

SURAT TEXTILE MILLS LIMITED

Date: 5th November, 2019

**The Listing Department,
Bombay Stock Exchange Ltd.,
First Floor, New Trading Wing,
Rotunda Building,
Phiroze Jeejeebhoy Towers,
Dalal Street, Fort,
Mumbai 400001
Scrip Code: 530185**

**Sub.: Unaudited Financial Results for the Quarter and half-year ended
30th September, 2019.**

Sir,

Pursuant to Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), we are enclosing the Unaudited Financial Results of the Company for the quarter and half year ended 30th September, 2019, duly approved by the Board of Directors of the Company, at its meeting held today, 5th November, 2019.

The meeting of the Board of Directors of the Company commenced at 4:00 p.m. and concluded at 5:15 p.m.

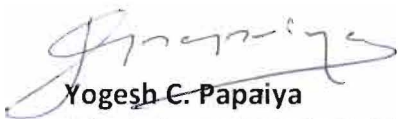
We also enclose a copy of the Limited Review Report of the Auditors of the Company, as required under Regulation 33 of the Listing Regulations.

Kindly take the same on your record and acknowledge receipt.

Thanking you,

Yours faithfully,

For Surat Textile Mills Limited


Yogesh C. Papaiya

**Wholetime Director & CFO
(DIN: 00023985)**



Regd. Office : 6th Floor, Tulsi Krupa Arcade, Near Aai Mata Chowk,
Puna Kumbharia Road, Dumbhal, Surat 395 010.

Phone : (0261) 2311197-98, 2311513 Fax : (0261) 2311029/502

CIN : L17119GJ1945PLC000214 | Website : www.surattextilemillsLtd.com

SURAT TEXTILE MILLS LIMITED

Regd. Office: Tulsi Krupa Arcade, 6th Floor, Near Aai Mata Chowk, Puna-Kumbharia Road, Dumbhal, Surat 395010

CIN: L17119GJ1945PLC000214; Website: www.surattextilemillsLtd.com, e-mail: sharedepartment@stml.in

Tel.No.(0261) 2311198 Fax : (0261) 2311029

UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND HALF YEAR ENDED 30TH SEPTEMBER, 2019

(Rs. in Lakhs except per share data)

Sr. No.	Particulars	Quarter ended			Half Year ended		Year ended 31/03/2019 (Audited)
		30/09/2019 (Unaudited)	30/06/2019 (Unaudited)	30/09/2018 (Unaudited)	30/09/2019 (Unaudited)	30/09/2018 (Unaudited)	
1	Income:						
	(a) Sales / Revenue from Operations	5278.90	3734.75	6389.21	9013.65	10940.19	21628.10
	(b) Other Income	128.75	92.53	79.39	221.28	117.21	364.91
	Total Income	5407.65	3827.28	6468.60	9234.93	11057.40	21993.01
2	Expenses:						
	(a) Cost of Materials Consumed	3950.22	3109.09	4669.90	7059.31	8171.90	16741.24
	(b) Purchases of Stock-in-Trade	0.00	0.00	79.50	0.00	393.62	393.62
	(c) Changes in Inventories of Finished Goods, Work-in-Progress and Stock-in-Trade	142.85	(140.61)	435.06	2.24	233.20	501.19
	(d) Employee Benefits Expense	60.08	46.06	47.14	106.14	113.95	221.04
	(e) Finance Costs	10.43	39.32	29.27	49.75	68.80	108.30
	(f) Depreciation and Amortisation Expense	7.75	7.79	7.25	15.54	19.58	35.06
	(g) Other Expenses	854.55	585.80	732.00	1440.35	1373.66	2918.07
	Total Expenses	5025.88	3647.45	6000.12	8673.33	10374.71	20918.52
3	Profit Before Exceptional Item and Tax (1-2)	381.77	179.83	468.48	561.60	682.69	1074.49
4	Exceptional Item	0.00	0.00	0.00	0.00	0.00	0.00
5	Profit Before Tax (3-4)	381.77	179.83	468.48	561.60	682.69	1074.49
6	Tax Expense						
	(a) Current Tax	54.31	30.54	97.85	84.85	139.83	201.47
	(b) Deferred Tax	50.79	41.25	28.75	92.04	118.43	354.12
	(c) Taxes in respect of earlier year	0.00	0.00	0.00	0.00	0.00	(695.95)
7	Profit for the Period (5-6)	276.67	108.04	341.88	384.71	424.43	1214.85
8	Other Comprehensive Income (OCI)						
	(a) Items that will not be reclassified to Profit or (Loss)	(193.35)	(28.85)	(26.93)	(222.20)	(58.91)	(369.65)
	(b) Income tax relating to items that will not be reclassified to Profit or (Loss)	21.52	3.21	3.06	24.73	5.00	39.25
	Total Other Comprehensive Income (Loss) (Net of Tax)	(171.83)	(25.64)	(23.87)	(197.47)	(53.91)	(330.40)
9	Total Comprehensive Income for the Period (7+8)	104.84	82.40	318.01	187.24	370.52	884.45
10	Equity Share Capital (Face Value Rs.1/- Per Share)	2220.64	2220.64	2220.64	2220.64	2220.64	2220.64
11	Reserves Excluding Revaluation Reserve as shown in the Audited Balance Sheet	--	--	--	--	--	9870.23
12	Basic and Diluted Earning per share (EPS) (Rs.)						
	* Not annualised	0.12 *	0.05 *	0.15 *	0.17 *	0.19 *	0.55



SURAT TEXTILE MILLS LIMITED
STATEMENT OF ASSETS AND LIABILITIES

(Rs. in Lakhs)

Particulars	As at	
	30/09/2019 (Unaudited)	31/03/2019 (Audited)
ASSETS		
1 Non-Current Assets		
(a) Property, Plant and Equipment	522.98	537.88
(b) Investment Property	1013.70	1013.70
(c) Financial Assets		
(i) Investments	264.14	486.34
(ii) Loans and Advances	0.00	0.00
(iii) Other financial assets	0.00	0.00
(d) Deffered Tax Assets (Net)	15.36	82.67
(e) Other Non-Current Assets	2931.88	2931.88
Total Non-Current Assets	4748.06	5052.47
2 Current Assets		
(a) Inventories	974.24	1583.82
(b) Financial Assets		
(i) Investments	4469.78	6073.45
(ii) Trade Receivables	251.56	400.13
(iii) Cash and Cash Equivalents	835.01	565.13
(iv) Bank Balance Other than (iii) above	1260.89	0.00
(v) Loans and Advances	158.30	136.25
(c) Other Current Assets	549.55	370.87
Total Current Assets	8499.33	9129.65
TOTAL ASSETS	13247.39	14182.12
EQUITY AND LIABILITIES		
EQUITY		
(a) Equity Share Capital	2220.64	2220.64
(b) Other Equity	10057.47	9870.23
Total Equity	12278.11	12090.87
LIABILITIES:		
1 Non-Current Liabilities		
(a) Financial Liabilities		
(i) Borrowings	0.00	0.00
(ii) Other Financial Liabilities	0.00	0.00
(b) Long-Term Provisions	44.54	40.32
(c) Other Non-Current Liabilities	0.00	0.00
Total Non-Current Liabilities	44.54	40.32
2 Current Liabilities		
(a) Financial Liabilities		
(i) Borrowings	0.00	0.00
(ii) Trade Payables	748.90	1918.03
(iii) Other Financial Liabilities	110.31	96.00
(b) Other Current Liabilities	26.68	19.17
(c) Short-term Provisions	14.50	13.12
(d) Current Tax Liabilities (Net)	24.35	4.61
Total current liabilities	924.74	2050.93
TOTAL EQUITY AND LIABILITIES	13247.39	14182.12



SURAT TEXTILE MILLS LIMITED
UNAUDITED CASH FLOW STATEMENT FOR THE HALF YEAR ENDED 30TH SEPTEMBER, 2019

	(Rs. in Lakhs)	
	Half year ended 30/09/2019 (Unaudited)	Half year ended 30/09/2018 (Unaudited)
A. CASH FLOW FROM OPERATING ACTIVITIES:		
Net Profit Before Tax as per Statement of Profit and Loss	561.60	682.69
Adjusted for:		
Depreciation and Amortisation Expense	15.54	19.58
Finance Costs	49.75	68.81
Interest Income	(19.76)	(34.67)
Dividend Income	(54.88)	(51.99)
(Profit)/Loss on Redemption of Investments	(8.72)	(28.20)
Unrealised Gain on Investments	(136.25)	(23.16)
Share of Loss in Partnership Firm	0.00	0.00
Profit on Sale of Shopping Complex	0.00	0.00
Credit Balance Write Back	(1.63)	(18.63)
Bad debts and advance written off	(15.88)	0.22
Profit / (Loss) on Sale of Assets	0.00	41.75
Fair Value (Gain) / Loss	0.00	1.05
	<u>(171.83)</u>	<u>(25.24)</u>
Operating Profit before Working Capital Changes	389.77	657.45
Movements in Working Capital :		
(Increase) / Decrease in Provisions	5.60	(49.31)
(Increase) / Decrease in Trade and Other Receivables	(83.40)	(229.26)
(Increase) / Decrease in Inventories	609.58	257.30
Increase / (Decrease) in Trade and Other Payables	(1144.78)	(247.84)
	<u>(613.00)</u>	<u>(269.11)</u>
Cash Generated from Operations	(223.23)	388.34
Direct Taxes (Paid) / Refund.	(65.11)	(1.02)
Net Cash Flow from Operating Activities (A)	<u>(288.34)</u>	<u>387.32</u>
B. CASH FLOW FROM INVESTING ACTIVITIES:		
Purchase of Fixed Assets	(0.62)	(15.34)
Sale of Fixed Assets	0.00	45.62
Sale of Investment Properties	0.00	0.00
Purchase of Current Investments	(1463.12)	(2339.99)
Sale of Current Investments	3211.76	1845.54
Sale of Long Term Investments	0.00	11.08
Dividend Income on Current Investment	54.88	51.99
Interest Income	9.37	0.00
Loans to Other Company/Firm	46.20	350.00
Investment In Partnership Firm	0.00	0.00
Net Cash Flow Used in Investing Activities (B)	<u>1858.47</u>	<u>(51.10)</u>
C. CASH FLOW FROM FINANCIAL ACTIVITIES:		
Proceeds/Repayment of Short Term Borrowings	0.00	(55.74)
Repayment of Long Term Borrowings	0.00	(21.59)
Interest (Paid) / Earn	(49.74)	(68.81)
LC Margin FD	(1260.89)	(16.20)
LC Margin FD Interest Income	10.39	22.37
Net Cash (Used in) / from Financing Activities (C)	<u>(1300.24)</u>	<u>(139.97)</u>
Net Increase / (Decrease) in Cash and Cash Equivalents (A+B+C)	269.88	196.25
Opening Balance of Cash and Cash Equivalents	565.13	1641.54
Closing Balance of Cash and Cash Equivalents	<u>835.01</u>	<u>1837.79</u>



Notes to the Financial Results:

- 1 The above financial results have been reviewed and recommended by the Audit Committee and approved by the Board of Directors of the Company at their respective meetings held on 5th November, 2019. The Statutory Auditors have carried out 'Limited Review' of the financial results for the quarter ended 30th September, 2019.
- 2 The above results have been prepared in accordance with the Companies (Indian Accounting Standards) Rules, 2015 (Ind AS) prescribed under Section 133 of the Companies Act, 2013 and other recognised accounting practices and policies to the extent applicable.
- 3 The Company has evaluated the impact of Ind AS 116 "Leases" effective April 1, 2019, however, the effect of the same is not material on profit and earnings per share for the quarter.
- 4 The Company's business segment consists of a single segment of "Textiles" in accordance with Ind AS 108 - 'Operation Segments' notified pursuant to the Companies (Indian Accounting Standard) Rules, 2015. Accordingly, no separate segment information has been provided.
- 5 The Board of Directors of the Company at its meeting held on 10th September, 2019 has approved the Draft Scheme of Arrangement ('Scheme') under Sections 230 to 232 of the Companies Act, 2013 between Vareli Trading Company Limited ('VTCL' or 'Transferor Company') and the Company ('STML' or 'Transferee Company'). The Company has filed the necessary application with BSE pursuant to Regulation 37 of the SEBI (LODR) Regulations, 2015 for Observation Letter / No-objection Letter for the abovementioned Scheme.
- 6 The Company does not have any Exceptional item to report in above periods.
- 7 Previous period's / year's figures are regrouped / reclassified, wherever necessary, to make them comparable with those of current period.

For and on behalf of Board of Directors



Manikant R. Momaya
Managing Director
DIN: 00023993

Place: Surat
Date: 05/11/2019



Independent Auditor's Review Report on unaudited standalone financial results of Surat Textile Mills Limited for the quarter and six months period ended 30 September 2019 Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

Review Report to

The Board of Directors of Surat Textile Mills Limited

Introduction

1. We have reviewed the accompanying statement of unaudited standalone financial results ("the Statement") of **Surat Textile Mills Limited** ("the Company") for the quarter and six months period ended 30 September 2019 being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended.
2. The Statement, which is the responsibility of the Company's Management and approved by the Company's Board of Directors on 5 November 2019, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 "*Interim Financial Reporting*" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013 ("the Act"), read with relevant rules issued thereunder and other recognised accounting practices and policies generally accepted in India and Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended. Our responsibility is to express a conclusion on the Statement based on our review.

Scope of Review

3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410, "*Review of Interim Financial Information Performed by the Independent Auditor of the Entity*" issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review is limited primarily to inquiries with company personnel responsible for financial and accounting matters and analytical procedures applied to financial data and thus provides less assurance than an audit conducted in accordance with Standards on Auditing specified under section 143(10) of the Act. We have not performed an audit and accordingly, we do not express an audit opinion.



Conclusion:

4. Based on our review conducted as stated above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principle laid down in Ind AS 34 as prescribed under section 133 of the Act, and other recognised accounting practices and policies generally accepted in India 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 amended, including the manner in which it is to be disclosed, or that it contains any material misstatement.

UDIN:	19047751AAAAGP5499
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For Sharp & Tannan Associates
Chartered Accountants
Firm's registration no. 109983W




Pramod Bhise

Partner

Membership No.(F) 047751

Mumbai, 5 November 2019

