

# Sri Lakshmi Saraswathi Textiles (Arni) Limited

"CIN : L17111TN1964PLC005183"

RO/MS/SEC- 247 /2020-21

September 15, 2020

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

Dear Sir,

Sub: Unaudited Results for the period ended 30<sup>th</sup> June 2020  
Ref: Company Code – 521161  
ISIN – INE456D01010

Please refer to our letter No. RO/MS/SEC- 242 /2020-21 September 8, 2020

We send herewith the followings:

- 1) Unaudited quarterly results for the First quarter and Three months ended 30<sup>th</sup> June 2020
- 2) Limited Review Report thereon duly taken on record by the Board on 15.09.2020.
- 3) Letter of clarification on the Auditors Observation/ qualification in the Limited Review Report to BSE

4) *Newspaper Results* .

We wish to inform that the meeting commenced at 11.00 AM and concluded at 1.20 PM.

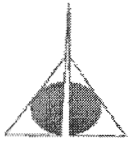
Please take the above information on record.

Thanking you,

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

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





## SRI LAKSHMI SARASWATHI TEXTILES (ARNI) LIMITED

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

CIN L17111TN1964PLC005183

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

Statement of Unaudited Financial Results for the Quarter ended 30th June 2020

(Rs.in.Lakhs)

S.No	Particulars	Quarter ended			Year ended
		30.06.20 Unaudited	31.03.20 Audited	30.06.19 Unaudited	31.03.20 Audited
1	INCOME FROM OPERATIONS				
	a) Net sales/Income from operations	693.89	1964.73	2633.61	9253.81
	b) Other Income	1.56	6.96	3.41	17.11
	Total Income from operations	695.45	1971.69	2637.02	9270.92
2	Expenses				
	a) Cost of material consumed	429.83	1507.58	1774.57	6298.24
	b) Purchases of stock in trade	34.50	0.00	0.00	51.58
	c) Changes in inventories of work-in-process	8.87	-71.45	19.98	13.91
	d) Changes in inventories of finished goods	67.07	-176.30	-4.78	-117.56
	e) Employee benefit expenses	166.77	397.30	368.31	1540.54
	f) Finance Cost	38.75	43.29	41.27	170.11
	g) Power & Fuel	145.99	359.21	418.12	1578.18
	h) Depreciation and amortisation expenses	37.83	35.98	34.01	141.64
	i) Other Expenditure	60.72	177.86	173.60	715.56
	Total Expenses	990.33	2273.47	2825.08	10392.20
3	Profit / Loss before Exceptional items & Tax (1 - 2)	-294.88	-301.78	-188.06	-1121.28
4	Add/(Less)Exceptional Items-Income(+) / Expenses(-)	0.00	0.00	0.00	0.00
5	Profit(+)/Loss(-) Before Tax (3 - 4)	-294.88	-301.78	-188.06	-1121.28
6	Tax Expenses				
	a) Current Tax	0.00	0.00	0.00	0.00
	b) (Excess)/Short Provision Tax relating to Earlier years	0.00	0.00	0.00	0.00
	c) Deferred Tax	0.00	0.00	0.00	0.00
	Sub Total	0.00	0.00	0.00	0.00
7	Net Profit(+)/Loss for the period (5 - 6)	-294.88	-301.78	-188.06	-1121.28
8	Other Comprehensive Income (Net of Tax)	0.00	0.02	-0.02	-0.04
9	Total Comprehensive Income After Tax (7 + 8)	-294.88	-301.76	-188.08	-1121.32
10	Paid-up equity share Capital (Face value of the shares Rs.10/-each)	333.28	333.28	333.28	333.28
11	Reserve and Surplus	--	--	--	-1411.49
12	Earning Per share of Rs.10/- each (in Rs.) Not Annualised				
	a) Basic Rs.	-8.86	-9.05	-5.64	-33.65
	b) Diluted Rs.	-8.86	-9.05	-5.64	-33.65

## Note:

1. Textiles is the only segment of operation of the company.
2. The above unaudited results were reviewed by the Audit Committee in its meeting held on 14th September 2020 and approved by the Board of directors in the meeting held on 15th September 2020.
3. The quarterly results have been subjected to a "Limited Review" by the Auditors of the Company.
4. The Previous period figures have been re-grouped / re-stated wherever necessary.

Place: Chennai

Date : September 15, 2020

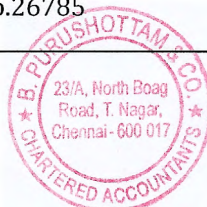
for M/s.B.Purushottam & Co  
**CHARTERED ACCOUNTANTS**  
 Reg. No. 002808S

*B. S. Purushottam*  
**B. S. PURUSHOTTAM,**  
 Partner

M.No.26785

for and on behalf of the  
Board of Directors

*Balakrishna S*  
**(BALAKRISHNA S)**  
 MANAGING DIRECTOR





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

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**Introduction**

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

**Scope of Review**

We conducted our review of the Statement in accordance with the Standard on Review Engagement ('SRE') 2410, 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity' issued by the Institute of chartered Accounts of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the statement is free of material misstatement. A review is limited to making inquiries of Company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.

**Basis for Qualified Opinion**

We draw attention that the accumulated losses of Rs.3415.49 lakhs upto 31<sup>st</sup> March 2020 and further loss of Rs.294.88 lakhs for the three months ended as on 30<sup>th</sup> June 2020 has eroded the net worth of the company. The statement of profit and loss account also indicates that the company has been incurring net losses for the previous three years. These events indicate that a material uncertainty exists that may cast significant doubt on the company's ability to continue as a going concern. However, the company's statement of unaudited financial results for the three months ended on 30<sup>th</sup> June 2020 have been prepared using the going concern basis of accounting, based on the opinion of the management that the company would generate sufficient profits in the foreseeable future.



According to the information and explanation given to us, the company has given advances to raw material suppliers to the extent of Rs. 89.96 Lakhs during 2019-20 and which is still outstanding as on 30<sup>th</sup> June 2020 for which the company has no proper records for the same. Hence, we are unable to comment on the completeness, existence, accuracy and appropriateness of the transaction and the consequent impact on the its revenue.

**Qualified Conclusion**

Based on our review conducted as above, with the exception of the matter described in the preceding paragraph, nothing has come to our attention that causes us to believe that the Statement of unaudited standalone financial results has not been prepared in accordance with recognition and measurement principles laid down in the applicable Ind AS specified under Section 133 of the Companies Act, 2013, read with relevant rules issued thereunder and other recognized accounting practices and policies and has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, read with SEBI Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016, including the manner in which it is to be disclosed, or that it contains any material misstatement.

For B. PURUSHOTTAM & CO.  
Chartered Accountants  
Reg.No. 002808S

*B. S. Purushottam*

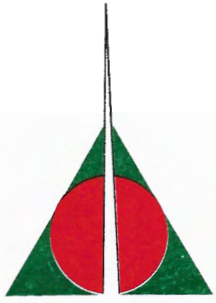
B.S. PURSHOTHAM  
Partner  
M.No. 26785



Place: Chennai

Date : September 15, 2020

UDIN: 20026785AAAAER3959



# Sri Lakshmi Saraswathi Textiles (Arni) Limited

"CIN : L17111TN1964PLC005183"

RO/MS/SEC- 245 /2020-21

September 15, 2020

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

Dear Sir,

Sub: Unaudited quarterly results for the First quarter/ three months ended 30<sup>th</sup> June 2020–  
submission of clarification on the opinion expressed by Auditors in their Limited Review  
Report.

Ref: Company Code – 521161  
ISIN – INE456D01010

The Auditors in their Limited Review Report on the Statement of Unaudited Financial Results  
for the First quarter/ Three months ended on 30<sup>th</sup> June 2020, interalia, have reported as  
under:

## Quote

### “Basis for Qualified Opinion

We draw attention that the accumulated losses of Rs.3415.49 lakhs upto 31<sup>st</sup> March 2020  
and further loss of Rs.294.88 lakhs for the three months ended as on 30<sup>th</sup> June 2020 has  
eroded the net worth of the company. The statement of profit and loss account also indicates  
that the company has been incurring net losses for the previous three years. These events  
indicate that a material uncertainty exists that may cast significant doubt on the company's  
ability to continue as a going concern. However, the company's statement of unaudited  
financial results for the three months ended on 30<sup>th</sup> June 2020 have been prepared using the  
going concern basis of accounting, based on the opinion of the management that the  
company would generate sufficient profits in the foreseeable future.

According to the information and explanation given to us, the company has given advances  
to raw material suppliers to the extent of Rs. 89.96 Lakhs during 2019-20 and which is still  
outstanding as on 30<sup>th</sup> June 2020 for which the company has no proper records for the  
same. Hence, we are unable to comment on the completeness, existence, accuracy and  
appropriateness of the transaction and the consequent impact on the its revenue.”

## Unquote

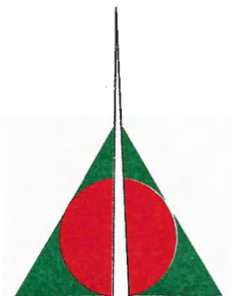
### Management's View:

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



Contd..2...





# Sri Lakshmi Saraswathi Textiles (Arni) Limited

"CIN : L17111TN1964PLC005183"

-2-

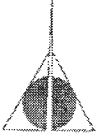
1. Though the company has incurred loss during the current year and in previous years due to adverse conditions prevailing in the industry and net worth has eroded, it continues its business operation to the optimum level. The company, with the favourable change of industrial conditions, is confident of making profits.
2. In view of the above, the company continues to prepare its Accounts and the Statement of Unaudited Financial Results using going concern basis of accounting.
3. The Company has given advances for the purchase of cotton to various parties to the extent of Rs.89.96 Lakhs. Due to COVID-19 Pandemic the parties wise details and confirmation from those parties could not be obtained. However the Management is confident of getting supply of cotton from these parties for the full value of advance given and there will be no impact on profit and loss

Thanking you,

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

  
(BALAKRISHNA S)  
MANAGING DIRECTOR





SRI LAKSHMI SARASWATHI TEXTILES (ARNI) LIMITED  
Registered Office: 16, Krishnama Road, Nungambakkam, Chennai - 600 034  
Email: slst@slstarni.com, WEB : www.slstindia.com  
UNAUDITED FINANCIAL RESULTS  
FOR THE QUARTER ENDED ON 30th JUNE 2020  
CIN L17111TN1964PLC005183

(Rs.in.Lakhs)

S.No	Particulars	Quarter ended			Year ended
		30.06.20 Unaudited	31.03.20 Audited	30.06.19 Unaudited	31.03.20 Audited
1.	Total Income from operations (net)	695.45	1971.69	2637.02	9270.92
2.	Net Profit / (Loss) for the period (before Tax, Exceptional and/or Extraordinary items# )	-294.88	-301.78	-188.06	-1121.28
3.	Net Profit / (Loss) for the period before tax (after Exceptional and/or Extraordinary items# )	-294.88	-301.78	-188.06	-1121.28
4.	Net Profit / (Loss) for the period after tax (after Exceptional and/or Extraordinary items# )	-294.88	-301.78	-188.06	-1121.28
5.	Total Comprehensive Income for the period [Comprising Profit / (Loss) for the period (after tax) and Other Comprehensive Income (after tax)]	-294.88	-301.76	-188.08	-1121.32
6.	Equity Share Capital	333.28	333.28	333.28	333.28
7.	Reserves (excluding Revaluation Reserve)	--	--	--	-1411.49
8.	Earnings Per Share (of Rs. 10/- each)				
	1. Basic.	Rs. -8.86	-9.05	-5.64	-33.65
	2. Diluted:	Rs. -8.86	-9.05	-5.64	-33.65

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

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

Place : Chennai  
Date : September 15, 2020



for and on behalf of the  
Board of Directors

  
(BALA KRISHNA S)  
MANAGING DIRECTOR