



AANANDA LAKSHMI SPINNING MILLS LIMITED

Date: 31st July, 2021

To
The General Manager
Department of Corporate Services
B. S. E. Limited
1st Floor, Rotunda Building
B.S. Marg, Fort
Mumbai - 400 001

Dear Sir,

Sub: Outcome of Board Meeting held on July 13, 2021
Ref: Regulation 30 and 33 of SEBI (LODR) Regulations, 2015.
Scrip Code: 539096


We are to inform you that a Meeting of Board of Directors of the Company was convened today i.e. July 13, 2021. The following are the outcomes of the said meeting:

1. To approve the Audited Financial Results for the Quarter & year ended on 31.03.2021.
2. To appoint M/s. Yellapragada and Associates, practicing company secretary as Secretarial Auditor of the company for the financial year 2021-2022.
3. To appoint M/s. SLR & Associates, practicing Chartered Accountant as Internal Auditor of the Company for the financial year 2021-22.

Kindly take the same on record.

Yours faithfully,

for AANANDA LAKSHMI SPINNING MILLS LIMITED


JEETENDER KUMAR AGARWAL
Director
DIN: 00041946



AANANDA LAKSHMI SPINNING MILLS LIMITED

Notes

1. The above Audited financial results were reviewed by the Audit committee and approved by the Board of directors at their meetings held on 1st July, 2021 and statutory Auditors have submitted The Audit Report.
2. These financial results have been prepared in accordance with Companies (Indian Accounting Standards) Rules 2015 (and A5) prescribed under Section 133 of the Companies Act, 2013 and other recognised accounting practices and policies to the extent applicable.
3. The company's business activity falls within a single business segment i.e. Textile products in terms of ICD A5 108 on operating segments.
4. The Company has recorded accumulated losses of Rs. 4799.09 Lakhs as at 31st March, 2021 and negative net worth of Rs. 2894.84 lakhs and current liabilities exceed current assets by Rs.1936.02 Lakhs. Further there were lower cash inflows from existing business activities. The accompanying financial statements have been prepared on a "Going Concern" basis by the company based on a comfort letter provided by the promoters for continued support to the company to meet its financial obligations, in order to enable the company to continue its operations in the foreseeable future. The Management is confident that in foreseeable future the financial position of the company will improve.
5. The Company Paid 40% of CIS amount to Andhra Bank. The Company requested further extension to the bank to pay the balance dues of CIS. The Company has provided interest on CIS to Andhra Bank for the FY 2019-20 of Rs. 141.47 Lakhs and for FY 2020-21 of Rs.100.76 Lakhs.
6. Prior Period Taxes of Rs.117.32 Lakhs are for the Income Tax Assessment Year 2011-12 under Direct Tax Vaidya Se Vaidhava Scheme. The Company applied under the scheme in FY, 2020-21.
7. Other income include profit on sale of land Rs.212.03 lakhs and rental income of Rs. 32.59 lakhs.
8. The Company discontinued the operations and sold the Majority of Machinery. The company received income from discontinued Operations Rs.756.32 Lakhs and Expenses incurred Rs.1429.55.
9. Previous year figures have been regrouped where ever necessary to conform current year classification.

Place : Secunderabad
Date : 31st July, 2021

For and behalf of Board of Directors
AANANDA LAKSHMI SPINNING MILLS LTD

J.K. AGARWAL
DIRECTOR



AANANDA LAKSHMI SPINNING MILLS LIMITED

(Amount in Lakhs)

Particulars	For the Year ended March 31, 2021 (Audited)	For the Year ended March 31, 2020 (Audited)
I Cash flow from operating activities:		
A. Profit before tax	(570.29)	(62.70)
B. Adjustment for:		
a. Depreciation and Amortisation	78.62	123.57
b. Interest income	3.19	3.02
c. Profit/Loss on sale of fixed assets (net)	(94.38)	-
d. Provisions Written back	(0.10)	-
e. Finance cost	149.77	194.21
f. Debt Balance written off	4.37	(22.27)
g. Other Comprehensive Income items	-	(1.80)
h. Grant Income	(26.31)	-
i. Interest on unsecured loan	12.38	50.15
j. Interest on Deferred Sales Tax	31.14	-
	(411.43)	425.66
C. Adjustment for movements in Working capital		
a. Trade payables	9.44	(35.79)
b. Other liabilities and Provisions	(151.01)	(552.51)
c. Trade receivables	(110.64)	(88.51)
d. Inventories	2.20	(218.67)
e. Financial and other current assets (Net of fair value adjustment on deposits)	(347.32)	43.81
D. Cash generated from Operations	(1,008.78)	(241.22)
Less: Direct Taxes Paid		(12.70)
Net cash flow from operating activities (I)	(1,008.78)	(243.92)
II Cash flows from investing activities		
a. Purchase of fixed assets, including CWIP	85.02	-
b. Proceeds from sale of fixed assets	698.08	24.25
c. Non Current assets	(44.43)	246.46
d. Interest received	0.51	0.71
Net cash flow from/(used in) investing activities (II)	779.78	261.42
III Cash flows from financing activities		
a. Interest paid	(149.77)	(191.21)
b. Repayments of Loans & borrowings	92.22	171.05
Net cash flow from/(used in) financing activities (III)	242.45	(20.16)
IV Net (decrease) in cash and cash equivalents (I + II + III)	13.45	(2.66)
Cash and cash equivalents at the beginning of the year	2.32	4.98
V Cash and cash equivalents at the end of the year	15.77	2.31
VI Components of cash and cash equivalents:		
a. Cash on hand	2.59	0.01
b. With banks		
i. on current account	13.18	2.31
Total cash and cash equivalents (note no.12)	15.77	2.32

Significant accounting policies 2&3

The notes referred to above, form an integral part of financial statements

As per our report of even date

Place Hyderabad

Date: 31st July, 2021

For and on behalf of Board of Directors
Aananda Lakshmi Spinning Mills Limited

J.K. Appirval
Director

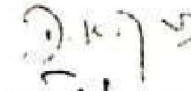

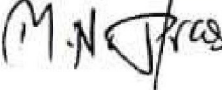

Registered Office :
Surya Towers, 6th Floor, 105, S.P. Road,
Secunderabad - 500 003, Telangana, India.

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GST No: 36AAMCA2381F1ZP
CIN NO: L1712ITG2013PLC086564

ANNEXURE
AANANDA LAKSHMI SPINNING MILLS LIMITED

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

Statement on Impact of Audit Qualifications for the Financial Year ended March 31, 2021 (Regulation 33 / 52 of the SEBI (LODR) (Amendment) Regulations, 2016)				
I.	Sl. No.	Particulars	Audited Figures (as reported before adjusting for qualifications)	Adjusted Figures (audited figures after adjusting for qualifications)
	1	Turnover / Total income	1000.95	445.63
	2	Total Expenditure	1332.48	1,131.73
	3	Net Profit/(Loss)	(331.53)	(886.10)
	4	Earnings Per Share	(12.83)	(35.00)
	5	Total Assets	1782.91	2,337.48
	6	Total Liabilities	1782.91	2,337.48
	7	Net Worth	(2,894.84)	(3439.41)
II.	Audit Qualification (each audit qualification separately):			
	a. Details of Audit Qualification: 1. Short providing of Interest on Bank Term Loans and working Capital Limits 2. Profit Impact of Cotton Trading Activity b. Type of Audit Qualification: Qualified Opinion c. Frequency of qualification: Repetitive from the Last Two years d. For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views: Management is confident to clear the dues of the Bank in a Short Period e. For Audit Qualification(s) where the impact is not quantified by the auditor: (i) Management's estimation on the impact of audit qualification: (ii) If management is unable to estimate the impact, reasons for the same: (iii) Auditors' Comments on (i) or (ii) above:			
III.	Signatories:			
	<ul style="list-style-type: none"> • CEO/Managing Director:  • Audit Committee Chairman:  • Statutory Auditor:  			
	Place: Secunderabad Date: 31.07.2021			
				

Registered Office:
 10th Floor, 10th Floor, 10th Floor
 Secunderabad - 500005, Telangana, India
 Tel: 011-26122222
 Tel: 011-26122222
 Website: www.k.s.rao.co



AANANDA LAKSHMI SPINNING MILLS LIMITED

AANANDA LAKSHMI SPINNING MILLS LIMITED

E-mail: info@aalakshmi.com, Website: www.aalakshmi.com

Regd. office: 6th Floor, Surya Towers, 103,

5th Road, Secunderabad - 500003

Phone: 91 40 80312700, Fax: 91 40 80512723

Statement of Assets and Liabilities as at March 31, 2021

Particulars	(Rs. in Lakhs.)	
	As at March 30, 2021 (Audited)	As at Mar 31, 2020 (Audited)
ASSETS		
Non current assets		
a) Property, plant and equipment	691.01	1,799.94
b) Capital work in progress	-	3.61
c) Intangible assets	-	0.13
d) Financial assets	-	-
Loans	4.41	-
Total Non-Current Assets	695.44	1,803.68
Current assets		
a) Inventories	26.04	29.04
b) Financial assets		
i) Trade receivables	289.38	195.65
ii) Cash and cash equivalents	13.77	2.32
iii) Other financial assets	7.03	7.54
c) Current Tax Asset	27.32	24.76
c) Other current assets	722.02	171.24
Total Current Assets	1,084.47	831.55
Total Assets	1,779.91	2,635.23
EQUITY AND LIABILITIES		
EQUITY		
a) Equity share capital	349.93	349.93
b) Other equity	(1,234.77)	(2,798.62)
Total Equity	(2,884.84)	(2,448.69)
Non current liabilities		
a) Financial liabilities		
-Borrowings	1,634.17	1,370.07
b) Provisions	9.21	147.15
b) Other Liabilities	378	30.12
Total Non - Current Liabilities	1,647.25	1,748.22
Current liabilities		
a) Financial liabilities		
i) Borrowings	1,521.61	1,815.37
ii) Trade payables		
a) MSME	22.67	22.49
b) Other than MSME	374.24	361.97
iii) Other financial liabilities	247.23	141.47
b) Other current liabilities	718.71	720.28
c) Provisions	141.03	253.09
Total Current Liabilities	3,020.19	3,337.67
Total Equity and liabilities	1,762.91	2,637.31

For and on behalf of Board of Directors


L.K. AGARWAL
Director

Place: Secunderabad
Date: 31st July, 2021

Registered Office:
Surya Towers, 6th Floor, 103, 5th Road,
Secunderabad - 500003, Telangana, India.

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www.aalakshmi.com
CIN: L28530TG2005PLC000001
GSTIN: 37AALAK0001A000



Independent Auditor's Report on Quarterly and Year to Date Financial Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015, (as amended)

To the Board of Directors of Aanandalakshmi Spinning Mills Limited.

Qualified Opinion

We have audited the accompanying statement of quarterly and year to date financial results ('the Statement') of **Aanandalakshmi Spinning Mills Limited** ('the Company') for the quarter and the year ended March 31, 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 effect of the matter described in the Basis for Qualified Opinion** section of our report. the financial results:

- i. are presented in accordance with the requirements of Regulation 33 of the Listing Regulations, 2015 in this regard; and
- ii. give a true and fair view in conformity with the recognition and measurement principles laid down in the applicable accounting standards and other accounting principles generally accepted in India of the net loss and other comprehensive income and other financial information for the quarter and year ended March 31, 2021.

Basis for Qualified Opinion

i) During the year the company has recorded purchase of cotton worth of Rs.436.79 Lakhs from a supplier and recorded a sale of Rs.555.32 Lakhs by selling to the same supplier on the day of purchase (Cotton trading activity) Which resulted in a profit of Rs.118.53 Lakhs

we are unable to comment upon the profit shown in the statement attached here with.

ii) During the year under audit, the company has provided Rs.100.76 Lakhs as interest on working capital loans and term loans with Andhra Bank as per Terms of Onetime Settlement proposal submitted with the Banks, which the company has failed to repay. Whereas interest as per Bank sanction letter without considering the Onetime Settlement scheme amounts to Rs. 536.80 Lakhs.

In the absence of statement of account/confirmation from the Banks and financial institutions the above amount has been arrived at as per calculation made by the Company.

iii) During the year under audit, the company has not provided provision for Property Tax on factory Buildings.





iv) Manufacturing operations of the company were stopped since 22nd September 2020, we did not receive physical verification reports for the property plant and Equipment as on the reporting date.

we are unable to comment on the condition, existence and consequent impairment impact if any on carrying value of Property, Plant and Equipment as at 31 March, 2021.

v) Confirmation of balances was not obtained from Debtors, Creditors, loans and advances and other current assets. The management has not made any provision in the books of accounts.

vi) The Company has not provided the liability towards Gratuity on actuarial valuation as required under The Ind As 19 Employee Benefits, We are unable to comment upon the impact of non-provision of additional loss of the company for the year and on the current liabilities as at 31 March, 2021.

vii) The Company has not provided the liability towards interest and penalties payable on account of statutory dues.

Consequent to the above, loss for the period ended and Liabilities as on 31st March 2021 was understated and Shareholders funds are overstated to this extent.

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

Material Uncertainty Related to Going Concern

As stated in note no 4 of the statement, the Company has recorded accumulated losses of Rs. 4799.08 lakhs as at 31st March 2021, resulting in completed erosion of net worth and current liabilities exceed current assets by Rs.1936.02 Lakhs. Further there were lower cash inflows from existing business activities and the Company has defaulted in payment of dues to banks/ Financial Institutions and could not comply with the terms of sanction and /or repayment schedule of the lending institutions and banks. Due to financial constraints' material uncertainty exists about the company's ability to continue as going concern and the decision of the management of the company to prepare the accounts of the company on going concern basis. This assessment of uncertainty is based on Resolution plan submitted to the Banks by company and interest shown by the Banks.

Managements and Board of Directors Responsibilities for the Statement

These financial results have been prepared on the basis of the annual audited financial statements. and has been approved by the Company's Board of Directors. The Company's Board of Directors are responsible for the preparation and presentation of the statement



that give a true and fair view of the net loss and other comprehensive income. and other financial information in accordance with the applicable accounting standards 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 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 statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the statement, the Management and the Board of Directors are 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 the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so. The Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Statement

Our objectives are to obtain reasonable assurance about whether the statement as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the statement.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Statement, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.





- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.
- Conclude on the appropriateness of the Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Statement or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure, and content of the Statement, including the disclosures, and whether the Statement represent the underlying transactions and events in a manner that achieves fair presentation.
- We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Other Matter

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

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



M.N. Prasad
(M. Naga Prasad)
Partner

Place : Hyderabad
Date : 31.07.2021

Membership No. 231388
UDIN: 21231388AAAAABN6566