SURYALAKSHMI COTTON MILLS LTD

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

12th February, 2018.

To,

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

Dear Sir,

Ref.: **SURYALAXMI**
Reg.: **Unaudited financial results for the quarter ended 31/12/2017.**

As per Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we are herewith enclosing a copy of the Unaudited Financial Results for the quarter ended 31/12/2017, which were taken on record by the Board of Directors at their meeting held on 12/02/2018.

We are also enclosing herewith a copy of the Limited Review Report for the quarter ended 31/12/2017.

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

Regd. office : Surya towers, 6th Floor, 105 S.P Road, Secunderabad - 500003. Ph.:040-27819856 / 30571600
email : slcmltd@suryalakshmi.com; website : www.suryalakshmi.com; CIN - L17120AP1962PLC000923

UNAUDITED FINANCIAL RESULTS FOR THE QUARTER/NINE MONTHS ENDED DECEMBER 31, 2017

(Rs. In lakhs

Particulars	For the Quarter Ended			For Nine Months Ended	
	31-Dec-17	30-Sep-17	31-Dec-16	31-Dec-17	31-Dec-16
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited
I Revenue from operations	16,835.43	17,457.53	14,543.52	51,718.58	53,653.14
II Other income	121.85	152.16	38.00	343.87	219.16
III Total Revenue(I+II)	**16,957.28**	**17,609.69**	**14,581.52**	**52,062.45**	**53,872.31**
IV Expenses					
Cost of materials consumed	10,001.91	10,292.18	9,271.36	31,495.79	31,194.95
Purchase of stock in trade	-	-	-	-	-
Change in inventories of finished goods, stock in trade and work in progress	(1,024.72)	(278.86)	(2,881.51)	(4,030.60)	(6,045.77)
Employee benefit Expenses	1,887.60	1,862.26	1,732.18	5,596.57	5,413.79
Finance costs	988.12	974.53	951.33	2,840.02	2,863.58
Depreciation and amortisation expenses	724.31	720.15	801.10	2,133.14	2,414.40
Other expenses	4,352.19	3,998.98	4,767.16	13,919.45	15,645.64
Total Expenses(IV)	**16,929.39**	**17,569.23**	**14,641.62**	**51,954.36**	**51,486.58**
V Profit/(loss) before exceptional items and tax(III-IV)	27.88	40.46	(60.09)	108.09	2,385.73
VI Exceptional Items	-	(3.16)	-	36.93	14.90
VII Profit/(loss) before tax (V+VI)	**27.88**	**37.30**	**(60.09)**	**145.02**	**2,400.63**
VIII Tax expense:					
Current tax - MAT	8.00	6.00	2.00	31.00	552.00
Deferred tax	-	7.00	(0.57)	17.63	299.84
Earlier years tax	-	-	-	-	-
IX Profit/(loss) for the period from continuing operations (VII-VII	**19.88**	**24.30**	**(61.53)**	**96.39**	**1,548.78**
X Profit/(loss) from discontinued operations	-	-	-	-	-
XI Tax expense on discontinued operations	-	-	-	-	-
XII Profit/(loss) from discontinued operations (after tax) (X-XI)	-	-	-	-	-
XIII Profit/(loss) for the period (IX+XII)	**19.88**	**24.30**	**(61.53)**	**96.39**	**1,548.78**
XIV OTHER COMPREHENSIVE INCOME					
A-(i) Items that will not be reclasified to the profit or loss					
a) Remeasurement of Defined employee benefit plans					
(ii) Income tax on items that will not be reclasified to the profit or loss					
B-(i) Items that will be reclasified to the profit or loss					
(ii) Income tax on items that will be reclasified to the profit or loss					
Total Other Comprehensive Income (net of taxes)	-	-	-	-	-
XV Total Comprehensive Income for The Period (XIII+XIV)	**19.88**	**24.30**	**(61.53)**	**96.39**	**1,548.78**
XVI Earnings per Equity share (for continuing operations) -Basic and diluted (In Rs.)	0.12	0.15	(0.37)	0.58	9.29
XVII Earnings per Equity share (for discontinued operations) - Basic and diluted (In Rs.)	-	-	-	-	-
XVIII Earnings per Equity share (for discontinued & continuing operations) -Basic and diluted (In Rs.)	0.12	0.15	(0.37)	0.58	9.29
Weighted average number of equity shares (Face Value of Rs. 10 e	16,672,290	16,672,290	16,672,290	16,672,290	16,672,290

Notes:

1. The above results for the quarter/nine months ended 31st December 2017,were reviewed by Audit Committee and approved by the Board of Directors at the meeting held on 12th Februarv. 2018 and Statutorv Auditors have carried out limited review.
2. The Financial Results of the company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 as amended by the Companies (Indian Accounting Standards) Amendment Rules, 2016. The Company adopted Ind AS from 1st April 2017 and accordingly the financial results (including for all the period presented in accordance with Ind AS 101 - First time adoption of Indian Accounting Standards) have been prepared in accordance with the recognition and measurement principle 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 other accounting principles generally accepted in India.
3. The format for unaudited quarterly results as prescribed in SEBI's Circular CIR/CFD/CMD/15-2015, dated 30th November 2015, has been modified to comply with requirements of SEBI's circular dated 5th July, 2016. The company has opted to present Ind AS compliant figures for the corresponding quarter/nine months ended December 2016 without subjecting to limited review or audit. However, the management has exercised necessary due diligence to ensure that the financial results provide a true and fair view of the Company's affairs.
4. Expenses are recognised in statement of profit and loss using a classification based on the nature of expense method as per para 99 of Ind AS 1, Presentation of financial statements
5. The results for the quarter/nine months ended 31st December 2016 has been restated to comply with Ind AS to make them comparable. Further previous quarter figures have been regrouped/reclassifed, wherever necessary, to conform with the current period presentation to comply with Ind AS.
6. The above mentioned income from operations are disclosed inclusive of excise duty except for current quarter ended 31st December 2017 and previous quarter ended 30th September 2017. For these 2 quarters, GST collected on sales is excluded from Revenue as per Ind AS 18 - Revenue.
7. Consequent to transition to Ind AS, in accordance with para 32 of Ind AS 101 - First time adoption of Ind AS, reconciliation between net profit under 'Previous Indian GAAP' and total comprehensive income as per Ind AS for the quarter/ nine months ended 31st December 2016 is as follows:

Reconcilation of Net profit between the financial results as previously reported (referred to as "Previous GAAP") and Ind AS are as

Nature of Adjustments		Note no		For Quarter Ended	For Nine Months
				31-Dec-16	31-Dec-16
AS per the Previous GAAP				18.41	1,735.27
Interest		a		(82.33)	(197.22)
Depreciation Adjustment		b		3.41	10.10
Others		c		(1.02)	0.63
AS per Ind AS				(61.53)	1,548.78

a. Measurement of financial liabilities

As per Ind AS, certain financial liabilities like Term Loans from Financial Institutions, Preference shares, Sales tax Deferment and Loan from related parties have been recognised at fair value on initial recognition. Subsequently, those have been measured at amortised cost by using Effective Interest Method (EIR).

Hence the resultant interest has been charged to profit and loss.

b. Excess depreciation

Under Ind AS, upfront fees paid on long term loans is adjusted with the loan amount and measured at amortised cost using effective interest rate. Some of the upfront fees which where capitalised were reversed from Property, Plant and Equipment. As a result excess depreciation was also reversed back.

c. Other adjustments

Other adjustments include recognition of fair value gain on investments measured at Fair Value through Profit and Loss, adjustments for lease rental on leasehold land, amortisation of government grant on measurement of sales tax deferment at fair value and tax

For and On behalf Of Board

L.N.AGARWAL
CHAIRMAN & MANAGING DIRECTOR

Place : Secunderabad
Date : 12/02/2018

SURYALAKSHMI COTTON MILLS LIMITED

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UNAUDITED SEGMENT-WISE REVENUE, RESULTS, ASSETS AND LIABILITIES FOR THE QUARTER/NINE MONTHS ENDED DECEMBER

(Rs. In lakhs)

Particulars	For the Quarter Ended			For Nine Months Ended	
	31-Dec-17	30-Sep-17	31-Dec-16	31-Dec-17	31-Dec-16
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited
1. Segment Revenue					
(Inclusive of excise duty from each segment)					
a) Spinning	9,541.98	8,978.35	8,591.25	28,440.95	28,203.05
b) Denim manufacturing	8,483.03	8,847.53	7,838.96	26,141.59	29,216.36
c) Power Plant	763.43	915.14	933.25	2,469.45	3,194.99
d) Garment	1,675.93	1,948.46	1,337.83	5,284.74	5,021.02
e) Unallocated	2.52	3.07	8.31	30.78	15.48
Total	20,466.90	20,692.55	18,709.60	62,367.51	65,650.90
Less: Inter Segment Revenue	3,509.62	3,082.86	4,128.06	10,305.06	11,778.59
Net Sales/Income from Operations	**16,957.28**	**17,609.69**	**14,581.52**	**52,062.45**	**53,872.31**
2. Segment Results (Profit)(+)/Loss (-) before Tax and Finance charges from each segment)					
a) Spinning	791.95	429.24	308.11	1,666.40	1,318.10
b) Denim manufacturing	84.48	401.29	589.15	1,033.36	3,235.66
c) Power Plant	36.94	22.85	56.69	100.02	376.73
d) Garment	100.11	155.37	(71.02)	154.47	318.25
Total	**1,013.48**	**1,008.75**	**882.93**	**2,954.26**	**5,248.73**
Less: i) Finance charges	988.12	974.53	951.33	2,840.02	2,863.58
ii) Other Un-allocable Expenditure net off					
Add: Un-allocable income	2.52	3.07	8.31	30.78	15.48
Total Profit before Tax	**27.88**	**37.30**	**(60.09)**	**145.02**	**2,400.63**
3. Segment Assets					
a) Spinning	25,960.76	26,792.01	26,832.00	25,960.76	26,832.00
b) Denim manufacturing	35,541.31	35,326.30	32,919.96	35,541.31	32,919.96
c) Power Plant	12,415.30	12,714.45	13,008.86	12,415.30	13,008.86
d) Garment	7,127.71	6,360.28	5,851.03	7,127.71	5,851.03
e) Unallocated	2,486.53	2,350.86	2,517.43	2,486.53	2,517.43
Total	**83,531.62**	**83,543.91**	**81,129.28**	**83,531.62**	**81,129.28**
4. Segment Liabilities					
a) Spinning	19,432.90	20,367.45	20,400.93	19,432.90	20,400.93
b) Denim manufacturing	15,661.39	15,165.60	13,371.45	15,661.39	13,371.45
c) Power Plant	12,657.12	12,886.65	13,024.35	12,657.12	13,024.35
d) Garment	6,666.75	5,927.86	5,343.93	6,666.75	5,343.93
e) Unallocated	581.29	684.05	772.62	581.29	772.62
Total	**54,999.45**	**55,031.61**	**52,913.28**	**54,999.45**	**52,913.28**

SURYALAKSHMI COTTON MILLS LTD. SEC-BAD-3

K.S. Rao & Co.
CHARTERED ACCOUNTANTS

Limited Review Report

Review Report

To the Board of Directors of SuryaLakshmi Cotton Mills Limited,

1. We have reviewed the accompanying Statement of Unaudited Financial Results of SURYA LAKSHMI COTTON MILLS LIMITED ("the Company") for the quarter and Nine Months ended 31st December, 2017 (the "statement") being submitted by the company pursuant to the requirement 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.

   This statement is the responsibility of the Company's Management and has been approved by the Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 "Interim Financial Reporting", prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to issue a report on these financial statement based on our review.

2. We conducted our review 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 Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the financial statements are free from material misstatements. A review is limited primarily to 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.

3. The figures for quarter and Nine Months period ended 31st December 2016 included in this statement under report were reviewed/audited by another firm of Chartered Accountants, who were the immediate preceding statutory auditors, who expressed an unmodified conclusion/opinion thereon.

K.S. RAO & Co. Chartered Accountants HYDERABAD

Flat No. 602, Golden Green Apartments, Irrum Manzil Colony, Hyderabad - 500 082.
Phones : (040) - 2337 3399, Fax : (040) - 2337 0005, e-mail : ksraoandcompany@gmail.com

4. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying statement of unaudited financial results prepared in accordance with applicable Indian Accounting Standards (Ind AS) and other recognized accounting principles and policies, has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as modified by 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 **K S Rao & Co.**
Chartered Accountants
Firm's Regn No. 003109S

(P.GOVARDHANA REDDY)
Partner
Membership No. 029193

Place : Hyderabad
Date : 12.02.2018