

# SURAT TEXTILE MILLS LIMITED

Date: 14th February, 2023

The Corporate Relationship Department,  
BSE Limited,  
P J towers,  
Dalal Street, Fort,  
Mumbai 400001  
Scrip Code: 530185

Sir/Madam,

**Sub.: Outcome of Board Meeting held on 14th February, 2023**

This is further to our letter dated 6th February, 2023, intimating the date of Board Meeting for consideration of Unaudited Financial Results for the quarter and nine months ended 31st December, 2022.

Pursuant to Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations), we would like to inform you that the Board of Directors of the Company at its meeting held today have, inter-alia approved the Unaudited Financial Results of the Company for the quarter and nine months ended 31st December, 2022.

Accordingly, please find attached a copy of the approved Unaudited Financial Results together with a copy of the Limited Review Report of the Auditors of the Company, as required under Regulation 33 of the Listing Regulations.

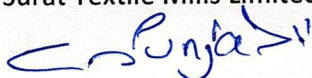
Further, an extract of the aforementioned financial results would be published in the newspapers in accordance with the requirements of the Listing Regulations.

The Board Meeting commenced at 11:30 a.m. (IST) and concluded at 2:45 p.m. (IST)

Please take the above information on record.

Thanking you,

Yours faithfully,  
For Surat Textile Mills Limited



Chandresh S. Punjabi  
Chief Financial Officer (CFO)

Encl.: As above.



Regd. Office : Tulsi Krupa Arcade, Puna-Kumbharia Road, Dumbhal, Surat - 395 010.

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

CIN : L17119GJ1945PLC000214 | Website : [www.surattextilemillsltd.com](http://www.surattextilemillsltd.com)



# Sharp & Tannan Associates

Chartered Accountants

87 Nariman Bhavan, 227 Nariman Point  
Mumbai (Bombay) 400 021, INDIA.

T: +91 22 6153 7500; 2202 2224/8857  
E: mumbai.office@sharpandtannan.com  
W: www.sharpandtannan.com

**Independent Auditor's Limited Review Report on standalone unaudited financial results of Surat Textile Mills limited for the quarter and nine months period ended on December 31, 2022, Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015**

To,

**The Board of Directors**

**Surat Textile Mills Limited**

**(CIN: L17119GJ1945PLC000214)**

**Surat 395 010.**

## Introduction

1. We have reviewed the accompanying statement of unaudited standalone financial results of **Surat Textile Mills Limited** ("the Company") for the quarter and nine months period ended on December 31, 2022, together with notes thereon ("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 ("Listing Regulations")
2. The Statement, which is the responsibility of the Company's Management and approved by the Company's Board of Directors on February 14, 2023, 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, as amended ("the Act"), read with relevant rules issued thereunder and other recognised accounting practices and policies generally accepted in India and Regulation 33 of the listing Regulations in this regard. 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 ("ICAI"). 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 of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing specified under section 143(10) of the Companies Act, 2013 and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.



Also at Ahmedabad, Baroda and Pune. Associate Offices at Bengaluru, Chennai, Hyderabad, New Delhi and Panjim (Goa).



## 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 principles 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 Listing Regulations in this regard, including the manner in which it is to be disclosed, or that it contains any material misstatement.

## Emphasis of Matter

5. We draw your attention to Note 3 to the Statement in respect of Composite Scheme of Amalgamation (the "Scheme") between the Company ("Transferee company") and Vareli Trading Company Limited ("Transferor company"), from the appointed date of April 1, 2019, as approved by Hon'ble National Company Law Tribunal ("NCLT") vide its order dated September 7, 2022. However, the accounting treatment pursuant to the Scheme has been given effect from the date required under Ind AS 103 - Business Combinations, which is the beginning of the preceding period from April 1, 2021. Accordingly, the figures for the comparative quarter and nine months period ended December 31, 2021 and for the year ended March 31, 2022 have been restated to give effect to the aforesaid merger.

Our conclusion is not modified in respect of this matter.

## Other Matter

6. In accordance with the Scheme referred to in Note 3 to the Statement, the comparative figures for all the periods presented have been restated to include the special purpose financial information of the Transferor company which reflect total revenue of Rs. NIL and Rs. NIL, total net loss after tax of Rs. 0.13 Lakhs and Rs. 0.52 Lakhs and total comprehensive loss of 0.13 Lakhs and Rs. 0.52 Lakhs for the comparative quarter and nine months period ended December 31, 2021 respectively. The total revenue of Rs. NIL, total net loss after tax of Rs. 0.63 Lakhs and total comprehensive loss of Rs. 0.63 Lakhs for the year ended March 31, 2022.

The said special purpose financial information of the Transferor company have been reviewed and audited by other auditors for comparative quarter & nine months ended 31<sup>st</sup> December 2021 and for year ended 31<sup>st</sup> March 2022 respectively, whose reports have been furnished to us, and our conclusion in so far as it relates to the amounts and disclosures included in respect of the Transferor company, is based solely on the reports of the other auditors, who issued their unmodified conclusion vide their reports as provided to us.

Our conclusion is not modified in respect of this other matters.

Pune, February 14, 2023



**Sharp & Tannan Associates**

Chartered Accountants

Firm's Reg. No.: 0109983W

by the hand of

**CA Pramod Bhise**

Partner

Membership No.: (F) 047751

**UDIN: 23047751BGTHUV6060**



# 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.surattextilemills.com, e-mail: shareddepartment@stml.in  
Tel.No.(0261) 2311198

## STATEMENT OF UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND NINE MONTHS ENDED 31ST DECEMBER, 2022

Sr. No.	Particulars	(Rs. in Lakhs except per share data)					
		Quarter ended			Nine Months ended		Year ended
		31/12/2022 (Unaudited)	30/09/2022 (Unaudited)	31/12/2021 (Unaudited)	31/12/2022 (Unaudited)	31/12/2021 (Unaudited)	31/03/2022 (Audited)
1	<b>Income</b>						
	(a) Sales / Revenue from Operations	1260.27	0.00	0.00	1260.27	0.00	0.00
	(b) Other Income	312.06	333.38	88.01	705.14	444.86	606.09
	<b>Total Income</b>	<b>1572.33</b>	<b>333.38</b>	<b>88.01</b>	<b>1965.41</b>	<b>444.86</b>	<b>606.09</b>
2	<b>Expenses</b>						
	(a) Cost of Materials Consumed	0.00	0.00	0.00	0.00	0.00	0.00
	(b) Purchases of Stock-in-Trade	1240.63	0.00	0.00	1240.63	0.00	0.00
	(c) Changes in Inventories of Finished Goods, Work-in-Progress and Stock-in-Trade	(7.50)	0.00	0.00	(7.50)	0.00	0.00
	(d) Employee Benefits Expense	40.48	61.46	40.09	150.80	115.03	158.80
	(e) Finance Costs	0.71	0.89	1.26	2.92	4.26	6.06
	(f) Depreciation and Amortisation Expense	10.58	10.16	9.08	30.78	25.90	35.60
	(g) Other Expenses	91.02	74.67	98.87	239.13	285.26	383.31
	<b>Total Expenses</b>	<b>1375.92</b>	<b>147.18</b>	<b>149.30</b>	<b>1656.76</b>	<b>430.45</b>	<b>583.77</b>
3	<b>Profit / (Loss) Before Exceptional Item and Tax (1-2)</b>	<b>196.41</b>	<b>186.20</b>	<b>(61.29)</b>	<b>308.65</b>	<b>14.41</b>	<b>22.32</b>
4	Exceptional Items	0.00	0.00	0.00	0.00	0.00	0.00
5	<b>Profit / (Loss) Before Tax (3-4)</b>	<b>196.41</b>	<b>186.20</b>	<b>(61.29)</b>	<b>308.65</b>	<b>14.41</b>	<b>22.32</b>
6	<b>Tax Expenses</b>						
	(a) Current Tax	34.32	32.53	0.00	66.85	0.00	0.00
	(b) Deferred Tax	(0.59)	(44.51)	0.00	(3.84)	0.00	(55.83)
	(c) Taxes in respect of earlier year	0.00	0.00	0.00	0.00	0.00	0.00
7	<b>Profit / (Loss) for the Period / year from continuing operation (5-6)</b>	<b>162.68</b>	<b>198.18</b>	<b>(61.29)</b>	<b>245.64</b>	<b>14.41</b>	<b>78.15</b>
8	<b>Profit / (Loss) for the Period / year from discontinued operation</b>	<b>0.00</b>	<b>0.00</b>	<b>(18.86)</b>	<b>7370.84</b>	<b>(112.58)</b>	<b>(125.48)</b>
9	<b>Tax Expenses</b>						
	(a) Current Tax	0.00	0.00	0.00	1274.91	0.00	0.00
	(b) Deferred Tax	0.00	0.00	0.00	0.00	0.00	0.00
	(c) Taxes in respect of earlier year	0.00	0.00	(0.80)	0.00	385.92	385.92
10	<b>Profit / (Loss) after tax from discontinued Operations (8-9)</b>	<b>0.00</b>	<b>0.00</b>	<b>(18.06)</b>	<b>6095.93</b>	<b>(498.50)</b>	<b>(511.40)</b>
11	<b>Profit / (Loss) for the year (7-10)</b>	<b>162.68</b>	<b>198.18</b>	<b>(79.35)</b>	<b>6341.57</b>	<b>(484.09)</b>	<b>(433.25)</b>
12	<b>Other Comprehensive Income/(Loss) (Net of Tax)</b>						
	(a) Items that will not be reclassified to Profit or Loss	0.00	0.00	0.00	0.00	0.00	3.26
	(b) Income tax relating to items that will not be reclassified to Profit or Loss	0.00	0.00	0.00	0.00	0.00	0.00
	<b>Total Other Comprehensive Income/(Loss) (Net of Tax)</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>3.26</b>
13	<b>Total Comprehensive Income / (Loss) for the Period (11+12)</b>	<b>162.68</b>	<b>198.18</b>	<b>(79.35)</b>	<b>6341.57</b>	<b>(484.09)</b>	<b>(429.99)</b>
14	<b>Paid up Equity Share Capital (Face Value Rs.1/- per share)</b>	<b>2220.64</b>	<b>2220.64</b>	<b>2220.64</b>	<b>2220.64</b>	<b>2220.64</b>	<b>2220.64</b>
15	<b>Other Equity (excluding Revaluation Reserve) as shown in the audited balance sheet of the previous year</b>	<b>---</b>	<b>---</b>	<b>---</b>	<b>---</b>	<b>---</b>	<b>11151.48</b>
16	<b>Earnings per equity share from Continuing Operations (Face Value Rs.1/-) *</b>						
	Basic (in Rs.)	0.07	0.09	(0.03)	0.11	0.01	0.04
	Diluted (in Rs.)	0.07	0.09	(0.03)	0.11	0.01	0.04
17	<b>Earnings per equity share from Discontinued Operations (Face Value Rs.1/-) *</b>						
	Basic (in Rs.)	0.00	0.00	(0.01)	2.75	(0.22)	(0.23)
	Diluted (in Rs.)	0.00	0.00	(0.01)	2.75	(0.22)	(0.23)
18	<b>Earnings per equity share from Continuing and Discontinued Operations (Face Value Rs.1/-) *</b>						
	Basic (in Rs.)	0.07	0.09	(0.04)	2.86	(0.22)	(0.20)
	Diluted (in Rs.)	0.07	0.09	(0.04)	2.86	(0.22)	(0.20)

\* Not annualised for the quarter and nine months ended



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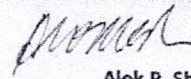
## Notes to the Financial Results:

- 1 These financial results have been prepared in accordance with the Indian Accounting Standards ('Ind AS') notified under Section 133 of the Companies Act, 2013 ('Act') read with the Companies (Indian Accounting Standards) Rules 2015 as amended and other recognised accounting practices and policies to the extent applicable.
- 2 The above financial results were reviewed and recommended by the Audit Committee and subsequently approved by the Board of Directors of the Company at their respective meetings held on 14th February, 2023. The statutory auditors have carried out a limited review and issued an unmodified report on the financial results for the quarter and nine months ended 31st December, 2022.
- 3 Hon'ble National Company Law Tribunal ('NCLT'), Ahmedabad Bench had vide its order dated 7th September, 2022 (Ref.: CP (CAA) No. 61 / AHM / 2021 in CA (CAA) No. 58 / AHM / 2021), under Sections 230-232 and read with Section 66 of the Companies Act, 2013 and other applicable provisions of the companies Act, 2013 read with the Companies (Compromise, Arrangement and Amalgamations) Rules, 2016 has approved the Scheme of Amalgamation of Vareli Trading Company Limited (VTCL) ("Transferor Company") with Surat Textile Mills Limited (STML) ("Transferee Company") and their respective shareholders and creditors. Pursuant to the order, the appointed date of the scheme is fixed at April 01, 2019 and the scheme has become effective from September 26, 2022 i.e. the last day on which the certified copy of the order was filed with the registrar of the companies by both companies.  
  
The amalgamation has been accounted by applying "Pooling of Interest Method" as set out in Appendix C of IND AS 103 "Business Combinations" by combining the assets, liabilities and reserves of the VTCL at their carrying amounts with only such adjustments which are required to harmonize the accounting policies.  
  
Accordingly, the Company has prepared its financial results for the quarter and nine months ended December 31, 2022 after giving effect to the aforesaid Scheme and corresponding figures for the quarter, immediate quarter and nine months ended December 31, 2022, comparative quarter and nine months period ended December 31, 2021 and for the year ended March 31, 2022 have been restated to give effect to the Scheme with effect from April 01, 2019.
- 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.
- 5 BSE Limited vide its communication dated 24/11/2022 granted its approval for listing of 7,75,80,026 number of equity shares of Rs.1 each issued pursuant to the Scheme of Amalgamation between Vareli Trading Company Limited (the Transferor Company) and Surat Textile Mills Limited (the Transferee Company).
- 6 During the quarter under review, the Company commenced trading in commodities and other commodity related activities on trial basis while considering the resources and size of the Company.
- 7 The Company does not have any Exceptional item to report in above periods.
- 8 Previous period figures have been re-grouped / re-classified wherever necessary, to confirm to current period's classification.

Place: Surat  
Date: 14th February, 2023



By order of the Board of Directors  
For Surat Textile Mills Limited

  
Alok P. Shah  
Managing Director  
DIN: 00218180

