

Sri Lakshmi Saraswathi Textiles (Arni) Limited

"CIN : L17111TN1964PLC005183"

RO/MS/SEC- 371 /2020-21

October 9, 2021

The Secretary
Bombay Stock Exchange Limited,
Phiroze Jeejeebhoy Towers
25th Floor, Dalal Street
MUMBAI 400 023

Dear Sir,

Sub: Outcome of Board Meeting as per SEBI (Listing Obligations and Disclosure. Requirements). Regulations, 2015 (Audited Financial Results for the year ended 31st March 2021

Ref : Company Code - 521161
ISIN – INE456D01010

We wish to inform you that the Board of Directors have approved the Audited Financial Results for the year ended 31st March 2021 at its meeting held today (9th October 2021).

Please find enclosed the followings:

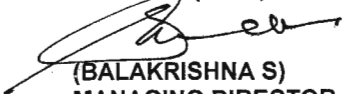
1. Auditors Report
2. Audited Financial Results for the year ended 31st March 2021 duly taken on record by the Board today.
3. Statement on Impact of Audit Qualification.
4. Press Release on Audited Financial Results for the quarter and year ended as on 31.03.2021.

We wish to inform that the meeting commenced at 11.00 AM and concluded at 12.25 P.M.

Please take the above information on record.

Thanking you,

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


(BALAKRISHNA S)
MANAGING DIRECTOR &
CHIEF EXECUTIVE OFFICER



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

Report on the Audit of the Standalone Financial Statements

Qualified Opinion

We have audited the accompanying Standalone Ind AS financial statements of **SRI LAKSHMI SARASWATHI TEXTILES (ARNI) LIMITED** ("the company") for the year ended 31 March 2021, attached herewith being submitted by the company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, as amended ("Listing Regulations").

In our opinion and to the best of our information and according to the explanations given to us, except for the possible effects of matter given in basis for qualified opinion paragraph, the statement presents financial results in accordance with the requirements of Regulation 33 of the Listing Regulations and gives a true and fair view in conformity with the applicable Indian Accounting standards ("Ind As") prescribed under Section 133 of the Companies Act, 2013 ("the Act") and other accounting principles generally accepted in India, of the net Loss after tax and other comprehensive income and other financial information of the Company for the year ended 31 March, 2021.

Basis for Qualified Opinion

The standalone financial statements as on 31st March 2021, indicates that the accumulated losses amounting to Rs.3549.18 Lakhs 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 audited financial results 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.

We were not able to obtain confirmation of balance in respect of Raw material suppliers, Customers and Vendors.

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the 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 financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our 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 of our qualified opinion.



Emphasis of Matter:

- We draw attention to Note No: 37 of the financial statements, which describes the effects of COVID-19 pandemic in the Company's production operations and higher cost of compliances, which does not have any significant impact in the Company's overall performance during the current period.
It is not appropriate to estimate the duration and severity of these consequences, as well as their impact on the financial position and results of the company for future periods.
- Due to Covid-19 related lockdown, company was not able to carry out the Physical verification of Fixed assets on a regular interval basis.
- A significant amount of physical cash balance amounting to Rs.23.31 Lakhs is being maintained by the company for a prolonged period of time, without any valid reason.

Key Audit Matters:

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. We have determined that there are no key audit matters to be communicated in our report.

Responsibility of Management for Financial Statements

These Quarterly Financial statements as well as the year to date standalone financial statements have been prepared on the basis of the interim financial statements. The Company's Board of Directors are responsible for the preparation of these financial results that give a true and fair view of the net profit/loss and other comprehensive income and other financial information in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34, 'Interim Financial Reporting' prescribed under Section 133 of the Act read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations.

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 Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the 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 Responsibilities for the Audit of the Financial Statements

Our responsibility is to express an opinion on these Standalone Ind AS financial statements based on our audit.

In conducting our audit, we have considered the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder. We conducted our audit of the Standalone Ind AS financial statements in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Standalone Ind AS financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the Standalone Ind AS financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Standalone Ind AS financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the Standalone Ind AS financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the Standalone Ind AS financial statements.

Other Matter(s)

The Statement includes the financial information for the quarter ended 31 March 2021, being the balancing figures between the audited figures in respect of the full financial year and the unaudited year-to-date figures up to the third quarter of the current financial year, which were subject to limited review by us.

Place: Chennai
Date : October 9, 2021

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

(D.SHARAT KUMAR)

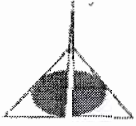
Member Ship .No.024568

Partner

CHARTERED ACCOUNTANTS



UDIN: 21024568AAAACC5868



SRI LAKSHMI SARASWATHI TEXTILES (ARNI) LIMITED

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

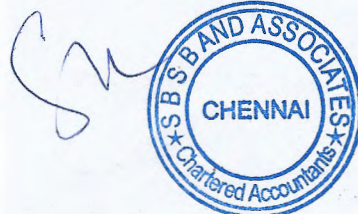
CIN L17111TN1964PLC005183

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

Statement of Audited Financial Results for the Quarter and Year ended 31st March 2021

(Rs.in.Lakhs)

S.No	Particulars	Quarter ended			Year ended	
		31.03.21 Audited	31.12.20 Unaudited	31.03.20 Audited	31.03.21 Audited	31.03.20 Audited
1	INCOME FROM OPERATIONS					
	a) Net sales/Income from operations	3260.86	2616.25	1964.73	8600.90	9253.81
	b) Other Income	4.98	1.92	6.96	10.13	17.11
	Total Income from operations	3265.84	2618.17	1971.69	8611.03	9270.92
2	Expenses					
	a) Cost of material consumed	1835.21	1557.05	1507.58	5020.93	6298.24
	b) Purchases of stock in trade	0.01	0.00	0.00	34.56	51.58
	c) Changes in inventories of work-in-process	17.43	-27.17	-71.45	27.39	13.91
	d) Changes in inventories of finished goods	-128.23	-32.10	-176.30	0.78	-117.56
	e) Employee benefit expenses	400.42	426.88	397.30	1334.93	1540.54
	f) Finance Cost	48.52	85.39	43.29	238.95	170.11
	g) Power & Fuel	442.25	392.11	359.21	1296.91	1578.18
	h) Depreciation and amortisation expenses	40.41	39.53	35.98	158.02	141.64
	i) Other Expenditure	218.36	186.26	177.86	632.25	715.56
	Total Expenses	2874.38	2627.95	2273.47	8744.72	10392.20
3	Profit / Loss before Exceptional items & Tax (1 - 2)	391.46	-9.78	-301.78	-133.69	-1121.28
4	Add/(Less)Exceptional Items-Income(+) / Expenses(-)	0.00	0.00	0.00	0.00	0.00
5	Profit(+)/Loss(-) Before Tax (3 - 4)	391.46	-9.78	-301.78	-133.69	-1121.28
6	Tax Expenses					
	a) Current Tax	0.00	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	0.00
	c) Deferred Tax	0.00	0.00	0.00	0.00	0.00
	Sub Total	0.00	0.00	0.00	0.00	0.00
7	Net Profit(+)/Loss for the period (5 - 6)	391.46	-9.78	-301.78	-133.69	-1121.28
8	Other Comprehensive Income (Net of Tax)	-0.01	0.00	0.02	-0.01	-0.04
9	Total Comprehensive Income After Tax (7 + 8)	391.45	-9.78	-301.76	-133.70	-1121.32
10	Paid-up equity share Capital! (Face value of the shares Rs.10/-each)	333.28	333.28	333.28	333.28	333.28
11	Other Equity	--	--	--	-1545.19	-1411.49
12	Earning Per share of Rs.10/- each (in Rs.) Not Annualised					
	a) Basic Rs.	11.75	-0.29	-9.05	-4.01	-33.65
	b) Diluted Rs.	11.75	-0.29	-9.05	-4.01	-33.65



STATEMENT OF ASSETS & LIABILITIES

Particulars	Audited As at 31-03-2021 (Rs.in Lakhs)	Audited As at 31-03-2020 (Rs.in Lakhs)
I. ASSETS		
1. Non-Current Assets :		
(a) Property, Plant and Equipment	1185.85	1179.78
(b) Capital Work In Progress	8.61	0.00
(c) Other Intangible assets	0.74	0.74
(d) Financial Assets :		
i. Investments	41.78	41.79
(d) Other Non- Current Assets	127.35	127.35
Total of Non Current Assets	1364.33	1349.66
2. Current Assets :		
(a) Inventories	944.20	910.68
(b) Financial Assets :		
i. Trade Receivables	174.10	84.26
ii. Cash and Cash Equivalents	34.67	13.48
iii. Bank balance other than (ii) above	86.52	68.22
iv. Security Deposits	156.28	156.64
(c) Current Tax Assets (Net)	14.58	9.70
(d) Other Current Assets	258.91	250.20
Total of Current Assets	1669.26	1493.18
TOTAL ASSETS	3033.59	2842.84
II. EQUITY AND LIABILITIES		
1) Equity:		
a) Equity Share Capital	333.28	333.28
b) Other Equity	-1545.19	-1411.49
Total Equity atributable to Equity Shareholders	-1211.91	-1078.21
2) Liabilities:		
Non Current Liabilities :		
a) Financial Liabilities		
i. Borrowings	108.09	211.96
b) Deferred tax liabilities (Net)	0.00	0.00
Total of Non Current Liabilities	108.09	211.96
3) Current Liabilities :		
a) Financial Liabilities		
i. Borrowings Secured	0.00	0.00
ii. Borrowings Unsecured	772.20	507.70
iii. Trade Payables		
- Dues to micro and small enterprises	23.26	14.20
- Dues to other than micro and	1922.56	2123.75
iv. Other financial liabilities	674.28	375.18
b) Provisions	745.11	688.26
Total of Current Liabilities	4137.41	3709.09
TOTAL EQUITY AND LIABILITIES	3033.59	2842.84



CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2021

	Amount Rs. in lakhs	
	2020-21	2019-20
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit before tax	(133.69)	(1,121.28)
Adjustments for :		
Add :- Depreciation	158.02	141.64
Finance Expenses	238.95	170.11
	263.28	(809.53)
(Less) / Add :- (Profit) / Loss on sale of assets	-	(3.85)
Interest received	(8.68)	(11.73)
Operating Profit before Working Capital Changes	254.60	(825.11)
Adjustments for :-		
(Increase)/ Decrease in Inventories	(33.52)	(74.99)
(Increase)/ Decrease in Receivables	(89.84)	223.60
(Increase)/ Decrease in other financial assets	0.36	89.46
(Increase)/ Decrease in other current assets	(8.71)	(72.32)
Increase/(Decrease) in Trade payable	(192.13)	457.68
Increase/(Decrease) in other financial liabilities	255.95	118.78
Cash Generated from Operations	186.71	(82.90)
Direct taxes paid	(4.88)	(1.89)
NET CASH FROM OPERATING ACTIVITIES (a)	181.83	(84.79)
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Fixed assets and other Capital expenses	(172.70)	(237.38)
Sale of Fixed assets	-	5.45
Sale/Purchase of shares	-	-
Increase/(Decrease) Bank deposit	(18.30)	(21.99)
Interest received	8.68	11.73
NET CASH FROM INVESTING ACTIVITIES (b)	(182.32)	(242.19)
C. CASH FLOW FROM FINANCING ACTIVITIES		
(Decrease)/ Increase in Working Capital Bank Finance	-	-
Proceeds Unsecured Loans and other Loans	264.50	272.50
Proceeds secured loan	-	200.00
Repayment of vehicle loan	(3.87)	(7.89)
Finance Expenses	(238.95)	(170.11)
NET CASH FROM FINANCING ACTIVITIES (c)	21.68	294.50
Net Change in Cash and Cash Equivalent (a+b+c)	21.19	(32.48)
Cash and Cash Equivalent as at 1st April - 2019 (2018)	13.48	45.96
Cash and Cash Equivalent as at 31st March - 2020 (2019)	34.67	13.48




Note:

- a. The above audited results were reviewed by the Audit Committee at its meeting held on 08.10.2021 and were taken on record by the Board of Directors at their meeting held on 09.10.2021.
- b. The statement has been prepared in accordance with the companies (Indian Accounting Standard) Rules,2015 (IND AS) prescribed under Section 133 of the Companies Act, 2013 and other recognized accounting practices and policies to the extent applicable.
- c. Figures for the last quarter are the difference between the audited figures for the full financial year and the published figures for nine months period of relevant financial year.
- d) The Previous period figures have been re-grouped / re-stated wherever necessary.
- e) Due to lock down imposed to control the spread of COVID-19 the Mill could not function for nearly 50 days during the year. Since the loss of working days was in the first three months the loss incurred was minimum. The expenses incurred by the company to compact COVID-19 was not significant. As there is dislocation of manpower, the company is facing problems to deploy manpower of required skill affecting capacity utilization. .

Place: Chennai
Date : October 9, 2021

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


(D.SHARAT KUMAR)
Member Ship .No.024568
Partner
CHARTERED ACCOUNTANTS



for and on behalf of the
Board of Directors


(BALAKRISHNA S)
MANAGING DIRECTOR





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

Registered Office: 16, Krishnama Road, Nungambakkam, CHENNAI - 600 034, INDIA
CIN L17111TN1964PLC005183

Phone: 91-44-28277344, 28270548, Email: slst@slstarni.com

Company Code – 521161
ISIN – INE456D01010

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

Statement on Impact of Audit Qualifications for the Financial Year ended March 31, 2021
[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	8611.03	(Since there is no impact of Audit Qualification, there is no adjustment)
	2.	Total Expenditure	8744.73	
	3.	Net Profit/(Loss)	(-) 133.70	
	4.	Earnings Per Share	(-) 4.01	
	5.	Total Assets	3033.59	
	6.	Total Liabilities	4245.50	
	7.	Net Worth	(-) 1211.91	
	8.	Any other financial item(s) (as felt appropriate by the management)	Nil	
II.	Audit Qualification (each audit qualification separately):			
	a.	Details of Audit Qualification: The standalone financial statements as on 31st March 2021, indicates that the accumulated losses amounting to Rs.3549.18 Lakhs 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 audited financial results 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. We were not able to obtain confirmation of balance in respect of Raw material suppliers, Customers and Vendors.		
	b.	Type of Audit Qualification : Qualified Opinion -/Disclaimer of Opinion/ Adverse Opinion		
	c.	Frequency of qualification: Whether Appeared first time-/ Repetitive / since how long continuing Since financial year 2019-2020.		



d. **For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views:**

- 1) Auditor has not quantified the impact of qualified opinion.
- 2) The management's view on the two qualified opinions is as below:

Quote:

(i) Qualified opinion of Statutory Auditor:

The standalone financial statements as on 31st March 2021, indicates that the accumulated losses amounting to Rs.3549.18 Lakhs 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 audited financial results 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.

Unquote:

Management's View:

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

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. The company has started to make profit from the fourth quarter of 2020-21 and hope it will continue to make profit.
2. In view of the above, the company continues to prepare its Accounts and the Financial Statement using going concern basis of accounting.

Quote:

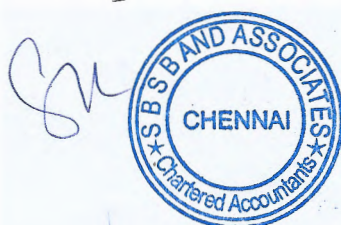
(ii) Qualified opinion of Auditor:

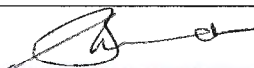
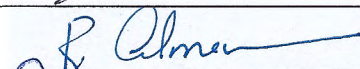
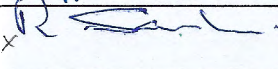
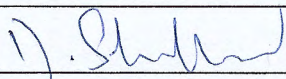
We were not able to obtain confirmation of balance in respect of Raw material suppliers, Customers and Vendors.

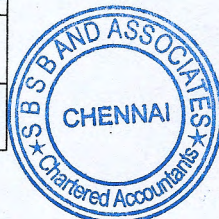
Unquote:

Management View:

Due to COVID-19 Pandemic the company was unable to get confirmation from several parties. Management confirms that all balances in the accounts of all parties are correct and there are no unreconciled differences.



	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	
	• CFO	
	• Audit Committee Chairman	
	• Statutory Auditor	

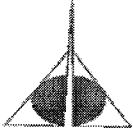


for **SRI LAKSHMI SARASWATHI
TEXTILES (ARNI) LIMITED**


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



Place: Chennai
Date: October 9, 2021



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 Audited Financial Results for the Quarter and Year ended 31st March 2021

(Rs.in.Lakhs)

S.No.	Particulars	Quarter ended			Year Ended	
		31.03.21 Audited	31.12.20 Unaudited	31.03.20 Audited	31.03.21 Audited	31.03.20 Audited
1.	Total Income from operations (net)	3265.84	2618.17	1971.69	8611.03	9270.92
2.	Net Profit / (Loss) for the period (before Tax, Exceptional and/or Extraordinary items#)	391.46	-9.78	-301.78	-133.69	-1121.28
3.	Net Profit / (Loss) for the period before tax (after Exceptional and/or Extraordinary items#)	391.46	-9.78	-301.78	-133.69	-1121.28
4.	Net Profit / (Loss) for the period after tax (after Exceptional and/or Extraordinary items#)	391.46	-9.78	-301.78	-133.69	-1121.28
5.	Total Comprehensive Income for the period [Comprising Profit / (Loss) for the period (after tax) and Other Comprehensive Income (after tax)]	391.45	-9.78	-301.76	-133.70	-1121.32
6.	Equity Share Capital	333.28	333.28	333.28	333.28	333.28
7.	Other Equity	0.00	0	0	-1545.19	-1411.49
8.	Earnings Per Share (of Rs. 10/- each)					
	1. Basic.	Rs. 11.75	-0.29	-9.05	-4.01	-33.65
	2. Diluted:	Rs. 11.75	-0.29	-9.05	-4.01	-33.65

- Note:
- The above is an extract of the detailed format of Quarterly/Year ended 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/ Annual 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).
 - Figures for the last quarter are the difference between the audited figures for the full financial year and the published figures for nine months period of relevant financial year.
 - The Previous period figures have been re-grouped / re-stated wherever necessary.

Place : Chennai
Date : October 9, 2021

for and on behalf of the
Board of Directors


(BALA KRISHNA S)
MANAGING DIRECTOR

