SURYALAKSHMI COTTON MILLS LTD

(AN IS/ISO 9001 : 2008 & ISO 14001 : 2004 CERTIFIED COMPANY)

May 29, 2015.

To,

National Stock Exchange of India Limited,
"Exchange Plaza",
Bandra-Kurla Complex,
Bandra (East),
MUMBAI - 400 051.

Dear Sir,

Ref.: **SURYALAXMI**
Reg.: Audited Financial Results for the year ended 31/03/2015.

As per Clause 41 of the Listing Agreement, we are herewith enclosing a copy of the Annual Audited Financial Results for the year ended 31/03/2015 along with the Audit Report, which were taken on record by the Board of Directors at their meeting held on 29th May, 2015.

We wish to inform you that the Board recommended a dividend of Rs.1.20 per share (previous year Rs.1.20 per share) on the equity capital for the year ended 31/03/2015. You may kindly inform your members accordingly.

This is for your information and records.

Thanking you,

Yours faithfully,
for **SURYALAKSHMI COTTON MILLS LIMITED**

E.V.S.V.SARMA
COMPANY SECRETARY

SURYALAKSHMI COTTON MILLS LIMITED

Regestered Office :Surya towers ,6th Floor,105 S.P Road, Secunderabad -500 003

STATEMENT OF AUDITED RESULTS FOR THE QUARTER & YEAR ENDED 31/03/2015

PART I

(Figures in Rs. Lacs)

Sl No	Particulars	3 Months ended 31-03-2015	Preceding 3 Months ended 31-12-2014	Corresponding 3 Months ended in the previous year 31-03-2014	Year to Date figures for Current period ended 31-03-2015	Previous Year ended 31-03-2014
		AUDITED	UNAUDITED	AUDITED	AUDITED	AUDITED
1	**Income from operations :**					
(a)	Net Sales/Income from Operations (Net of excise duty)	16511.70	17653.91	21891.41	70500.91	70185.76
(b)	Other Operating Income	370.26	132.26	637.39	824.69	1015.61
	Total Income from operations (net)	**16881.96**	**17786.17**	**22528.80**	**71325.60**	**71201.37**
2	**Expenses :**					
(a)	Cost of materials consumed	6792.72	9932.78	11210.96	39847.43	42689.11
(b)	Purchases of stock-in-trade	1532.74	-	-	1532.74	-
(c)	Changes in inventories of Finished goods, work-in-progress and stock-in-trade	3108.82	(491.76)	1736.76	(761.71)	(530.20)
(d)	Employees benefits expense	1432.12	1392.15	2045.45	5492.32	4786.22
(e)	Power & Fuel	1091.06	1892.02	1732.09	6469.41	6349.51
(f)	Depreciation and amortisation expense	798.62	803.14	991.33	3179.59	3209.13
(g)	Other Expenses	1841.11	2767.06	3655.58	10464.05	9916.45
	Total expenses :	16597.19	16295.39	21372.17	66223.83	66420.22
3	**Profit from Operations before Other Income, finance costs and Exceptional Items (1-2)**	**284.77**	**1490.78**	**1156.63**	**5101.77**	**4781.15**
4	Other Income	35.25	14.59	32.42	108.62	87.14
5	**Profit from ordinary activities before finance costs and Exceptional Items (3+4)**	**320.02**	**1505.37**	**1189.05**	**5210.39**	**4,868.29**
6	Finance costs	785.85	814.51	1,085.69	3,367.15	3694.16
7	**Profit / Loss from ordinary activities after finance costs but before Exceptional Items (5-6)**	**(465.83)**	**690.86**	**103.36**	**1,843.24**	**1,174.13**
8	Exceptional Items					
	Income - Sales Tax / MVAT	121.72	-	209.01	121.72	515.51
	Workers Agreement Arrears	(133.79)	-	-	(133.79)	-
9	**Profit /Loss from ordinary activities before Tax (7+/-8)**	**(477.90)**	**690.86**	**312.37**	**1831.17**	**1689.64**
10	Tax Expense :					
	Provision for Income Tax & Wealth tax	(107.00)	149.81	54.00	382.00	343.00
	Provision for Deferred Tax	82.36	50.00	175.44	232.36	175.44
		(24.64)	199.81	229.44	614.36	518.44
11	**Net Profit(+)/Loss (-) from Ordinory activities after Tax (9-10)**	**(453.26)**	**491.05**	**82.93**	**1216.81**	**1171.20**
12	Extraordinary Items (net of tax expense Rs.___Lakhs)	-	-	-	-	-
13	**Net Profit(+)/Loss (-) for the period (11-12)**	**(453.26)**	**491.05**	**82.93**	**1216.81**	**1171.20**
14	Paid-Up Equity Share Capital (Face value -Rs 10)	1667.23	1667.23	1452.23	1667.23	1452.23
15	Reserves excluding Revaluation reserves as per balance sheet of previous accounting year				21948.56	19991.11
16i	**Earnings Per Share (before extraordinary items) (of Rs.10/- each)(not annualised):**					
(a)	Basic	(3.01)	2.95	0.49	7.35	7.98
(b)	Diluted	(3.01)	2.95	0.49	7.00	7.98
16ii	**Earnings Per Share (after extraordinary items) (of Rs.10/- each)(not annualised):**					
(a)	Basic	(3.01)	2.95	0.49	7.35	7.98
(b)	Diluted	(3.01)	2.95	0.49	7.00	7.98

SURYALAKSHMI COTTON MILLS LTD. SEC-BAD-3

	PART II					
A	**PARTICULARS OF SHAREHOLDING**					
1	Public share holding					
	- Number of Shares	7345401	7345401	5195401	7345401	5195401
	- Percentage of Share holding	44.06	44.06	35.78	44.06	35.78
2	Promotor and Promotor group shareholding					
a)	Pledged/Encumbered					
	-Number of shares	640665	640665	140665	640665	140665
	-Percentage of shares (as a % of the total shareholding of promoter and promoter group	6.87	6.87	1.50	6.87	1.50
	-Percentage of shares (as a % of the total share capital of the company)	3.84	3.84	0.96	3.84	0.96
b)	Non-Encumbered					
	-Number of shares	8686224	8686224	9186224	8686224	9186224
	-Percentage of shares (as a % of the total shareholding of promoter and promoter group	93.13	93.13	98.50	93.13	98.50
	-Percentage of shares (as a % of the total share capital of the company)	52.10	52.10	63.26	52.10	63.26

	Particulars	
B	**INVESTOR COMPLIANTS**	**3 Months ended 31.03.2015**
	Pending at the beginning of the quarter	0
	Received during the quarter	1
	Disposed of during the quarter	1
	Remianing unresolved at the end of the quarter	0

NOTES:

1 The above audited results were reviewed and recommended by the Audit committee and taken on record by the Board of Directors at their meeting held on 29th May, 2015.

2 The Board recommended a Dividend of 12% (Rs.1.20 per share) (previous year Rs.1.20 per share) subject to the approval in Annual General Meeting.

3 The operations of Company's Denim Fabric Division at Ramtek, Dist. Nagpur, Maharashtra were affected for about two months due to agitation by the workers.

4 Tax Expense represents provision for Income Tax, Wealth Tax & Deferred Tax for the financial year, under Income Tax Act,1961.

5 The figures for the current quarter and quarter ended 31st March, 2014 are the balancing figures between the audited figures of the full financial year ended 31st March, 2015 and 31st March, 2014, respectively and the publishesd year to date figures upto third quarter ended 31st December, 2014 and 31st December, 2013, respectively.

6 The Company has revised the Useful life of its fixed assets to comply with the useful life as mentioned under Schedule II of the Companies Act, 2013 and in view of transitional provisions, the Company has adjusted Rs.366.77 lacs with the opening balances of retained earnings, i.e., surplus in the statement of profit and loss. Had the Company continued to follow the earlier useful life under the Companies Act,1956, the depreciation expense for the quarter and year to date would have been higher by Rs.34.92 lacs and Rs.200.49 lacs respectively, profit before tax for the quarter and year to date would have been lower by Rs.34.92 lacs and Rs.200.49 lacs respectively, and the net block of fixed assets would have been lower by Rs.200.49 lacs.

7 The details of the funds utilised during the quarter on the new project at Amravati, Land & Civil Works - Rs.7.81 Crores; Plant & Machinery - Rs.5.06 Crores and Others - Rs.0.97 Crores.

8 Figures of the previous quarters/period/year have been regrouped and reclassifed, wherever considered necessary to correspond with current period presentation.

For SURYALAKSHMI COTTON MILLS LIMITED

SURYALAKSHMI COTTON MILLS LTD. SEC-BAD-3

L N AGARWAL
CHAIRMAN & MANAGING DIRECTOR

Secunderabad
29th May, 2015

SURYALAKSHMI COTTON MILLS LIMITED

Segment wise Revenue, Results and Capital Employed

Sl No	Particulars	3 Months ended 31-03-2015	Preceding 3 Months ended 31-12-2014	Corresponding 3 Months ended in the previous year 31-03-2014	Year to Date figures for Current period ended 31-03-2015	Previous Year ended 31-03-2014
		AUDITED	UNAUDITED	AUDITED	AUDITED	AUDITED
1	Segemnt Revenue					
	a) Spinning	6918.48	6789.39	7404.01	27598.03	29873.38
	b) Denim manufacturing	8491.20	10347.58	11326.91	39238.48	36482.71
	c) Power Plant	413.36	1129.46	1231.17	3790.83	4179.28
	d) Garment	1495.83	1298.88	4751.49	5744.97	4751.49
	Total	17318.87	19565.31	24713.58	76372.31	75286.86
	Less: Inter Segement revenue	807.17	1911.40	2822.17	5871.40	5101.10
	Net Sales/Income from Operations	16511.70	17653.91	21891.41	70500.91	70185.76
2	Segement Results (Profit(+)/Loss(-) before tax and Interest from each segment)					
	a) Spinning	492.70	61.47	505.22	1203.45	1782.35
	b) Denim manufacturing	(232.81)	1461.66	675.44	3637.63	3644.81
	c) Power Plant	(99.55)	(29.58)	46.71	(60.78)	(214.05)
	d) Garment	147.60	11.82	170.69	418.02	170.69
	Total	307.94	1505.37	1398.06	5198.32	5383.80
	Less: (i) Interest	785.85	814.51	1085.69	3367.15	3694.16
	(ii) Other Un-allocable Expenditure net off Un-allocable income					
	Total Profit/(Loss) before tax	(477.90)	690.86	312.37	1831.17	1689.64
3	**Capital Employed** (Segment Assets -Segment Liabilities)					
	a) Spinning	18697.72	17655.08	17700.87	18938.52	17700.87
	b) Denim manufacturing	30905.44	31928.41	32793.37	30905.44	32793.37
	c) Power Plant	13405.90	12881.98	13057.95	13405.90	13057.95
	d) Garment	1956.54	4137.02	3350.70	1956.54	3350.70
	TOTAL :	**64965.60**	**66602.49**	**66902.89**	**65206.40**	**66902.89**

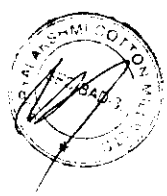
SURYALAKSHMI COTTON MILLS LIMITED

Regestered Office :Surya towers ,6th Floor,105 S.P Road, Secunderabad -500 003

STATEMENT OF ASSETS AND LIABILITIES AS ON 31/03/2015

(Rs. in lakhs)

	Particulars	As on 31-03-2015 AUDITED	As on 31-03-2014 AUDITED
A	**EQUITY AND LIABILITIES :**		
1	**SHAREHOLDERS' FUNDS :**		
	(a) Share Capital	2,544.53	1,829.53
	(b) Reserves and Surplus	29,633.73	28,965.25
	Sub-Total - Shareholders' funds :	32,178.26	30,794.78
2	**Non-current liabilities**		
	(a) Long-term borrowings	12,442.02	15,029.81
	(b) Deferred tax liabilities (net)	3,253.11	3,020.75
	(c) Long-term provisions	447.20	388.62
	Sub-Total - Non-current liabilities :	16,142.33	18,439.18
3	**Current liabilities**		
	(a) Short-term borrowings	11,449.79	13,317.35
	(b) Trade payables	6,065.07	5,163.22
	(c) Other current liabilities	7,505.46	7,025.62
	(d) Short-term provisions	1,054.86	724.28
	Sub-Total - Current liabilities :	26,075.18	26,230.47
	TOTAL - EQUITY AND LIABILITIES :	74,395.77	75,464.43
B	**ASSETS :**		
1	**Non-current Assets :**		
	(a) Fixed assets	42,897.46	45,229.17
	(b) Non-current investments	-	-
	(c) Long-term loans and advances	396.49	419.67
	(e) Other non-current assets	60.95	85.36
	Sub-Total - Non-current assets :	43,354.90	45,734.20
2	**Current Assets :**		
	(a) Current investments	9.76	9.95
	(b) Inventories	13,790.79	11,074.98
	(c) Trade receivables	10,338.18	10,961.20
	(d) Cash and cash equivalents	980.40	883.23
	(e) Short-term loans and advances	3,161.54	3,092.82
	(f) Other current assets	2,760.20	3,708.05
	Sub-Total - Current assets :	31,040.87	29,730.23
	TOTAL - ASSETS :	74,395.77	75,464.43



DRAFT INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF SURYALAKSHMI COTTON MILLS LIMITED, SECUNDERABAD.

Report on the Financial Statements

We have audited the accompanying financial statements of SURYALAKSHMI COTTON MILLS LIMITED, ("the Company"), which comprise the Balance Sheet as at 31st March, 2015, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the 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 of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of 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 financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We have taken into account 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 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 financial statements are free from material misstatement.

BRAHMAYYA & Co. HYDERABAD

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the 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 financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial control system over financial reporting and the operating effectiveness of such controls. 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 financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid 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 accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2015, and its Profit and its cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements:

1. As required by the Companies (Auditor's Report) Order, 2015 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. 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 were necessary for the purposes of our audit.
   (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books
   (c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
   (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
   (e) On the basis of the written representations received from the directors as on 31st March, 2015 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2015 from being appointed as a director in terms of Section 164 (2) of the Act.

BRAHMAYYA & Co. HYDERABAD

(f) 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 disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 26 (1) to (5) of financial statements.

ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

for **BRAHMAYYA & CO.**
Chartered Accountants
Firm's Regn No. 000795S

BRAHMAYYA & Co. HYDERABAD

(K.S.RAO)
Partner
Membership No. 015850

Place : Hyderabad
Date : 29.05.2015

Annexure to the Auditor's Report:

The Annexure referred to in Para 1 under the heading of "Report on Other Legal and Regulatory Requirements" of our report of even date ,to the members of SURYALAKSHMI COTTON MILLS LIMITED, SECUNDERABAD, for the year ended March 31,2015.,

1. a. The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.

   b. As explained to us, the management has physically verified the fixed assets during the year and there is a regular programme of verification which, in our opinion, is reasonable having regard to the size of the Company and the nature of the assets. No discrepancies were noticed on such verification.

2. a. The inventory has been physically verified during the year by the management. In our opinion, the frequency of verification is reasonable.

   b. In our opinion, the procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.

   c. The Company is maintaining proper records of inventory. The discrepancies noticed on physical verification between the physical stocks and book records were not material.

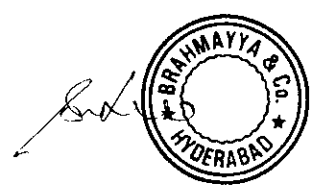
3. a. During the year, the Company has not granted any loans, secured or unsecured to Companies, firms or other parties covered in the register maintained under Section 189 of the Companies Act, 2013.

   b. In view of our comment in paragraph (a) above, Clause (III) (a) and (b) of paragraph 3 of the aforesaid order are not applicable to the Company.

4. In our opinion and according to the information and explanations given to us, there are adequate internal control systems commensurate with the size of the Company and the nature of its business with regard to purchase of inventory and fixed assets and for the sale of goods and services. During the course of our audit, we have not observed any continuing failure to correct major weaknesses in internal control system.

5. The Company has not accepted any deposits from the public. Hence the provisions of Sections 73 to 76 or any other relevant provisions of the Companies Act, 2013, and the rules framed there under , do not apply to this Company.

6. We have broadly reviewed the cost records maintained by the Company pursuant to sub-section (1) of section 148 of the Companies Act, 2013 and are of the opinion that prime facie the prescribed accounts and records have been made and maintained. We have however not made a detailed examination of the cost records with a view to determine whether they are accurate or Complete.



7. a. According to the records of the Company, the company is regular in depositing undisputed statutory dues including provident fund, employees 'state insurance, Income-tax, Sales-tax, Wealth tax, Service tax, Duty of customs, Duty of excise, Value added tax , Cess and any other statutory dues with the appropriate authorities.

b. According to the records of the Company, no undisputed statutory dues including provident fund, employees 'state insurance, income-tax, sales-tax, wealth tax, service tax, duty of customs, duty of excise, value added tax , cess and any other statutory dues were in arrears as at March 31, 2015 for a period of more than six months from the date they became payable.

c. According to the records of the Company and the information and explanations given to us, the dues of Sales tax, Income tax, Custom Duty, Wealth Tax, Service Tax, Excise Duty, Cess, which have not been deposited on account of dispute are as follows:

Nature of the Statute	Amount (Rs in Lakhs)	Period to which the amount relates (Financial year)	Forum where dispute is pending
Excise Duty	32.89	2005-06	CESTAT, Mumbai
TPS #	3307.33	2004-05	Jt. DGFT, Hyderabad
Customs Duty #	559.37	2004-05	DRI, Hyderabad
Excise Duty	10.26	2011-12 & 2012-13	CESTAT, Bengaluru
Custom Duty	61.49	2009	Hon'ble High Court of Judicature of A.P.
Income Tax	3.93	2008-09	CIT, Hyderabad
Income Tax	10.85	2011-12	CIT, Hyderabad
Income Tax	65.27	2012-13	CIT, Hyderabad

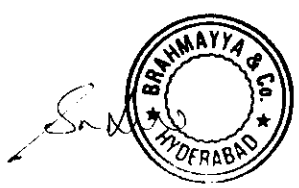
net of pre-deposit paid in getting the stay/appeal admitted.

d. According to the records of the Company, there were no amounts which were required to be transferred to Investor Education and Protection Fund. Therefore, the provisions of clause 3 (vii) (c) of the Companies (Auditor's Report) Order, 2015 are not applicable to the Company.

8. The Company has no accumulated losses as at the end of the financial year. The Company has not incurred cash losses during the year covered by our audit and also in the immediately preceding financial year.

9. In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of dues to any financial institutions and Banks.

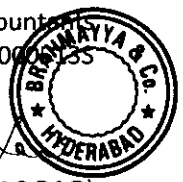
10. The Company has not given any guarantee for the loans taken by others from banks and financial institutions.



11. In our opinion and according to the information and explanations given to us, the term loans have been applied for the purposes for which they were obtained.

12. Based upon the audit procedures performed and according to the information and explanations given to us, we report that no fraud on or by the Company has been noticed or reported during the year.

for **BRAHMAYYA & CO.**
Chartered Accountants
Firm's Regn No. 000835S



(K.S.RAO)
Partner
Membership No. 015850

Place : Hyderabad
Date : 29.05.2015