

Independent Auditors' Report on Quarterly and Annual audited Standalone Financial Results of
M/s THE LAKSHMI MILLS COMPANY LIMITED Pursuant to the **Regulation 33 of the SEBI** (Listing
Obligations and Disclosure Requirements) Regulations, 2015as amended

The Board of Directors
THE LAKSHMI MILLS COMPANY LIMITED
Coimbatore

Independent Auditors' Report on the audit of the Standalone Financial Results

Opinion

We have audited the accompanying Statement of quarterly and annual Standalone Financial Results of **M/s. THE LAKSHMI MILLS COMPANY LIMITED** (the "Company"), for the quarter and year ended **March 31, 2024** (the "Statement"), being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "Listing Regulations").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Standalone financial results:

- (i) are presented in accordance with the requirements of Regulation 33 of the Listing Regulations in this regard; and
- (ii) give a true and fair view in conformity with the recognition and measurement principles laid down in the applicable Indian Accounting Standards and other accounting principles generally accepted in India of the net profit and Other comprehensive income and other financial information for the quarter ended **March 31, 2024** and the year ended **March 31, 2024**.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing ("SA"s) specified under Section 143(10) of the Act. Our responsibilities under those SAs are further described in the Auditor's Responsibilities for the Audit of the Standalone Financial Results 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 ("ICAI") together with the ethical requirements that are relevant to our audit of the Standalone Financial Results under the provisions of the Companies Act, 2013 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 obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial results.



Management's and Board of Directors' Responsibilities for the Standalone Financial Results

This Statement has been prepared and compiled on the basis of the aforesaid standalone annual financial statements. This Statement is the responsibility of the Company's Board of Directors and has been approved by them for issuance.

The Company's Management and Board of Directors are responsible for the preparation and presentation of these standalone financial results that give a true and fair view of the net profit and Other comprehensive income and other financial information of the company in accordance with the recognition and measurement principles laid down in Indian Accounting Standards prescribed under Sec. 133 of the Companies Act, 2013 read with the relevant Rules 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 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 the 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 aforesaid Standalone Financial Results that give a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the aforesaid Statement of Standalone Financial Results, the Management and 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 financial reporting process of the Company.

Auditor's Responsibilities for the Audit of the Statement of Standalone Financial Results

Our objectives are to obtain reasonable assurance about whether the aforesaid Statement of Standalone Financial Results as a whole are 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 aforesaid Statement of Standalone Financial Results.



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

- ❖ Identify and assess the risks of material misstatement of the Standalone Financial Results, 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 financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Sec. 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion through a separate report on the complete set of financial statements 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 in the aforesaid Statement of Standalone financial results 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 ability of the Company 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 aforesaid Statement of Standalone Financial Results, including the disclosures, and whether the aforesaid Standalone Financial Results represent the underlying transactions and events in a manner that achieves fair presentation.
- ❖ Obtain sufficient appropriate audit evidence regarding the Statement of Standalone financial results of the company to express an opinion on the same.

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the standalone financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the standalone financial statements.



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

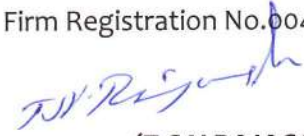
The aforesaid standalone annual financial results include the results for the quarter ended **March 31, 2024** and quarter ended **March 31, 2023** being the balancing figures between the audited figures in respect of the full financial year and the published unaudited year to date figures up to the third quarter of those financial years which were subjected to a limited review by us, as required under the Listing Regulations. Our opinion is not modified in respect of these matters.

Place: Coimbatore

Date: May 28, 2024



For M/s Subbachar & Srinivasan
Chartered Accountants
Firm Registration No. 004083S



(T.S.V. RAJAGOPAL)

Partner

Membership No. 200380

UDIN: 24200380 B KCFBO 3491

THE LAKSHMI MILLS COMPANY LIMITED

CIN: L17111TZ1910PLC000093

Regd. Office : 686, Avanashi Road, Pappanaickenpalayam, Coimbatore - 641 037

E-mail: contact@lakshmill.com Website: www.lakshmill.com

Statement of Audited Financial Results for the Quarter/ Year ended 31st March 2024

(Rs in Lakhs)

| S.No. | Particulars | Quarter Ended | | | Year Ended | |
|-----------|--|----------------------|-------------------|--------------------|-------------------|------------------|
| | | 31.03.2024 | 31.12.2023 | 31.03.2023 | 31.03.2024 | 31.03.2023 |
| | | Audited ^a | Unaudited | Audited | Audited | |
| 1 | Income | | | | | |
| | Revenue from operations | 6,754.36 | 6,984.70 | 4,484.27 | 25,296.90 | 24,040.40 |
| | Other income | 83.84 | 61.98 | 68.82 | 804.14 | 404.77 |
| | Total Income | 6,838.20 | 7,046.68 | 4,553.09 | 26,101.04 | 24,445.17 |
| 2 | Expenditure | | | | | |
| | Cost of materials consumed | 3,135.00 | 3,231.84 | 1,910.58 | 12,363.97 | 11,499.42 |
| | Purchase of stock-in-trade | 535.55 | 508.66 | 351.62 | 2,118.02 | 3,426.00 |
| | Changes in inventories of finished goods, work-in-progress and stock-in-trade | 68.81 | 258.63 | 422.07 | 921.01 | (32.05) |
| | Employee benefits expense | 1,033.54 | 1,043.80 | 774.58 | 3,975.30 | 3,561.83 |
| | Finance costs | 401.34 | 284.12 | 187.53 | 1,112.87 | 730.98 |
| | Depreciation and amortisation expenses | 544.57 | 522.29 | 250.92 | 1,842.81 | 822.97 |
| | Power & Fuel | 1,015.25 | 950.21 | 620.52 | 3,572.31 | 2,749.44 |
| | Other expenditure | 627.57 | 612.99 | 529.69 | 2,384.68 | 2,460.45 |
| | Total Expenses | 7,361.63 | 7,412.54 | 5,047.51 | 28,290.97 | 25,219.04 |
| 3 | Profit/(Loss) from ordinary activities before exceptional items (1-2) | (523.43) | (365.86) | (494.42) | (2,189.93) | (773.87) |
| 4 | Exceptional items - Gain/ (Loss) | 150.46 | - | - | 169.06 | 96.01 |
| 5 | Profit/(Loss) from ordinary activities before tax (3+4) | (372.97) | (365.86) | (494.42) | (2,020.87) | (677.86) |
| 6 | Tax expense | | | | | |
| | Current Tax | - | - | - | - | - |
| | Deferred Tax | (193.09) | (93.38) | (126.39) | (641.58) | (176.66) |
| | Total Tax Expenses | (193.09) | (93.38) | (126.39) | (641.58) | (176.66) |
| 7 | Profit / (Loss) for the period after tax (5-6) | (179.88) | (272.48) | (368.03) | (1,379.29) | (501.20) |
| 8 | Other comprehensive income, net of income tax | | | | | |
| | Items that will not be reclassified to Profit or (loss) | 7,493.48 | (4,495.08) | (11,129.41) | 27,378.80 | 1,866.11 |
| | Income tax relating to Items that will not be reclassified to Profit or (loss) | (866.52) | 524.49 | 1,278.69 | (3,169.15) | (222.33) |
| | Items that will be reclassified to Profit or (loss) | - | - | - | - | - |
| | Income tax relating to Items that will be reclassified to Profit or (loss) | - | - | - | - | - |
| | Total other comprehensive income, net of income tax | 6,626.96 | (3,970.59) | (9,850.72) | 24,209.65 | 1,643.78 |
| 9 | Total comprehensive income for the period (7+8) | 6,447.08 | (4,243.07) | (10,218.75) | 22,830.36 | 1,142.58 |
| 10 | Paid up equity share capital (face value Rs. 100/-each) | 695.55 | 695.55 | 695.55 | 695.55 | 695.55 |
| 11 | Other Equity as shown in the Audited Balance Sheet | - | - | - | 86,174.84 | 63,407.08 |
| 12 | Earnings per share (of Rs 100/- each) (not annualised for the quarters) | | | | | |
| | (a) Basic | (25.86) | (39.18) | (52.91) | (198.30) | (72.06) |
| | (b) Diluted | (25.86) | (39.18) | (52.91) | (198.30) | (72.06) |



Segment Reporting

| Primary Segment - Business segment | | | | | |
|---|--------------------|--------------------|------------------|--------------------|------------------|
| Particulars | Quarter Ended | | | Year Ended | |
| | 31.03.2024 | 31.12.2023 | 31.03.2023 | 31.03.2024 | 31.03.2023 |
| | Audited | Unaudited | Audited | Audited | |
| Segment Revenue | | | | | |
| Net Sales/Income | | | | | |
| Textiles | 6,293.95 | 6,594.68 | 4,459.90 | 23,864.91 | 23,489.45 |
| Rental services | 501.57 | 443.06 | 173.27 | 1,648.10 | 688.79 |
| Unallocated revenue | 42.68 | 8.94 | (80.08) | 588.03 | 266.93 |
| Net Sales/Income | 6,838.20 | 7,046.68 | 4,553.09 | 26,101.04 | 24,445.17 |
| Segment Results | | | | | |
| Profit / (Loss) before interest and tax | | | | | |
| Textiles | (450.31) | (278.43) | (279.92) | (2,403.43) | (448.12) |
| Rental services | 483.55 | 244.94 | 113.41 | 1,126.63 | 455.19 |
| Total | 33.24 | (33.49) | (166.51) | (1,276.80) | 7.07 |
| Less: Finance costs | 401.34 | 284.12 | 187.53 | 1,112.87 | 730.98 |
| Add /(Less): Other unallocable Income net of unallocable expenses | (4.87) | (48.25) | (140.38) | 368.80 | 46.05 |
| Total Profit/(Loss) before Tax | (372.97) | (365.86) | (494.42) | (2,020.87) | (677.86) |
| Segment Assets | | | | | |
| Textiles | 12,617.00 | 13,384.17 | 12,820.28 | 12,617.00 | 12,820.28 |
| Rental services | 18,029.41 | 17,563.48 | 16,281.28 | 18,029.41 | 16,281.28 |
| Unallocated | 81,039.27 | 73,913.06 | 53,052.80 | 81,039.27 | 53,052.80 |
| Total | 1,11,685.69 | 1,04,860.71 | 82,154.36 | 1,11,685.69 | 82,154.36 |
| Segment Liabilities | | | | | |
| Textiles | 16,861.35 | 16,951.64 | 13,109.60 | 16,861.35 | 13,109.60 |
| Rental services | 4,507.47 | 4,712.43 | 4,035.29 | 4,507.47 | 4,035.29 |
| Unallocated | 3,446.48 | 2,773.37 | 906.84 | 3,446.48 | 906.84 |
| Total | 24,815.30 | 24,437.44 | 18,051.73 | 24,815.30 | 18,051.73 |
| Capital Employed (Segment assets-Segment Liabilities) | 86,870.39 | 80,423.27 | 64,102.63 | 86,870.39 | 64,102.63 |



STATEMENT OF ASSETS AND LIABILITIES

(Rs in Lakhs)

| Particulars | | As at March 31, 2024 | As at March 31, 2023 |
|--|--|-------------------------|-------------------------|
| | | Audited | Audited |
| ASSETS | | | |
| 1 Non-current assets | | | |
| (a) Property, plant and equipment | | 5,994.91 | 4,520.53 |
| (b) Capital work-in-progress | | 159.05 | 4,527.18 |
| (c) Investment Property | | 17,710.90 | 12,414.33 |
| (d) Intangible assets | | 16.36 | 22.31 |
| (e) Financial assets | | | |
| (i) Investments | | 80,158.54 | 52,608.32 |
| (ii) Loans | | 60.04 | 64.38 |
| (iii) Other Financial Assets | | 804.49 | 762.08 |
| (f) Other non-current assets | | 317.06 | 671.40 |
| Total non - current assets | | 1,05,221.35 | 75,590.53 |
| 2 Current assets | | | |
| (a) Inventories | | 3,297.66 | 4,811.04 |
| (b) Financial assets | | | |
| (i) Trade receivables | | 2,236.17 | 1,285.36 |
| (ii) Cash and cash equivalents | | 54.08 | 9.34 |
| (iii) Bank balances other than (ii) above | | 329.31 | 96.67 |
| (iv) Loans | | 10.56 | - |
| (c) Current tax assets (net) | | 217.02 | 101.92 |
| (d) Other current assets | | 319.54 | 259.50 |
| Total Current Assets | | 6,464.34 | 6,563.83 |
| Total Assets | | 1,11,685.69 | 82,154.36 |
| EQUITY AND LIABILITIES | | | |
| Equity | | | |
| (a) Equity share capital | | 695.55 | 695.55 |
| (b) Other equity | | 86,174.84 | 63,407.08 |
| Total Equity | | 86,870.39 | 64,102.63 |
| LIABILITIES | | | |
| 1 Non-current liabilities | | | |
| (a) Financial liabilities | | | |
| (i) Borrowings | | 7,386.39 | 4,720.73 |
| (ii) Other financial liabilities | | 997.81 | 905.21 |
| (b) Provisions | | 463.46 | 418.80 |
| (c) Deferred tax liabilities (Net) | | 3,434.41 | 906.84 |
| (d) Other non-current liabilities | | 1,426.92 | 1,415.07 |
| Total Non - Current Liabilities | | 13,708.99 | 8,366.65 |
| 2 Current liabilities | | | |
| (a) Financial liabilities | | | |
| (i) Borrowings | | 6,619.87 | 6,305.84 |
| (ii) Trade payables | | - | - |
| Total outstanding dues of micro enterprises and small enterprises | | 27.23 | 12.87 |
| Total outstanding dues of creditors other than micro enterprises and small enterprises | | 2,945.13 | 2,087.72 |
| (iii) Other financial liabilities | | 58.00 | 45.49 |
| (b) Other liabilities | | 1,327.61 | 1,125.07 |
| (c) Provisions | | 128.47 | 108.09 |
| (d) Current tax liabilities (net) | | - | - |
| Total current liabilities | | 11,106.31 | 9,685.08 |
| Total Liabilities | | 24,815.30 | 18,051.73 |
| Total Equity and Liabilities | | 1,11,685.69 | 82,154.36 |



Statement of Cash Flow for the year ended March 31, 2024

| Particulars | (Rs in Lakhs) | |
|---|---------------------------------|---------------------------------|
| | Year ended March 31, 2024 | Year ended March 31, 2023 |
| | Audited | Audited |
| A. Cash flow from operating activities | | |
| Profit before tax | (2,020.87) | (677.86) |
| Adjustments for: | | |
| Depreciation and amortisation expense | 1,842.81 | 822.97 |
| Exceptional item - Profit on sale of assets and investments | (169.06) | (96.01) |
| Allowance for doubtful receivables / Expected credit loss | 4.94 | 7.52 |
| Net loss/(gain) on disposal of property, plant and equipment | (86.73) | (16.95) |
| Interest income | (72.53) | (55.63) |
| Dividend income | (515.50) | (211.30) |
| Net unrealised exchange loss/(gain) | (66.24) | (81.51) |
| Interest expense | 1,112.87 | 730.98 |
| Operating profit before working capital changes | 29.69 | 422.21 |
| Adjustments for (increase)/decrease in operating assets: | | |
| Inventories | 1,513.38 | 745.21 |
| Trade receivables | (889.51) | 2,029.71 |
| Loans - Current | (10.56) | - |
| Other current assets | (16.10) | 67.45 |
| Loans - Non current | 4.34 | (24.41) |
| Other non-current assets | 398.80 | 119.32 |
| Adjustments for increase/(decrease) in operating liabilities: | | |
| Other non-current financial liabilities | 92.60 | (530.40) |
| Other non-current liabilities | (130.06) | 1,353.30 |
| Trade payables | 871.77 | 263.32 |
| Provisions | 13.45 | 33.80 |
| Other financial liabilities | (444.29) | (85.43) |
| Other current liabilities | 344.45 | (55.27) |
| Cash used in / generated from operations | 1,777.96 | 4,338.81 |
| Net income tax (paid) / refunds | (198.07) | (564.65) |
| Net cash flow from operating activities (A) | 1,579.89 | 3,774.16 |
| B. Cash flow from investing activities | | |
| Capital expenditure on property, plant and equipment (including capital advances) | (4,280.57) | (6,020.68) |
| Investments in shares | (508.41) | (257.20) |
| Proceeds from sale of shares - Exceptional item | 407.18 | - |
| Proceeds from sale of property, plant and equipment | 278.09 | 285.86 |
| Bank balances not considered as cash and cash equivalents | (236.54) | 76.39 |
| Dividend income | 515.50 | 211.30 |
| Interest received | 28.58 | 55.63 |
| Net cash used in investing activities (B) | (3,796.17) | (5,648.70) |
| C. Cash flow from financing activities | | |
| Proceeds from long term borrowings | 4,083.98 | 3,944.95 |
| Repayment of long term borrowings | (959.88) | (1,131.48) |
| Proceeds from short term borrowings (net) | 314.03 | (37.39) |
| Finance costs | (1,112.87) | (732.28) |
| Dividends paid | (61.76) | (170.46) |
| Transfer of unclaimed dividend to IEPF | (2.48) | (3.88) |
| Net cash flow used in financing activities (C) | 2,261.02 | 1,869.46 |
| Net increase in Cash and cash equivalents (A+B+C) | 44.74 | (5.08) |
| Cash and cash equivalents at the beginning of the year | 9.34 | 14.42 |
| Cash and cash equivalents at the end of the year | 54.08 | 9.34 |



Notes to the financial results:

Note:

- 1 The above results have been reviewed by the Audit Committee and approved by the Board of Directors at their meeting held on 28.05.2024 and have been audited by the statutory auditors of the Company.
- 2 The Board of Directors have not recommended dividend for the financial year.
- 3 These statements 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.
- 4 The figures of the last quarters ended March 31, 2024 and March 31, 2023 are the balancing figures between Audited figures in respect of the full financial year and unaudited published figures & limited reviewed figures in respect of the financial results upto the third quarter of the respective financial years.
- 5 Exceptional items for the year ended 31.03.2024 of Rs. 169.06 lakhs represent Profit on sale of Investments and Compensation for Compulsory Land acquisition & for the previous year ending 31.03.2023 of Rs. 96.01 lakhs represent Profit on sale of Land & Buildings.
- 6 The Company is structured into two reportable business segments – "Textiles" and "Rental Services". Textiles consists of manufacturing and sale of yarn and trading in cloth and garments. Rental services consist of letting out of properties.
- 7 The previous period figures have been regrouped / reclassified wherever necessary.

For The Lakshmi Mills Company Limited

Place : Coimbatore
Date : 28th May 2024


S.Pathy
Chairman & Managing Director

For Subbachar & Srinivasan
Chartered Accountants
Firm Regd. No: 0040836


Partner
T. S. V. Rajagopal
M. No: 200380