



SURYALATA SPINNING MILLS LIMITED

CIN-L18100TG1983PLC003962 - GST No : 36AADCS0823M1ZA

(An ISO 9001 : 2008 Certified Company)



SLSML/2018-19/120

29th June, 2018

Department of Corporate Services,
BSE Limited
1st Floor, New Trading Ring
Totunda Building, P J Towers,
Dalal Street, Fort,
Mumbai - 400 001.

Kind Attn.: Mr. Subash Purohit.

Dear Sir,

Sub: Discrepancies rectified - Audited Financial Results for the quarter and year ended 31st March, 2018.

Ref : Scrip Code No. 514138.

* * *

This is with reference to your mail dated June 22, 2018 requesting us to rectify the discrepancies in the Audited Financial Results of the Company for the quarter and year ended 31st March, 2018. In this connection, we attach herewith the rectified financial statements as at 31-03-2017.

We sincerely regret for the inconvenience caused.

Thanking you,

Yours faithfully,

For SURYALATA SPINNING MILLS LIMITED

VITHALDAS AGARWAL
MANAGING DIRECTOR
DIN: 00012774





Auditor's Report on Quarterly Financial Results & Year to Date Financial Results of SURYALATA SPINNING MILLS LIMITED Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015

To

Board of Directors of **SURYALATA SPINNING MILLS LIMITED.**

We have audited the accompanying quarterly financial results of **SURYALATA SPINNING MILLS LIMITED** ("Company") for the quarter ended 31st March, 2018 and the year to date financial results for the period from 1st April, 2017 to 31st March, 2018 attached herewith, being submitted by the company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015 read with SEBI Circular No. CIR/CFD/FAC/62/2016 dated 5th July 2016.

These quarterly financial results as well as the year to date financial results have been prepared on the reviewed financial results up to the end of the third quarter and audited annual Ind AS financial statements respectively, which are the responsibility of the company's management. Our responsibility is to express an opinion on these financial results based on our audit of such Ind AS financial statements, which have been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard, prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other accounting principles generally accepted in India.

We conducted our audit in accordance with the auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial results are free of material misstatement(s). An audit includes examining, on a test basis, evidence supporting the amounts disclosed as financial results. An audit also includes assessing the accounting principles used and significant estimates made by management. We believe that our audit provides a reasonable basis for our opinion.

Based on our audit conducted as above, in our opinion and to the best of our information and according to the explanation given to us these quarterly financial results as well as the year to date financial results:

- i) are presented in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015 read with SEBI Circular No. CIR/CFD/FAC/62/2016 dated 5th July 2016. in this regard; and





- ii) give a true and fair view of the net profit, other comprehensive income and other financial information for the quarter ended 31st March, 2018 as well as the year to date financial results for the period from 1st April, 2017 to 31st March, 2018.

The comparative financial information of the Company for the quarter and year ended 31st March 2017, included in these financial results, are based on the previously published financial results/statements for the said periods prepared in accordance with the Companies (Accounting Standards) Rules, 2006 and other accounting principles generally accepted in India audited by predecessor auditor and whose audit report dated 19th May 2017 expressed an unmodified opinion, as adjusted for the differences in the accounting principles adopted by the company on transition to Ind AS, which has been audited by us.

The statement includes the result for the quarter ended 31st March 2018 and the corresponding quarter ended in the previous year as reported in these financial results are the balancing figure between audited figures in respect of the full financial year and the published year to date figures up to the end of the third quarter of the current and previous financial year respectively. Also the figures upto the end of third quarter of the respective financial year had only been reviewed and not subjected to the audit.

Our opinion is not modified in respect of above matter.

Place : Hyderabad
Date : 19.05.2018



for **K.S.RAO & CO.**
Chartered Accountants
Firm's Regn No. 003109S

(V. VENKATESWARA RAO)
Partner
Membership No. 219209



SURYALATA SPINNING MILLS LIMITED
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AUDITED FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED 31ST MARCH, 2018

(Amount In Lakhs.)

| Particulars | For the Quarter Ended | | | For The Year Ended | |
|--|-----------------------|-----------|-----------|--------------------|-----------|
| | 31-Mar-18 | 31-Dec-17 | 31-Mar-17 | 31-Mar-18 | 31-Mar-17 |
| | Audited | Unaudited | Audited | Audited | Audited |
| I Revenue from operations | 8,257 | 8,596 | 9,105 | 33,157 | 34,653 |
| II Other income | 75 | 35 | 143 | 255 | 469 |
| III Total (I+II) | 8,332 | 8,631 | 9,248 | 33,412 | 35,122 |
| IV Expenses | | | | | |
| Cost of materials consumed | 5,387 | 5,443 | 6,083 | 21,695 | 23,603 |
| Purchase of stock in trade | - | - | - | - | - |
| Change in inventories of finished goods, stock in trade and work in progress | 131 | 362 | 252 | 573 | (235) |
| Employee benefit Expenses | 588 | 604 | 631 | 2,372 | 2,340 |
| Finance costs | 171 | 179 | 186 | 711 | 792 |
| Depreciation and amortisation expenses | 188 | 192 | 195 | 765 | 809 |
| Other expenses | 1,549 | 1,538 | 1,611 | 6,056 | 6,443 |
| Total Expenses(IV) | 8,014 | 8,318 | 8,958 | 32,172 | 33,752 |
| V Profit before tax | 318 | 313 | 290 | 1,240 | 1,370 |
| VI Tax expense: | | | | | |
| Current tax | 198 | 68 | 189 | 400 | 425 |
| Deferred tax | -78 | 44 | (84) | 53 | 62 |
| VII Profit for the period (VII-VIII) | 198 | 201 | 185 | 787 | 883 |
| VIII OTHER COMPREHENSIVE INCOME | | | | | |
| A-(i) Items that will be reclassified to the profit or loss | - | - | - | - | - |
| (ii) Income tax on items that will be reclassified to the profit or loss | - | - | - | - | - |
| B-(i) Items that will not be reclassified to the profit or loss | | | | | |
| a) Remeasurement of Defined employee benefit plans | - | - | - | - | - |
| (ii) Income tax on items that will not be reclassified to the profit or loss | - | - | - | - | - |
| Total Other Comprehensive Income (net of taxes) | - | - | - | - | - |
| Total Comprehensive Income for The Period | 198 | 201 | 185 | 787 | 883 |
| IX Earnings per Equity share-Basic and diluted (Not Annualised) | 4.64 | 4.71 | 4.34 | 18.44 | 20.69 |
| Weighted average number of equity shares (In no's lakhs) | 427 | 427 | 427 | 427 | 427 |





SURYALATA SPINNING MILLS LIMITED

CIN-L18100TG1983PLC003962 - GST No : 36AADCS0823MIZA

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Statement of Assets and Liabilities

(Amount In Lakhs.)

| Particulars | As at March 31, 2018 | As at March 31, 2017 |
|--|-------------------------|-------------------------|
| ASSETS | | |
| Non-current assets | | |
| (a) Property, Plant and Equipment | 12,790 | 13,154 |
| (b) Capital work-in-progress | 1,346 | 631 |
| (c) Intangible Assets | 10 | 8 |
| (d) Financial Assets | | |
| (i) Loans | 1 | 5 |
| (ii) Other financial assets | 778 | 780 |
| | <u>14,925</u> | <u>14,578</u> |
| Current assets | | |
| (a) Inventories | 1,847 | 2,140 |
| (b) Financial Assets | | |
| (i) Investments | 0 | 0 |
| (ii) Trade receivables | 2,658 | 3,039 |
| (iii) Cash and cash equivalents | 30 | 55 |
| (iv) Others financial assets | 62 | 93 |
| (c) Other current assets | 1,517 | 1,830 |
| | <u>6,114</u> | <u>7,157</u> |
| Total Assets | <u><u>21,039</u></u> | <u><u>21,735</u></u> |
| EQUITY AND LIABILITIES | | |
| Equity | | |
| (a) Equity Share capital | 427 | 427 |
| (b) Other Equity | 9,692 | 8,926 |
| | <u>10,119</u> | <u>9,353</u> |
| Liabilities | | |
| Non - current liabilities | | |
| (a) Financial Liabilities | | |
| (i) Borrowings | 2,356 | 3,129 |
| (b) Deferred tax liabilities | 1,756 | 1,704 |
| | <u>4,112</u> | <u>4,833</u> |
| Current liabilities | | |
| (a) Financial Liabilities | | |
| (i) Borrowings | 3,858 | 3,871 |
| (ii) Trade payables | | |
| Micro and small enterprises | 158 | 137 |
| Creditors other than micro and small enterprises | 246 | 191 |
| (iii) Other financial liabilities | 1,866 | 2,461 |
| (b) Other current liabilities | 106 | 205 |
| (d) Provisions | 574 | 684 |
| | <u>6,808</u> | <u>7,549</u> |
| Contingent Liabilities and Commitments | | |
| Total Equity and Liabilities | <u><u>21,039</u></u> | <u><u>21,735</u></u> |





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Notes:

1. Post implementation of Goods and Service Tax (GST) w.e.f. 01 July 2017, revenue from operations is disclosed net of GST in accordance with requirements of Ind AS -18. Revenue from operations for the quarter and year ended 31 March 2018 are not comparable with those of the previous periods presented in the results.

2. The company has presented for the first time, its financial results under Indian accounting standards ("Ind AS") from April 1, 2017 and accordingly these financial results have been prepared in accordance with the recognition and measurement principles laid down in the Ind AS-34-Interim financial reporting prescribed under section 133 of the companies act 2013 read with the relevant rules issued thereunder and the other accounting principles generally accepted in India. Financial results for the comparative period have also been presented in accordance with the recognition and measurement principles of Ind AS-34

3. Reconciliation of Net profit between the financial results as previously reported (referred to as "Previous GAAP") and Ind AS for the period ended 31st March, 2017 are as under:

(Amount In Lakhs.)

| Nature of Adjustments | Note no | For the Quarter ended | For the Year ended |
|--|---------|-----------------------|--------------------|
| | | 31.03.2017 | 31.03.2017 |
| AS per the Previous GAAP | | 199.55 | 943.99 |
| Interest on Preference shares | a | (12.93) | (52.41) |
| Adjustment for upfront fees paid on term loans | b | (2.42) | (11.51) |
| Depreciation | b | 0.60 | 2.45 |
| Other Adjustments | c | (0.10) | 0.13 |
| AS per Ind AS | | 184.70 | 882.65 |

Reconciliation between Equity as previously reported (referred to as "Previous GAAP") and IND AS are as under:

(Amount In Lakhs.)

| Particulars | As on 31.03.2017 |
|---|------------------|
| Equity as per previous GAAP | 9,962.67 |
| Remeasurement of defined benefit Plan | 0.44 |
| Fair value Gain/(Loss) on Investments | (0.02) |
| Effect on measuring borrowings from bankers at amortised cost | (11.51) |
| Interest on Preference Shares | (52.41) |
| Depreciation on Property, Plant and Equipment | 2.45 |
| Adjustment due to adoption of New IndAS | (27.19) |
| Effect of Preference shares classified as financial liability and subsequently measured at amortised Cost | (521.11) |
| Equity as per IND AS | 9,353.32 |

a. Measurement of financial liabilities

Under previous GAAP, Preference shares were treated as part of shareholder's funds.

However, as per Ind AS preference shares have been classified as Financial Liabilities and have been measured at Amortised Cost. Dividend on Preference shares has been treated as interest cost and has been charged to statement of the period.

b. Upfront fee paid on loan

Under Ind AS, upfront fees paid on long term loans are adjusted with the loan amount and measured at amortised cost using effective interest rate. Some of the upfront fees which were capitalised were reversed from Property, Plant and Equipment and thereby the depreciation charged on upfront fees is also reversed back during the quarter ending March 31, 2017.

c. Other adjustments

Other adjustments include recognition of fair value gain on investments measured at Fair Value through Profit and Loss and recognition of interest income on employee loans measured at Amortised Cost.

4. The Company's business activity falls within a single business segment i.e yarn, in terms of Ind AS 108 on operating segments.

5. The above Audited financial results have been reviewed by the audit committee and approved by the board at their meeting held on 19-05-2018. The statutory auditors of the company have submitted report of the results for the quarter and year ended March 31, 2018.

6. The Board has recommended a dividend of Rs. 1.50 per share (Previous year 1.50 per share), only to the non promoter shareholders, subject to the approval of the members in the Annual General Meeting. Promoters have volunteered to waive dividend on the equity share capital for the FY 2017-18 to augment the funds required for modernization cum expansions at kalwakurthy unit.

7. Figures of the previous quarter/ year have been re grouped and re classified where ever necessary to correspond with current year's presentation.



For and on behalf of Board of Directors
for Suryalata Spinning Mills Limited

Vithaldas Agarwal
Managing Director

Place : Secunderabad
Date : 19th May 2018