one vote per share. The Company declares and pays dividend in Indian Rupees. In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts in the proportion to the number of equity shares held by the shareholders.





## Sri Lakshmi Saraswathi Textiles (Arni) Limited

### Note: B Reconciliation of No. of shares outstanding

During the year the company has neither issued any shares nor bought back any shares.

Reconciliation of the shares outstanding at the beginning and at end of the year

As at 31st March 2024		31st March 2023	
No. of shares	Value Rs.	No. of shares	Value Rs.
33,32,750	3,33,27,500	33,32,750	3,33,27,500

### Note: C Shareholders holding more than 5% of the shares

Name of Shareholders	As at 31st March 2024		31st March 2023	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
S. BALAKRISHNA	784650	23.54	784650	23.54
R. THIRUMALAI	226003	6.78	226003	6.78
R. PADMANABHAN	223900	6.72	223900	6.72
R. RAJAGOPAL	220800	6.63	220800	6.63
R. PADMINI	210600	6.32	210600	6.32
ANIL KUMAR GOEL	184100	5.52	184100	5.52
SRISH JAYENDER BALAKRISHNA	170000	5.10	170000	5.10

### Note: D

The company during the period of five years immediately preceding 31st March 2023, has not issued any bonus shares, shares for consideration other than cash and has not bought back its shares. Further the company does not have any outstanding shares issued under options as on 31-03-2023

### 17 - OTHER EQUITIES RESERVES AND SURPLUS

Amount Rs. in lakhs

Particulars	As at 31st Mar 2024	As at 31st Mar 2023
a) General reserve	1560.57	1560.57
b) Securities Premium Reserve	443.42	443.42
c) FVTOCI Reserve	0.00	0.00
d) Retained earnings	-7125.15	-5105.65
<b>Total</b>	<b>-5121.16</b>	<b>-3101.66</b>

#### GENERAL RESERVE

The general reserve is the profit transferred from retained earnings from time to time. There is no policy of regular transfer.

#### SECURITIES PREMIUM RESERVE

Represents excess of share subscription money received over par value of shares issued.

#### FVTOCI RESERVE

Fair value through other comprehensive income reserve represents the balance in equity for items to be accounted in other comprehensive income (OCI). The company has opted to recognise the changes in the fair value of certain investments in equity instruments. The company transfers amount from this reserve to retained earnings in case of loss / gain on actual sale.

#### RETAINED EARNINGS

Represents the portion of net income / (loss) of the company that has been retained / carried over by the company.



## Sri Lakshmi Saraswathi Textiles (Arni) Limited

### 18 BORROWINGS

Amount Rs. in lakhs

Particulars	As at 31st Mar 2024	As at 31st Mar 2023
<b><u>Secured</u></b>		
<u>Note (a)</u> Vehicle Loan from IOB	4.26	9.22
<u>Note (b)</u> Term Loan from NBFC	0.00	100.00
<u>Note (c)</u> Solar Power System Loan from IOB	191.42	208.84
Solar Power System Loan from IOB	25.00	40.00
<b>TOTAL</b>	<b>220.68</b>	<b>358.06</b>

#### NOTE:

- a) The Vehicle Loan from IOB is secured by exclusive first charge by hypothecation of vehicles purchased out of the loans and personal guarantee of promoter directors
- b) Term Loan from NBFC is secured by exclusive first charge on the Windmill assets located at Udayathoor village, Radhapuram taluk, Tirunelveli district, Tamil Nadu comprising land measuring 2 acres, Building and Windmill Machinery; by way of Equitable Mortgage of land and building and Hypothecation of machinery
- c) Term Loan from IOB is secured by exclusive first charge on the Solar Power System assets located at Ragunathapuram village, Arni taluk, Tiruvannamalai district, Tamil Nadu comprising Solar Power Machinery; by way of Equitable Mortgage of Hypothecation of machinery

### 19 DEFERRED TAX LIABILITIES/(ASSETS)

Amount Rs. in lakhs

Deferred Tax Liability/(Asset)	As at 31st Mar 2024	As at 31st Mar 2023
Deferred Tax Liability/(Asset) relating to Items not Reclassified into Profit or Loss in the beginning	9.05	3.51
Income tax on remeasurement of Defined Benefit Obligation	-9.05	5.54
Deferred Tax Liability/(Asset) relating to Items not Reclassified into Profit or Loss in the end	-	9.05
Deferred tax Liability relating to Items in Profit/Loss		
Deferred tax Liability/(Asset) at the beginning of the year	0.00	0.00
Add/(Less) Transfer from/To Profit and loss account during the year	0.00	0.00
Closing Balance Deferred Tax Liability/(Asset)	<b>0.00</b>	<b>0.00</b>



## Sri Lakshmi Saraswathi Textiles (Arni) Limited

Major Components of Deferred Tax Liability/(Asset)	As at 31st Mar 2024	As at 31st Mar 2023
<b>Deferred Tax Liability</b>		
i) Deferred tax on Account of Property, Plant and Equipment	278.90	285.67
ii) Deferred tax on timing differences relating to certain Incomes	0.48	0.21
<b>Deferred Tax Assets</b>		
i) Deferred Tax on timing differences of certain Expenses and Current Tax Assets	-265.42	-220.42
ii) Deferred Tax Due to Unabsorbed Business Losses	-4,542.56	-2,613.71
iii) MAT Credit Entitlement	-105.95	-105.94
<b>Deferred Tax Liability/(assets)</b>	<b>-4,634.55</b>	<b>-2,654.19</b>

THE COMPANY DOES NOT RECKON DEFERRED TAX ASSET

20- CURRENT BORROWINGS	Amount Rs. in lakhs	
Particulars	As at 31st Mar 2024	As at 31st Mar 2023
<b>Borrowings Secured</b>		
<b>-From banks</b>		
<b>(a) Indian Overseas Bank</b>		
(i) Open Loan	0.00	0.00
<b>(b) State Bank of India</b>		
(i) Open Loan	0.00	0.00
<b>Total</b>	<b>0.00</b>	<b>0.00</b>

### Note on Security Created

The open loan, Bills discounting \*\*, and letter of Credit limits for Working Capital\*\* from Indian Overseas Bank, Esplanade Branch, Chennai - 600 108 and Open loan, Bills discounting\*\* and letter of Credit Limits for working capital\*\* from State Bank of India, Leather and International Branch, Chennai - 600 002 are secured as under:

#### 1. Primary Security:

Hypothecation on entire Current assets, both present and future, which include raw materials, stock in process, finished goods, consumables etc., book debts on first pari passu basis and bills discounting limits are additionally secured by documents of title to goods.

#### 2. Collateral Security

- a) Equitable Mortgage on first pari passu basis of company's factory land and buildings in Arni Taluk, Tamilnadu, and Registered Office land and building in Chennai.
- b) Hypothecation on first pari passu basis of all movable fixed assets, excluding assets which are charged on exclusive basis.

and

#### 3) Personal Guarantee

Personal Guarantee of Promoter Directors Sri Balakrishna S, Managing Director and Sri R.Padmanaban, Joint Managing Director.

\*\* Details of Bills discounted but not realized and letters of credits issued not crystallized are disclosed under NOTE NO. 36 (B).

	Amount Rs. in lakhs	
	As at 31st Mar 2024	As at 31st Mar 2023
(i) Loan from related parties repayable on demand	1199.20	955.20
<b>Total</b>	<b>1199.20</b>	<b>955.20</b>



## Sri Lakshmi Saraswathi Textiles (Arni) Limited

### 22-TRADE PAYABLES

Amount Rs. in lakhs

Particulars	As at 31st Mar 2024	As at 31st Mar 2023
Due to micro and small enterprises	17.20	17.06
Due to other than micro and small enterprises	4761.07	3497.58
<b>Total</b>	<b>4778.27</b>	<b>3514.64</b>

### TRADE PAYABLES AGEING SCHEDULE

Amount Rs. in lakhs

PARTICULARS	OUTSTANDING FOR FOLLOWING PERIODS FROM DUE DATE OF PAYMENT AS AT 31ST MARCH 2024				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	TOTAL
(i) MSME	17.20	-	-	-	17.20
(ii) Others	4,761.07	-	-	-	4,761.07
(iii) Disputed dues – MSME	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-
<b>TOTAL</b>	<b>4,778.27</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>4,778.27</b>

### TRADE PAYABLES AGEING SCHEDULE

Amount Rs. in lakhs

PARTICULARS	OUTSTANDING FOR FOLLOWING PERIODS FROM DUE DATE OF PAYMENT AS AT 31ST MARCH 2023				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	TOTAL
(i) MSME	17.06	-	-	-	17.06
(ii) Others	3,497.58	-	-	-	3,497.58
(iii) Disputed dues – MSME	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-
<b>TOTAL</b>	<b>3,514.64</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>3,514.64</b>

i) Details relating to micro and small enterprises is as follows:

Particulars	(Rs. in Lakhs)	
	31-03-2024	31-03-2023
i) Principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year (but within due date as per the MSMED Act, 2006)		
Principal amount due to micro and small enterprise (Note 15 & 16)	17.20	17.06
Interest due on above	Nil	Nil
ii) Interest paid by the Company in terms of section 16 of the MSMED Act, 2006 along with the amount of the payment made to the supplier beyond the appointed day during the period	56.61	47.35
iii) Interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the period) but without adding interest specified under the MSMED Act, 2006.	Nil	Nil
v) The amount of Interest accrued and remaining unpaid as at the end of each year	Nil	Nil
vi) Interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise	Nil	Nil



## Sri Lakshmi Saraswathi Textiles (Arni) Limited

### 23 - OTHER FINANCIAL LIABILITIES

Amount Rs. in lakhs

Particulars	As at 31st Mar 2024	As at 31st Mar 2023
(a) Current maturities of Long Term Borrowings	474.36	290.36
(b) Advance from buyers and other Credits	58.53	116.50
(c) Interest accrued and due on borrowings	399.65	299.71
(d) Interest accrued and due on advances	0.00	3.87
(e) Disputed deemed Demand charges	15.22	15.22
(f) Creditors for expenses	440.28	392.63
<b>Total</b>	<b>1388.04</b>	<b>1118.29</b>

### 24 - PROVISIONS

Amount Rs. in lakhs

Particulars	As at 31st Mar 2024	As at 31st Mar 2023
a) Provision for Employee Benefits	845.99	869.86
b) Provision for Hank Yarn Obligation	0.62	0.55
c) Provision for TDS	15.71	14.36
d) Provision for GST/VAT	4.28	1.56
<b>Total</b>	<b>866.60</b>	<b>886.33</b>

### 25 - CURRENT TAX LIABILITIES (Net)

Amount Rs. in lakhs

Particulars	As at 31st Mar 2024	As at 31st Mar 2023
<b><u>Current Tax Liabilities</u></b>	/	/
(a) Current year Tax Expenses		
(b) Less: Tax paid pending adjustment		
<b>Current Tax Liability (NET)</b>	<b>0.00</b>	<b>0.00</b>

### 26 - REVENUE FROM OPERATION

Amount Rs. in lakhs

Particulars	2023-24	2022-23
<b>(a) Sales of Products</b>		
i) Yarn Sales	13259.04	16296.22
ii) Garments Sales	253.92	40.71
iii) Face Mask Sales	14.15	23.42
iv) Waste Sales	278.64	172.88
v) Miscellaneous Sales	5.83	5.91
vi) Job work Garments	0.76	0.00
vii) Fabric Sales	12.81	0.00
<b>Subtotal Inclusive of GST</b>	<b>13825.15</b>	<b>16539.14</b>
<b>Less : GST</b>	<b>1118.85</b>	<b>1440.20</b>
<b>Subtotal (a)</b>	<b>12706.30</b>	<b>15098.94</b>
<b>(b) Other Operating Revenues</b>		
(i) Duty drawback claim received	5.40	5.51
<b>Subtotal (b)</b>	<b>5.40</b>	<b>5.51</b>
<b>REVENUE FROM OPERATION (a+b)</b>	<b>12711.70</b>	<b>15104.45</b>



## Sri Lakshmi Saraswathi Textiles (Arni) Limited

### 27 - OTHER INCOME

Particulars	Amount Rs. in lakhs	
	2023-24	2022-23
(i) Interest income	31.62	19.55
(ii) Rent from Employees Quarters	0.39	0.40
(iii) Insurance claim Received	0.31	0.81
(iv) Miscellaneous receipt	0.48	0.35
(v) Profit on Sale of Fixed Assets	0.00	43.29
<b>Total</b>	<b>32.80</b>	<b>64.40</b>

### 28 - COST OF MATERIALS CONSUMED

Particulars	Amount Rs. in lakhs	
	2023-24	2022-23
Opening Stock		
Cotton stock	258.40	433.53
Face Mask Fabric	9.02	12.52
Raw Material of Garments	4.16	
Polyster Staple Fibre	113.66	260.89
	<b>385.24</b>	<b>706.94</b>
Add: Purchases		
Cotton	5161.19	6143.40
Face Mask Fabric	3.67	8.12
Raw Material of Garments	38.09	28.56
Polyster Staple Fibre	3312.77	4264.07
	<b>8515.72</b>	<b>10444.15</b>
Less: Closing Stock		
Cotton	54.76	258.40
Face Mask Fabric	1.00	9.02
Raw Material of Garments	2.36	4.16
Polyster Staple Fibre	40.65	113.66
	<b>98.77</b>	<b>385.24</b>
<b>Raw Material Consumed</b>	<b>8802.19</b>	<b>10765.85</b>
<b>Less : Sale of Facemask Raw Material</b>	<b>2.93</b>	<b>0.00</b>
Packing Materials Consumed	152.68	192.58
<b>Cost of materials consumed</b>	<b>8951.94</b>	<b>10958.43</b>

### 29 - PURCHASE OF STOCK- IN-TRADE

PARTICULARS	Amount Rs. in lakhs	
	2023-24	2022-23
Yarn purchase	99.30	141.98
<b>Total</b>	<b>99.30</b>	<b>141.98</b>



## Sri Lakshmi Saraswathi Textiles (Arni) Limited

### 30 - CHANGES IN INVENTORIES OF WORK-IN-PROCESS

Amount Rs. in lakhs

PARTICULARS	2023-24	2022-23
Work-in-Process - Opening stock	239.50	354.10
Work-in-Process - Closing stock	204.91	239.50
<b>Sub Total</b>	<b>34.59</b>	<b>114.60</b>

### 31 - CHANGES IN INVENTORIES OF FINISHED GOODS

Amount Rs. in lakhs

PARTICULARS	2023-24	2022-23
Finished Goods - Opening stock	223.74	354.34
Finished Goods - Closing stock	140.43	223.74
<b>Sub Total</b>	<b>83.31</b>	<b>130.60</b>

### 32 - EMPLOYEE BENEFITS EXPENSE

Amount Rs. in lakhs

PARTICULARS	2023-24	2022-23
(i) Salaries Wages and Bonus	1610.14	1538.15
(ii) Contribution to Employees PF & Family Pension Fund	77.25	79.11
(iii) Provision for contribution to Gratuity Fund	35.56	69.53
(iv) Workmen & Staff Welfare Expenses	83.05	103.27
(v) Managerial Remuneration (Ref.Annex.I)	72.60	68.65
<b>Total</b>	<b>1878.60</b>	<b>1858.71</b>

#### Annx.I

Managerial Remuneration	2023-24	2022-23
(a) Salary	53.51	48.64
(b) Contribution to PF	3.85	3.51
(c) Provision for Bonus	1.45	2.43
(d) Medical Reimbursement	2.78	2.45
(e) Provision for Gratuity	6.11	5.25
(f) Directors Sitting Fees	4.90	6.37
	<b>72.60</b>	<b>68.65</b>

### 33 - FINANCE COSTS

Amount Rs. in lakhs

PARTICULARS	2023-24	2022-23
<b>Finance Expenses</b>		
(a) Interest on Term Loan from Banks	8.26	18.09
(b) Interest on Term Loan from NBFC	42.00	38.50
(c) Interest on working capital borrowing from banks	76.66	52.88
(d) Interest- others	261.82	227.97
(e) Interest- MSME	1.70	1.20
(f) Bank Charges	52.18	48.35
(g) Foreign Exchange Rate Fluctuation	-6.07	-12.27
<b>Total</b>	<b>436.55</b>	<b>374.72</b>



## Sri Lakshmi Saraswathi Textiles (Arni) Limited

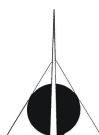
### 34 - OTHER EXPENSES

PARTICULARS	Amount Rs. in lakhs	
	2023-24	2022-23
<b>MANUFACTURING AND OTHER OPERATING EXPENSES</b>		
i) Power and fuel	2040.36	2199.06
ii) Fabric Conversion Charges	1.69	0.00
iii) Repairs & Maintenance		
(a) Building	44.74	74.24
(b) Machinery	305.91	446.56
(c) Others	13.48	16.15
<b>Total (a)</b>	<b>2406.18</b>	<b>2736.01</b>
<b>ADMINISTRATION AND OTHER CHARGES</b>		
(a) Insurance	10.51	11.51
(b) Vehicle Maintenance	96.99	82.42
(c) Rates, Renewal & Taxes	16.19	15.29
(d) Other Administrative Expenses	135.25	166.33
<b>Total (b)</b>	<b>258.94</b>	<b>275.55</b>
<b>Selling Expenses</b>		
(a) Commission & Brokerage on Yarn Sales	73.84	118.55
(b) Godown Rent	0.00	0.00
(c) Freight & Other selling expenses	326.88	283.69
<b>Total (c)</b>	<b>400.72</b>	<b>402.24</b>
<b>GRAND TOTAL (a+b+c)</b>	<b>3065.84</b>	<b>3413.80</b>

### 35 - EXCEPTIONAL ITEMS

PARTICULARS	Amount Rs. in lakhs	
	2023-24	2022-23
NIL	0.00	0.00
	0.00	0.00





## Sri Lakshmi Saraswathi Textiles (Arni) Limited

Note 36 (A) : Category wise classification of Financial Instruments:

(Amt in Lakhs)

Particulars	Note	Non-Current		Current	
		As at 31.03.2024	As at 31.03.2023	As at 31.03.2024	As at 31.03.2023
Financial Assets measured at Fair Value through Other Comprehensive Income (FVTOCI)					
Investments in quoted equity shares		---	---	---	---
Investments in Unquoted equity shares	7	101.82	102.89		
<b>Total</b>		<b>101.82</b>	<b>102.89</b>	<b>---</b>	<b>---</b>
Financial Assets measured at amortised cost					
Security Deposit	13	---	---	376.90	319.22
Others	15	---	---	---	---
Trade Receivables	10	---	---	178.54	124.25
Cash and Cash Equivalents	11	---	---	26.41	38.42
Other Balances with Banks	12	---	---	184.48	117.86
<b>Total</b>		<b>---</b>	<b>---</b>	<b>766.33</b>	<b>599.75</b>
Financial Liabilities measured at amortised cost					
Payable towards term loan	17,25	220.68	358.06	474.36	290.36
Payable towards Micro and Small enterprises	22	---	---	17.20	17.06
Payable towards Goods	22	---	---	4,761.07	3,497.58
Payable towards services		---	---	---	---
Unpaid/Unclaimed Dividend		---	---	---	---
Payable towards Other expenses	25	---	---	855.15	707.56
<b>Total</b>		<b>220.68</b>	<b>358.06</b>	<b>6,107.78</b>	<b>4,512.56</b>

1. The fair value of investment in quoted equity shares measured at quoted price on the reporting date.

2. In case of trade receivables, cash and cash equivalents, trade payables, short term borrowings and other financial assets and liabilities it is assessed that the fair values approximate their carrying amounts largely due to the short-term maturities of these instruments.

3. The fair values of the financial assets and financial liabilities included above have been determined in accordance with generally accepted pricing models based on a discounted cash flow analysis, with the most significant inputs being the discount rate that reflects the credit risk of counterparties.



## Sri Lakshmi Saraswathi Textiles (Arni) Limited

### Note 36 (A) : Fair value Measurements

(i) Fair value measurement hierarchy of the Company's financial assets and liabilities:

(Amt in Lakhs)

Financial assets	Fair value	Fair value hierarchy		
		Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
<b>Financial assets measured at Fair Value through Other Comprehensive Income (Note 7) As at 31.03.2024</b>				
Investments in quoted equity shares	—	—	—	—
Investments in unquoted equity shares - Other Entities	102.15	—	—	101.82
<b>As at 31.03.2023</b>				
Investments in quoted equity shares	—	—	—	—
Investments in unquoted equity shares - Other Entities	103.24	—	—	102.89

(ii) Financial Instrument measured at Amortised Cost

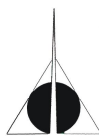
The carrying amount of financial assets and financial liabilities measured at amortised cost in the financial statements are a reasonable approximation of their fair values since the Company does not anticipate that the carrying amounts would be significantly different from the values that would eventually be received or settled.

### NOTE NO. 36 (B)

#### DISCLOSURES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2024.

i) Contingent Liabilities and Commitments not provided for

Details	(Rs.in lakhs)	
	As at 31.03.2024	As at 31.03.2023
<b>a) Contingent Liabilities</b>		
Contingent Liabilities not provided for in respect of		
1. Export Bills Discounted under irrevocable Letters of Credit issued by Foreign Banks	21.47	49.76
2. Disputed Income Tax Liabilities	0.00	0.00
3. Disputed Contribution to Employees State Insurance Corporation	0.00	0.00
<b>b) Commitments</b>		
1. Estimated amounts of contracts remaining to be executed on capital accounts not provided for	0.00	0.00
2. Other commitments:		
Liabilities on Letters of Credit issued for capital goods.	0.00	0.00
Liabilities on Letters of Credit issued for others	0.00	0.00



## Sri Lakshmi Saraswathi Textiles (Arni) Limited

### ii) Details of Auditors' Remuneration:

Details	Rs.in lakhs	
	2023-24	2022-23
Statutory Audit	2.75	2.75
<b>Total</b>	<b>2.75</b>	<b>2.75</b>

iii) Confirmation of balances from Debtors, Creditors, and advances to suppliers have not been received in certain cases.

iv) Items of revenue / expense amounting to more than 1% of total turnover have been disclosed separately.

v) Previous year's figures have been re-grouped wherever necessary to conform to this year's classification.

vi) As per IND AS 19, Employees Benefit, the disclosure of employees benefits as defined in the accounting standard are given below:

Details	Rs.in lakhs	
	31/03/2024	31/03/2023
a) Defined Contribution Plan Employers Contribution to provident Fund	67.51	68.79
b) Gratuity Plan (funded) (Excluding Directors)		
Present value of the obligation at the beginning of the period	534.81	524.09
Interest Cost	38.35	37.42
Current service cost	24.12	24.12
Past Service Cost	0.00	0.00
Less: Benefits paid (if any)	0.00	0.00
Actuarial (gain)/loss	(7.78)	(50.82)
Present value of the obligation at the end of the period	589.50	534.81
<b>Actuarial Assumptions</b>		
Discount Rate (per annum)	6.97%	7.17%
Rate of increase in compensation levels	5.00%	5.00%
Attrition rate	2.00%	2.00%
Expected rate of return on plan Assets	6.97%	7.17%

The company has not funded gratuity liability to Employees Gratuity Fund as per actuarial valuation for the last 13 years and the total amount to be funded is Rs.574.59 Lakhs. (As on 31.03.2023 Rs.531.11 Lakhs).

The sensitivity analysis below has been determined based on changes of the assumptions occurring at the end of the reporting period, while holding all other assumptions constant. The results of sensitivity analysis are given below:

Particulars	(Rs. in Lakhs)	
	31.03.2024	31.03.2023
Discount Rate		
- 0.5% Increase	-18.88	-18.15
- 0.5% decrease	20.12	19.17
Salary Growth Rate		
- 0.5% Increase	20.10	19.68
- 0.5% decrease	-19.31	-18.87



## Sri Lakshmi Saraswathi Textiles (Arni) Limited

Sensitivity analysis presented above may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

Furthermore, in presenting the above sensitivity analysis, the present value of the defined benefit obligation has been calculated using the projected unit credit method at the end of the reporting period, which is the same as that applied in calculating the defined benefit obligation liability recognised in the balance sheet.

There was no change in the methods of assumptions used in preparing the sensitivity analysis from prior years.

Earning Per Share:

Details	Rs.in lakhs	
	2023-24	2022-23
Total Comprehensive Income for the period (A)	(2,019.47)	(1,988.70)
Adjusted weighted average number of equity shares (B)	33.33	33.33
Basic and Diluted Earnings Per Share (Rs.) (A)/(B)	(60.59)	(59.67)

vii) Related party transactions:

As per the IND AS 24 – Related party transactions, the company's related party and the details of transactions the company had with them are given below:

a) Key Managerial Personnel and relatives of Key Managerial Personnel

	Name of the Key Managerial personnel	Designation
1.	Sri. Balakrishna S	Managing Director and Chief Executive Officer
2.	Sri. R. Padmanaban	Joint Managing Director and Chief Financial Officer
3.	Sri Jitendra Kumar Pal	Company Secretary

b) Relatives of Key Managerial Personnel

	Name of the Key Managerial personnel	Relationship
1.	Sri. R.Thirumalai	Brother of Sri. R. Padmanaban, JMD and CFO
2.	Sri. R.Rajagopal	Brother of Sri. R. Padmanaban, JMD and CFO
3.	Sri. Srish Jayender Balakrishna	Son of Sri. Balakrishna S, MD and CEO



## Sri Lakshmi Saraswathi Textiles (Arni) Limited

- c) Companies over which KMP/Relatives of KMP exercise significant influence:
1. Munnish Innerwear Pvt Ltd.,
  2. Sherhood Properties Private Limited
  3. Masterjee Institute of Studies Pvt Ltd.,
  4. SLST INDUSTRIES LIMITED
  5. Sinecera Tulip Pvt Ltd.,
  6. Novezo Consulting Private Limited
  7. Pattukottai Mess Private Limited
  8. Southern Feast Ventures Pvt Ltd.,
  9. Sam Agri Realty LLP
- d) Other entities over which there is a significant influence is NIL.
- e) Disclosure in respect of related party transactions(excluding Reimbursement) during the year and outstanding balances including commitments as at the reporting date:

- i) Payments made to Directors

<b>Key Managerial personnel - Directors</b>	<b>2023-24 Rs.in lakhs</b>	<b>2022-23 Rs.in lakhs</b>
Sri. J.M. Grover - Independent Director	1.63	2.41
Sri. S. Sridhara Rao - Independent Director	1.81	2.41
Smt. Sivarani J - Director	1.45	1.55

- ii) Remuneration to Key Management Personnel

<b>Key Managerial personnel</b>	<b>2023-24 Rs.in lakhs</b>	<b>2022-23 Rs.in lakhs</b>
Sri.Balakrishna S, Managing Director & CEO	41.59	37.72
Sri.R. Padmanaban, Joint Managing Director & CFO	26.11	24.56
Sri Jitendra Kumar Pal, Company Secretary	12.16	11.57
<b>Relatives of KMP</b>		
Sri. R. Thirumalai, Production Manager	19.63	17.83
Sri. R. Rajagopal, Administrative Manager	8.26	7.62
Sri. Srish Jayender Balakrishna, General Manager - Marketing	8.03	7.30

- iii) Loan and advances (borrowings) from Key Management Personnel:

<b>Amount taken from Key Management Personnel</b>	<b>2023-24 Rs.in lakhs</b>	<b>2022-23 Rs.in lakhs</b>
i) Amount taken from Sri. R. Padmanaban, Joint Managing Director / Chief Financial Officer.		
a) Outstanding as on 31 <sup>st</sup> March	(1160.20)	(916.20)
b) Maximum amount outstanding during the year	(1160.20)	(916.20)
c) Rate of Interest – Payable	11.00%	11.00%
d) Interest	108.98	90.17



## Sri Lakshmi Saraswathi Textiles (Arni) Limited

Amount taken from Key Management Personnel	2023-24 Rs.in lakhs	2022-23 Rs.in lakhs
ii) Amount taken from Sri. Balakrishna S Managing Director & CEO		
a) Outstanding as on 31st March	(39.00)	(39.00)
b) Maximum amount outstanding during the year	(39.00)	(39.00)
c) Rate of Interest – Payable	11.00%	-
d) Interest	4.29	-

iv) Disclosure of key Management Personnel compensation in total and for each of the following categories:

Key managerial personnel	For 2023-24				For 2022-23			
	Short term benefits Rs.in lakhs	Defined contribution Rs.in lakhs	Defined benefit plans (provision) Rs.in lakhs	Total Rs.in lakhs	Short term benefits Rs.in lakhs	Defined contribution Rs.in lakhs	Defined benefit plans (provision) Rs.in lakhs	Total Rs.in lakhs
Sri. Balakrishna S, Managing Director & CEO	35.10	2.30	4.20	41.59	31.96	2.09	3.67	37.72
Sri. R. Padmanaban Joint Managing Director & CFO	22.64	1.55	1.92	26.11	21.56	1.41	1.58	24.55
Sri Jitendra Kumar Pal, Company Secretary	11.31	0.85	0.00	12.16	10.72	0.85	0.00	11.57

**NOTE:**

- Short term benefits include bonus, and value of perquisites.
- Defined contribution consists of contribution to Provident fund.
- As the liability for gratuity is provided on an actuarial basis for the company as a whole, amounts accrued pertaining to these key managerial personnel is not included above.

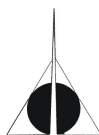
**Valuation technique used to determine the fair value.**

The significant inputs used in the fair value measurement categorized within the fair value hierarchy are given below:

Nature of Financial Instruments	Valuation technique	Remarks
Investment in Unlisted securities	At Cost	Nil

viii) Financial Risk Management

The Board of Directors (BOD) has overall responsibility for the establishment and oversight of the Company's risk management framework and thus established a risk management policy to identify and analyze the risk faced by the Company. Risk Management systems are reviewed by the BOD periodically to reflect changes in market conditions and the Company's activities. The Company, through its training and management standards and procedures, develops a disciplined and constructive control environment in which all employees understand their roles and obligations. The Audit Committee oversees how management monitors compliance with the Company's risk management policies and procedures and reviews the risk management framework. The Audit committee is assisted in the oversight role by Internal Audit. Internal Audit undertakes reviews of the risk management controls and procedures, the results of which are reported to the Audit Committee.



## Sri Lakshmi Saraswathi Textiles (Arni) Limited

The company has the following financial risks:

Categories of Risk	Nature of Risk
Credit Risk	Receivables
	Financial Instruments and cash deposits
Liquidity Risk	Fund Management
Market Risk	Foreign Currency Risk
	Cash flow and fair value interest rate risk

The Board of Directors regularly reviews these risks and approves the risk management policies, which covers the management of these risks:

### Credit Risk

Credit Risk is the risk of financial loss to the Company if the customer or counterparty to the financial instruments fails to meet its contractual obligations and arises principally from the Company's receivables, treasury operations and other operations that are lease.

### Receivables

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. The Company extends credit to its customers in the normal course of business by considering the factors such as financial reliability of customers. The Company evaluates the concentration of the risk with respect to trade receivables as low, as its customers are in several jurisdictions and operate in largely independent markets. In the case of Corporate / Export Customer, credit risks are mitigated by way of enforceable securities. However, unsecured credits are extended based on creditworthiness of the customers on a case-to-case basis.

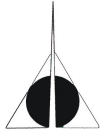
Trade receivables are written off when there is no reasonable expectation of recovery, such as a debtor declaring bankruptcy or failing to engage in a repayment plan with the company and where there is a probability of default, the company creates a provision based on Expected Credit Loss.

### Financial Instruments and Cash deposits

Investments of surplus funds are made only with the approved counterparties. The Company is presently exposed to counter party risk relating to short-term and medium-term deposits placed with Banks for margin money held for the purpose of LC. The Company places its cash equivalents based on the creditworthiness of the financial institutions.

### Liquidity Risk

Liquidity Risks are those risks that the Company will not be able to settle or meet its obligations on time or at a reasonable price. In the management of liquidity risk, the Company monitors and maintains a level of cash and cash equivalents deemed adequate by the management to finance the company's operations and to mitigate the effects of fluctuations in cash flows. Due to the dynamic nature of the underlying business, the Company aims at maintaining flexibility in funding by keeping both committed and uncommitted credit lines available. The Company has laid well defined policies and procedures facilitated by robust information system for timely and qualitative decision making by the management including its day-to-day operations.



## Sri Lakshmi Saraswathi Textiles (Arni) Limited

### Financial arrangements

The company has access to the following undrawn borrowing facilities

Particulars	(Rs.in lakhs)	
	31-03-2024	31-03-2023
<b>Working capital and other facilities</b>		
Expiring within one year	63.14	64.45
Expiring beyond year	Nil	Nil

### Maturities of Financial Liabilities

Nature of Financial Liability	< 1 Year (Rs.in lakhs)	1-5 Years (Rs.in lakhs)	> 5 Years (Rs.in lakhs)	Total (Rs.in lakhs)
<b>As at 31-03-2024</b>				
Borrowing from Banks & NBFC	474.36	220.68	Nil	695.04
Trade payable	4778.27	Nil	Nil	4778.27
Other financial Liability	932.63	Nil	Nil	932.63
Unsecured Borrowing	1199.20	Nil	Nil	1199.20
<b>As at 31-03-2023</b>				
Borrowing from Banks & NBFC	290.36	358.06	Nil	648.42
Trade payable	3514.64	Nil	Nil	3514.64
Other financial Liability	827.94	Nil	Nil	827.94
Unsecured Borrowing	955.20	Nil	Nil	955.20

### Foreign Currency Risk

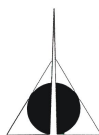
The Company's exposure in USD and other foreign currency denominated transactions in connection with the import of cotton, capital goods & spares, besides exports of finished goods in foreign currency, gives rise to exchange rate fluctuation risk. The Company has following policies to mitigate this risk:

Decisions regarding borrowing in Foreign Currency and hedging thereof, and the quantum of coverage is driven by the necessity to keep the cost comparable. Foreign Currency loans, imports and exports transactions are hedged by way of forward contract after taking into consideration the anticipated foreign exchange inflows/outflows, timing of cash flows, tenure of the forward contract and prevailing foreign exchange market conditions.

The company's exposure to foreign currency risk (Un –hedged) as detailed below:

Currency	Trade Payables	Trade and other Receivables	Balance with Banks
<b>In USD</b>			
As at 31-03-2024	Nil	Nil	Nil
As at 31-03-2023	Nil	Nil	Nil
<b>In EURO</b>			
As at 31-03-2024	Nil	Nil	Nil
As at 31-03-2023	Nil	Nil	Nil





## Sri Lakshmi Saraswathi Textiles (Arni) Limited

### Risk sensitivity on foreign currency fluctuation

Foreign Currency	31-03-2024		31-03-2023	
	1% Increase	1% Decrease	1% Increase	1% Decrease
USD	Nil	Nil	Nil	Nil
EURO	Nil	Nil	Nil	Nil

### Cash flow and fair value interest rate risk

Interest rate risk arises from short-term borrowings with variable rates which exposed the Company to cash flow interest rate risk. The Company is exposed to the evolution of interest rates and credit markets for its future refinancing, which may result in a lower or higher cost of financing, which is mainly addressed through the management of the fixed/floating ratio of financial liabilities. The Company constantly monitors credit markets to strategize a well-balanced maturity profile to reduce both the risk of refinancing and large fluctuations of its financing cost.

### Interest rate risk exposure

Particulars	31-03-2024 Rs.in Lakhs	31-03-2023 Rs.in Lakhs
Variable rate Borrowings	Nil	Nil

### Sensitivity on Interest rate fluctuation

Incremental Interest Cost works out to	31-03-2024 Rs.in Lakhs	31-03-2023 Rs.in Lakhs
1% Increase in Interest rate	Nil	Nil
1% Decrease in Interest rate	Nil	Nil



## Sri Lakshmi Saraswathi Textiles (Arni) Limited

### ix) Key Financial Ratios

S.NO	RATIO	NUMERATOR	DENOMINATOR	2023-24	2022-23	% CHANGE	REMARKS
1	Current Ratio	Current Asset	Current Liabilities	0.18	0.28	-35.71	Due to increase in current liability & decrease in current assets
2	Debt Equity Ratio*	Debt	Equity	<b>Total Equity Negative</b>			Due to accumulated losses
3	Debt Service Coverage Ratio	Earnings available for debt service	Debt Service	-20.23	-22.94	-11.81	Due to Increase in Raw Material cost, Power cost.
4	Return on Equity Ratio*	Profit After Taxes	Shareholders' Equity	<b>Total Equity Negative</b>			Due to accumulated losses
5	Inventory Turnover Ratio	Revenue	Average Inventory	18.38	12.73	44.38	Due to decrease in average inventory
6	Trade Receivables Turnover Ratio	Credit Sales	Average Trade Receivables	83.96	88.32	-4.94	
7	Trade Payables Turnover Ratio	Credit Purchases	Average Trade Payables	2.05	3.63	-43.53	Increase in Trade Payables
8	Net Capital Turnover Ratio*	Revenue	Net Capital Employed	<b>Total Equity Negative</b>			Due to accumulated losses
9	Net Profit Ratio	Net Profit	Revenue	-0.16	-0.13	23.08	Due to Increase in Raw Material cost, Power cost
10	Return on Capital Employed Ratio*	Net Operating Profit	Capital Employed	<b>Total Equity Negative</b>			Due to accumulated losses
11	Return on Investment Ratio*	Net Operating Profit	Shareholders' Equity	<b>Total Equity Negative</b>			Due to accumulated losses

### 37. Summary of Reconciliation

- Name of the Bank: Indian Overseas Bank and State Bank of India
- Particulars of Security provided: Raw Material, Process Stock, Finished goods and Stores & Spares.

(Rs.in Lakhs)

Quarter Ended	Amount as per books of account	Amount as in the quarterly return / statement	Amount of difference	Reason for material discrepancies
<b>Current year 2023-2024</b>				<b>NA</b>
Jun -23	743.52	743.52	—	
Sep-23	811.30	811.30	—	
Dec-23	831.21	831.21	—	
Mar-24	489.02	489.02	—	
<b>Previous year 2022-2023</b>				
Jun -22	1475.75	1475.75	—	
Sep-22	903.04	903.04	—	
Dec-22	862.30	862.30	—	
Mar-23	894.13	894.13	—	



## Sri Lakshmi Saraswathi Textiles (Arni) Limited

### 38. Additional disclosure requirement:

S. No.	Disclosure requirement as per amended Schedule III to the Companies Act, 2013	Reason for non-disclosure
1	Title deeds of immovable properties not held in the name of company	All title deeds are in name of the company
2	Fair value of investment property	Investment property Nil.
3	Revaluation of property, plant, and equipment	Not Applicable
4	Revaluation of intangible assets	Not Applicable
5	Loans or advances in the nature of loans are granted to promoters, directors, KMPs and the related parties	Nil
6	Details of benami property held	Nil
7	Willful defaulter	No
8	Relationship with struck off companies	Nil transaction
9	Registration of charges or satisfaction with Registrar of Companies (ROC)	Charges were registered in time
10	Compliance with number of layers of companies	No subsidiaries
11	Compliance with approved scheme (s) of arrangement	Not Applicable
12	Utilization of borrowed funds and share premium	Nil – See Note below
13	Undisclosed income	Nil
14	Details of Crypto Currency or Virtual Currency	No trade / investment in same.

Note: (i) No funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(s), including foreign entities (“Intermediaries”) with the understanding, whether recorded in writing or otherwise, that the Intermediary shall lend or invest in party identified by or on behalf of the Company (Ultimate Beneficiaries).

(ii) The Company has not received any fund from any party(s) (Funding Party) with the understanding that the Company shall whether, directly or indirectly lend or invest other persons or entities identified by or on behalf of the Company (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.”

/ BY ORDER OF THE BOARD /

**BALAKRISHNA S**  
Managing Director &  
Chief Executive Officer  
DIN: 00084524

**Jitendra Kumar Pal**  
Company Secretary

**R.PADMANABAN**  
Joint Managing Director &  
Chief Financial Officer  
DIN: 00084579

for M/s. **S B S B and Associates**  
CHARTERED ACCOUNTANTS  
Firm No.012192S

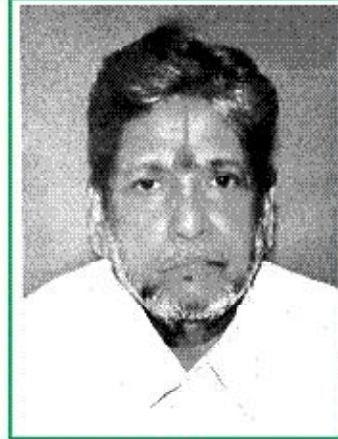
**(D.SHARAT KUMAR)**  
Partner

Member Ship .No.024568

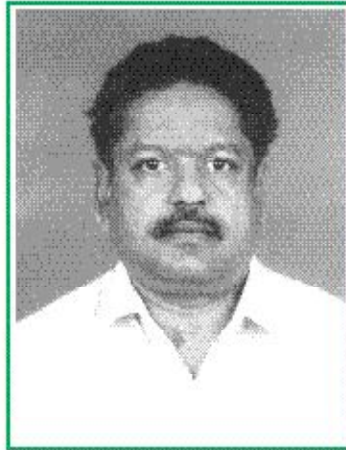
Place: Chennai  
Date : May 27, 2024



**SRI R. SRIHARI**



**SRI R. PARANTHAMAN**



**SRI R. RAGHURAMAN**

If undelivered please return to



**Sri Lakshmi Saraswathi Textiles (Arni) Limited**

New No.16, Krishnama Road,  
Nungambakkam, Chennai - 600 034.