



# SOMA TEXTILES & INDUSTRIES LTD.

(A GOVT. RECOGNISED EXPORT HOUSE)

Head Office & Unit No. 1 : Rakhial Road, Ahmedabad-380 023, India.

Tel. : + 91 (79) 2274 3285 - 8, Fax : + 91 (79) 2274 5653

Website: [www.somatextiles.com](http://www.somatextiles.com) e-mail: [soma\\_ahm@somatextiles.com](mailto:soma_ahm@somatextiles.com)

STIL/ACCTS/AHD/2022-23/

August 11, 2022

National Stock Exchange of India Ltd., "Exchange Plaza", 5th Floor, Plot No.C/1, G-Block, Bandra-Kurla Complex, Bandra (E) Mumbai - 400 051	The Corporate Relationship Dept., BSE Ltd., Piroze Jeejeeboy Towers, 1 <sup>st</sup> Floor, New Trading Ring, Rotunda, Dalal Street, MUMBAI - 400 001
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Sub: Submission of Unaudited Financial Results (both Standalone and Consolidated) for the quarter ended 30<sup>th</sup> June, 2022, duly accompanied by a "Limited Review Report" of Statutory Auditors of the Company.

Dear Sir(s),

We are sending herewith Unaudited Financial Results (both Standalone and Consolidated) for the quarter ended, 30<sup>th</sup> June, 2022, duly reviewed and recommended by the Audit Committee and approved by the Board of Directors, of the Company, in their respective meetings held today i.e. on Thursday, the 11<sup>th</sup> August, 2022, commenced at 12-30 P.M. and concluded at 01:55 P.M., together with "Limited Review Report" of our Statutory Auditors, M/s. Pipara & Co., Chartered Accountants, Ahmedabad, who have carried out the Limited Review of Unaudited Financial Results of the Company for the above mentioned period, in consonance with the requirements of Regulation 33 of the SEBI (LODR) Regulations, 2015, called as SEBI Listing Regulations, 2015.


Pursuant to Regulation 47(1)(b) of the SEBI (LODR) Regulations, 2015, we will be publishing the extract of the Standalone and Consolidated Unaudited Financial Results in the newspapers. The full format of the Quarterly Results will be made available on the Company's website at [www.somatextiles.com](http://www.somatextiles.com).

We will also be uploading the Financial Results on the website of Stock Exchanges i.e. BSE Limited ([www.bseindia.com](http://www.bseindia.com)) and National Stock Exchange of India Limited ([www.nseindia.com](http://www.nseindia.com)).

Kindly take the same on your record.

Thanking you,

Yours faithfully,  
For Soma Textiles & Industries Limited

  
(A. K. Somany)  
Managing Director

Encl: as stated.

Registered Office : 2, Red Cross Place, Kolkata-700 001, India. Tel.: +91 (33) 2248 7406-7

Fax : + 91 (33) 2248 7045 e-mail : [rsharma@somatextiles.com](mailto:rsharma@somatextiles.com)

Corporate Office : 6, Vaswani Mantion, Dinshaw Wacha Road, Backbay Reclamation, Mumbai-400 020, India.

Tel. : + 91 (22) 2282 6076-77 Fax : + 91 (22) 2285 1173 e-mail: [soma\\_mum@somatextiles.com](mailto:soma_mum@somatextiles.com)

CIN : L51909WB1940PLC010070 Subject to Ahmedabad Jurisdiction



A SOMANY ENTERPRISE



**A. K. OSTWAL & CO.**  
**CHARTERED ACCOUNTANTS**

(O) : 2465477  
(M) : 93747 15558  
E-mail : akostwal@yahoo.co.in

Office : C-408, International Trade Centre, Majura Gate, Ring Road, Surat-395 002.

**Independent Auditor's Report on unaudited Standalone Financial Results of  
Soma Textiles & Industries Limited for the quarter ended 30<sup>th</sup> June, 2022  
pursuant to the Regulation 33 of the SEBI (Listing Obligations and  
Disclosure Requirements) Regulation, 2015(as amended)**

To  
The Board of Directors of  
**SOMA TEXTILES & INDUSTRIES LIMITED**

1. We have reviewed the accompanying Statement of Unaudited Standalone Financial Results of **SOMA TEXTILES & INDUSTRIES LIMITED** (the "Company"), for the quarter ended on 30<sup>th</sup> June, 2022 (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"), including relevant circulars issued by SEBI from time to time.
2. This statement, which is responsibility of the Company's management and 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" (IND AS 34), prescribed under section 133 of the Companies Act 2013, and other accounting principles generally accepted in India and is in compliance with the presentation and disclosure requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended), including relevant circulars issued by the SEBI from time to time. Our responsibility is to express a conclusion on the Statement based on our 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. 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 the Standards on Auditing specified under section 143(10) of the Act, and consequently, does not enable us to provide 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.





4. Based on our review conducted as stated in paragraph 3, 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, prescribed under section 133 of the Act, and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in accordance with the requirements 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.

#### Material Uncertainty Related to Going Concern

We draw attention to **Note No. 6** of the Standalone Financial Results, due to Directions of Gujarat High Court dated 23<sup>rd</sup> September, 2021, the Ahmedabad Municipal Corporation (AMC) has disconnected water and drainage connection. Hence, the operations of the company are closed with effective from 26<sup>th</sup> November, 2021 and the same is still continuing and the company has profit of ₹ 581 Lakhs during the quarter ended 30<sup>th</sup> June, 2022 and as of date negative net worth of the company stood at ₹ 8452 Lakhs. In the opinion of the management company's assets including cash & bank balance are sufficient to meet the liabilities of the company. Management of the company is also evaluating various options including starting new line of business. These conditions, along with other matter as set forth in aforesaid note, indicate the existence of a material uncertainty that may cast significant doubt about the company's ability to continue as going concern.

The Promoters of the company always helped the company at the time of financial crisis in the past and will back the company if needed, in the foreseeable future also. The management has assessed that the company continuous to be going concern.

Our opinion is not modified in respect of the above said matter.

#### Emphasis of Matter

We draw your attention to:

- a) We draw attention to **Note No. 8** of Standalone Financial Results wherein Exceptional items for the quarter ended 30<sup>th</sup> June, 2022 represent following components:

Sr. No.	Particulars	Amount (₹ In lakhs)		Remarks, if any
		Quarter Ended 30.06.2022	Quarter Ended 31.03.2022	
1.	Foreign Exchange Gain on Loan Given to Soma Textiles FZC (Associate Company).	285.00	136.00	N.A.
	Provision for Obsolete Inventory	-	(79.00)	Fair Value Assessment



				as per Ind As 113
3.	Provision for diminution in value of Investment	-	(34.00)	Fair Value Assessment as per Ind As 109
4.	Net Balance Written off for Receivables and Payables	-	52.00	Fair Value Assessment as per Ind As 109
5	Profit on Assignment of Lease Right of Land	135.00	-	
6	Profit on Sale on Building	427.00	-	
<b>Total</b>		<b>847.00</b>	<b>75.00</b>	

- b) The company had advanced a loan to its associate company 'Soma Textiles FZC' (UAE) out of GDR proceeds\*, classified as Non-Current Loan. The Closing Balance of the same Loan is ₹ 6508.20 Lakhs for the quarter ended 30<sup>th</sup> June, 2022 (Previous year ₹ 6882.90 Lakhs for year ended 31<sup>st</sup> March, 2022). The Company has quasi-equity in addition to the capital contribution to Soma Textiles FZC. When the said loan was given, the said company was a wholly owned subsidiary, however with effect from 31<sup>st</sup> March, 2010, the company's holding in this company has diluted from 100% to 40%. In the unaudited financial statement of Soma Textiles FZC ended 30<sup>th</sup> June, 2022 the accumulated loss reflects at **AED 8,10,113** as against the total capital of **AED 9,00,000** (including statutory reserves).

*\*SEBI has barred Soma Textiles & Industries Ltd, SK Somany, AK Somany, P Bandopadhyay, Prafull Anubhai, Sunil Patel and Whiteview Trading Corporation for indulging in fraudulent trading activities with respect to GDR Issuance by Soma Textiles & Industries Ltd vide order WTM/AB/IVD/10343/2020-21 dated 08.02.2021. An investigation was conducted by SEBI with respect to the GDR (Global Depository Receipt) issuance by the company during October, 2006. The company, Promoter Directors, Executive Director and others preferred an appeal against the order of SEBI before the Security Appellate Tribunal (SAT) and the matter is kept for hearing on 22<sup>nd</sup> August, 2022, and therefore the matter is sub judice.*

- c) We draw your attention to the fact that liabilities due to Invent Assets Securitisation & Reconstruction Pvt. Ltd. are subject to test of fair valuation, as there was stipulation in agreement, between the Company and Invent Assets Securitisation & Reconstruction Pvt. Ltd., that any default in installment will cause the arrangement settlement to be withdrawn and all the liabilities as per original terms of contract shall be restored. Considering the same, the Company had continued the entire exposure at the time of restructuring less payment already made to Invent ARC. Company had accounted for the interest on the borrowings as appearing in the accompanying Standalone Financial Results amounting to **₹ 458.22 Lakhs** for the Quarter ended 30<sup>th</sup> June, 2022. We have relied upon internal working done by management. As per management assessment,



the differential portion of borrowings will be accounted as income (remission of bank liability and interest provision) in the financial year in which the Company will make full and final payment towards the restricting plan to Invent ARC.

Our conclusion is not modified in respect of the above matters.

**Other Matter**

- a) The company has filed application for voluntary delisting its share in terms of Regulation 6(a) and Regulation 7 of SEBI (Delisting of Equity Shares) Regulations, 2009, however approval is pending on the BSE's part. Further, the Equity Shares of the company will continue to be listed on National Stock Exchange of India Limited.

Our conclusion is not modified in respect of the above matters.

Date: 11.08.2022

Place: Ahmedabad



For, A.K. OSTWAL & CO  
CHARTERED ACCOUNTANTS  
FRN. No: 107200W

A handwritten signature in dark ink, appearing to read "Ashok".

ASHOK KUMAR JAIN  
PARTNER  
M. No.: 038521

UDIN: 22038521A0UQM8364



**SOMA TEXTILES & INDUSTRIES LIMITED**  
Regd. Office: 2, Red Cross Place, Kolkata-700 001  
CIN:L51906WB1940PLC010070

**STATEMENT OF STANDALONE UNAUDITED FINANCIAL RESULTS FOR THE QUARTER ENDED JUNE 30, 2022**

(₹ in lakhs)

	Quarter Ended			Year Ended
	30.06.2022	31.03.2022	30.06.2021	31.03.2022
	Unaudited	refer note 9	Unaudited	Audited
I. Income	28	174	28	1,455
II. Other Income	265	249	24	687
III. Total Income (I+II)	321	423	522	2,142
IV. Expenses:				
a) Cost of Materials consumed				
1) Raw material				
- Dyes, Chemical and Packing material	-	(8)	105	525
b) Purchases of stock-in-trade	-	-	-	-
c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	-	99	(5)	155
d) Employees benefits expense	53	74	92	357
e) Finance Costs	467	458	457	1,875
f) Depreciation and amortisation expenses	19	18	27	88
g) Other Expenses	48	124	288	891
Total Expenses	587	795	964	3,691
V. Profit / (Loss) before exceptional items and tax (III-IV)	(266)	(372)	(442)	(1,749)
VI. Exceptional Items	847	75	124	203
VII. Profit / (Loss) before tax (V+VI)	581	(297)	(318)	(1,546)
VIII. Tax expense				
(a) Deferred tax	-	(50)	-	(50)
(b) Tax in respect of earlier years	-	(41)	-	(41)
IX. Net Profit / (Loss) for the period (VII+VIII)	581	(398)	(318)	(1,647)
X. Other Comprehensive Income:				
Items that will not be reclassified to profit or loss				
(a) Remeasurement of post employment benefits obligation	-	4	-	4
XI. Total Comprehensive Income (IX+X)	581	(394)	(318)	(1,643)
XII. Paid up equity share capital	3,303	3,303	3,303	3,303
XIII. Reserves excluding Revaluation Reserve				
(as per Balance sheet of previous accounting period)				(11,895)
XIV. Face value of the share	10	10	10	10
XV. Earning Per Equity Share (of Rs. 10/- each) (not annualised):				
(a) Basic	1.76	(1.19)	(0.96)	(4.97)
(b) Diluted	1.76	(1.19)	(0.96)	(4.97)

**Notes:**

- The above financial results for the quarter ended 30th June, 2022 were reviewed by the Audit Committee and approved by the Board of Directors at its meeting held on 11th August, 2022.
- This statement has been prepared in accordance with Indian Accounting Standard (IND AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 as amended by the Companies (Indian Accounting Standards) Amendment Rules, 2018.
- Income Tax including deferred tax will be determined and provided for at the end of the financial year.
- Earning Per Share (EPS) has been calculated as per Indian Accounting Standard (IND AS - 33) issued by the Institute of Chartered Accountants of India.
- The Company has identified 'Textile' Business as its only primary reportable segment in accordance with the requirement of Ind AS 108, 'Operating Segments'. Accordingly, no separate segment information has been provided.
- Due to the direction of the Gujarat High Court Dt. 23rd September, 2021, the Ahmedabad Municipal Corporation (AMC) has disconnected water and drainage connection of the company. Hence, the operations of the company are closed with effective from 26th November, 2021 and the same is still continuing and the company has profit of ₹ 581 lakhs during the quarter ended 30th June, 2022 and as of date negative net worth of the company stood at ₹ 8452 lakhs. In the opinion of the management, company's assets including cash & bank balance are sufficient to meet the liabilities of the company. The management of the company is also evaluating various options including starting new line of business. The Promoters of the company always helped the company at the time of financial crisis in the past and will back the company if needed, in the foreseeable future also. Considering these factors, the results have been prepared on a going concern basis.
- The Hon'ble Gujarat High Court directed to close down the operations of polluting industries in and around Ahmedabad in the state of Gujarat and the decision of the High Court was upheld by Hon'ble Supreme Court of India, due to which the Company has discontinued its operations, hence there is no separate reportable business or geographical segments as per Ind AS 108 'Indian Accounting Standard on Operating Segments'.



8 Exceptional items for the quarter ended 30th June, 2022 represent following components:

Particulars	Amount (₹ In Lakhs)		Remarks, if any
	Quarter Ended 30.06.2022	Quarter Ended 31.03.2022	
1. Foreign Exchange Gain on Loan Given to Soma Textiles FZC (Associate Company)	265.00	136.00	-
2. Provision for Obsolete Inventory	-	(79.00)	Fair Value Assessment as per Ind As 113
3. Provision for diminution in value of Investment	-	(34.00)	Fair Value Assessment as per Ind As 109
4. Net Balance Written off for Receivables and Payables	-	52.00	Fair Value Assessment as per Ind As 109
5. Profit on Assignment of Lease Right of Land	135.00	-	-
6. Profit on Sale of Building	427.00	-	-
<b>Total Exceptional Items</b>	<b>847.00</b>	<b>75.00</b>	

- 9 The figures of the quarter ended 31st March, 2022 are the balancing figures between audited figures in respect of the full financial year and the unaudited published year to date figures upto 31st December, 2021 which were subjected to limited review.
- 10 Security Exchange Board of India (SEBI) vide its Order Number WTM /AB/VD/ID4/10343/2020 dated 8th February 2021 declared the GDR Issue made by the company in October 2006 violated provisions of Section 12 A (a) of SEBI Act 1992 read with regulations 3(b) and 4 (1) of PFUTP regulations, 2003 and directed that Soma Textiles & Industries Limited, Promoter Directors, Executive Director and other of that period (2006-07) are debarred respectively for 3,2 years from the date of the order from accessing the security market and further prohibited from buying, selling or otherwise dealing in securities including units of mutual funds directly or indirectly or being associated with the security market in any manner. The company, Promoter Directors, Executive Director and others preferred an appeal against the order of SEBI before the Security Appellate Tribunal (SAT) and the matter is kept for hearing on 22nd August, 2022 and therefore the matter is sub judice.
- 11 Due to continuous loss incurred by the company, net worth of the company is eroded. However, various initiatives undertaken by the Company in relation to saving cost, enhance ancillary revenues are expected to result in improved operating performance. Further, company is in the process of identifying surplus assets and will monetise the same in due course to result in sustainable cash flows addressing any uncertainties.
- 12 Previous period's figures have been regrouped/recast/reclassified, wherever necessary, to correspond with the current period's classification/ disclosure.

For, Soma Textiles & Industries Limited

(A. K. Somany)  
(DIN: 00024903)  
(Managing Director)

Place: Ahmedabad  
Date: 11<sup>th</sup> August, 2022







**A. K. OSTWAL & CO.**  
**CHARTERED ACCOUNTANTS**

(O) : 2465477  
(M) : 93747 15558  
E-mail : akostwal@yahoo.co.in

Office : C-408, International Trade Centre, Majura Gate, Ring Road, Surat-395 002.

**Independent Auditor's Report on unaudited Consolidated Financial Results of Soma Textiles & Industries Limited for the quarter ended 30<sup>th</sup> June, 2022 pursuant to Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015(as amended)**

To  
The Board of Directors of  
**SOMA TEXTILES & INDUSTRIES LIMITED**

1. We have reviewed the accompanying Statement of unaudited Consolidated Financial Results of **SOMA TEXTILES & INDUSTRIES LIMITED** (the Holding Company') and its Associate (the Company and its associate together referred to as the "Group") for the quarter ended 30<sup>th</sup> June, 2022, being submitted by the Holding Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "Listing Regulations"), including relevant circulars issued by SEBI from time to time.
2. This Statement, which is the responsibility of the Holding Company's management and approved by the Holding Company's Board of Directors, 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'), and other accounting principles generally accepted in India and is in compliance with the presentation and disclosure requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended), including relevant circulars issued by the SEBI from time to time. Our responsibility is to express a conclusion on the Statement based on our 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. 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 the Standards on Auditing specified under section 143(10) of the Act, 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.





We also performed procedures in accordance with the SEBI Circular CIR/CFD/CMD1/44/2019 dated 29<sup>th</sup> March, 2019 issued by the SEBI under Regulation 33 (8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended), to the extent applicable.

4. The Statement includes the results of the entities mentioned:

Sr. No.	Company Name	Controlling Stake of holding company	Nature of Relationship
1.	Soma Textiles and Industries Limited	N.A.	Holding Company
2.	Soma Textiles FZC	40%	Associate Company

5. Based on our review conducted and procedures performed as stated in paragraph 3 above and upon consideration of the review reports of the other auditors referred to in paragraph 5 below, 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, prescribed under section 133 of the Act, and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in accordance with the requirements 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.

#### Material Uncertainty Related to Going Concern

We draw attention to **Note No. 6** of the Consolidated Financial Results, due to Directions of Gujarat High Court dated 23<sup>rd</sup> September, 2021, the Ahmedabad Municipal Corporation (AMC) has disconnected water and drainage connection of the company for flouting the norms for effluent discharge. Hence, the operations of the company are closed with effective from 26<sup>th</sup> November, 2021 and the same is still continuing and the company has profit of ₹ 581 Lakhs during the quarter ended 30<sup>th</sup> June, 2022 and as of date negative net worth of the company stood at ₹ 8452 Lakhs. In the opinion of the management company's assets including cash & bank balance are sufficient to meet the liabilities of the company. Management of the company is also evaluating various options including starting new line of business. These conditions, along with other matter as set forth in aforesaid note, indicate the existence of a material uncertainty that may cast significant doubt about the company's ability to continue as going concern.



The Promoters of the company always helped the company at the time of financial crisis in the past and will back the company if needed, in the foreseeable future also. The management has assessed that the company continuous to be going concern.

Our opinion is not modified in respect of the above said matter.

### Emphasis of Matter

We draw your attention to:

- a) We draw attention to **Note No. 8** of Consolidated Financial Results wherein Exceptional items for the quarter ended 30<sup>th</sup> June, 2022 represent following components:

Sr. No.	Particulars	Amount (₹ in lakhs)		Remarks, if any
		Quarter Ended 30.06.2022	Quarter Ended 31.03.2022	
1.	Foreign Exchange Gain on Loan Given to Soma Textiles FZC (Associate Company)	285.00	136.00	N.A.
2.	Provision for Obsolete Inventory	-	(79.00)	Fair Value Assessment as per Ind As 113
3.	Provision for diminution in value of Investment	-	(23.00)	Fair Value Assessment as per Ind As 109
4.	Net Balance Written off for Receivables and Payables	-	52.00	Fair Value Assessment as per Ind As 109
5.	Profit on Assignment of Lease Right of Land	135.00	-	
6.	Profit on Sale on Building	427.00	-	
<b>Total</b>		<b>847.00</b>	<b>86.00</b>	

- b) The holding company had advanced a loan to its associate company 'Soma Textiles FZC' (UAE) out of GDR proceeds\*, classified as Non-Current Loan. The Closing Balance of the same Loan is ₹ **6508.20 Lakhs** for the quarter ended 30<sup>th</sup> June, 2022 (Previous year ₹ **6882.90 Lakhs** for year ended 31<sup>st</sup> March, 2022). The Company has quasi-equity in addition to the capital contribution to Soma Textiles FZC. When the said loan was given, the said company was a wholly owned subsidiary, however with effect from 31<sup>st</sup> March, the company's holding in this company has diluted from 100% to 40%. In





the unaudited Financial Statement of Soma Textiles FZC ended as at 31<sup>st</sup> March, 2022 the accumulated loss reflects at AED 8,10,113 as against the total capital of AED 9,00,000 (including statutory reserves).

*\*SEBI has barred Soma Textiles & Industries Ltd, SK Somany, AK Somany, P Bandopadhyay, Prafull Anubhai, Sunil Patel and Whiteview Trading Corporation for indulging in fraudulent trading activities with respect to GDR issuance by Soma Textiles & Industries Ltd. An investigation was conducted by SEBI with respect to the GDR (Global Depository Receipt) issuance by the company during October, 2006. The company, Promoter Directors, Executive Director and others preferred an appeal against the order of SEBI before the Security Appellate Tribunal (SAT) and the matter is kept for hearing on 22<sup>nd</sup> August, 2022, and therefore the matter is sub judice.*

- c) We draw your attention to the fact that liabilities due to Invent Assets Securitisation & Reconstruction Pvt. Ltd. are subject to test of fair valuation, as there was stipulation in agreement, between the Company and Invent Assets Securitisation & Reconstruction Pvt. Ltd., that any default in installment will cause the arrangement settlement to be withdrawn and all the liabilities as per original terms of contract shall be restored. Considering the same, the Company had continued the entire exposure at the time of restructuring less payment already made to Invent ARC. Company had accounted for the interest on the borrowings as appearing in the accompanying Consolidated Financial Results amounting to ₹ 458.22 Lakhs for the quarter ended 30<sup>th</sup> June, 2022. We have relied upon internal working done by management. As per management assessment, the differential portion of borrowings will be accounted as income (remission of bank liability and interest provision) in the financial year in which the Company will make full and final payment towards the restricting plan to Invent ARC.

Our conclusion is not modified in respect of the above matters.

#### Other Matter

- a) We draw attention to Note No. 10 of Consolidated Financial Results regarding the share of losses of an associate that exceeds its interest in the associate, the Company discontinues recognising its share of further losses. The amount of investment has been fully impaired, hence there is no impact in Consolidated Financial Result. If the associate subsequently reports profits, the entity will resume recognising its share of those profits only after its share of the profits equals the share of losses not recognised.



- b) The company has filed application for voluntary delisting its share in terms of Regulation 6(a) and Regulation 7 of SEBI (Delisting of Equity Shares) Regulations, 2009, however approval is pending on the BSE's part. Further, the Equity Shares of the company will continue to be listed on National Stock Exchange of India Limited.

Our conclusion is not modified in respect of the above matters.

Date: 11.08.2022

Place: Ahmedabad



For, A.K. OSTWAL & CO  
CHARTERED ACCOUNTANTS  
F.R.N. No.: 107200W

A handwritten signature in blue ink, appearing to read 'Ashok'.

ASHOK KUMAR JAIN  
PARTNER  
M. No.: 038521

UDIN: 22038521AOURBC9627



# SOMA TEXTILES & INDUSTRIES LIMITED

Regd. Office: 2, Red Cross Place, Kolkata-700 001

CIN:L51909WB1940PLC010070

## STATEMENT OF CONSOLIDATED UNAUDITED FINANCIAL RESULTS FOR THE QUARTER ENDED JUNE 30, 2022

(₹ in lakhs)

	Quarter Ended			Year Ended
	30.06.2022	31.03.2022	30.06.2021	31.03.2022
	Unaudited	refer note 9	Unaudited	Audited
I Income	26	174	281	1,455
II Other Income	295	249	241	687
III Total Income (I+II)	321	423	522	2,142
IV Expenses:				
a) Cost of Materials consumed				
1) Raw material				
- Dyes, Chemical and Packing material	-	(8)	105	525
b) Purchases of stock-in-trade	-	-	-	-
c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	-	99	(5)	155
d) Employees benefits expense	53	74	92	357
e) Finance Costs	467	488	457	1,875
f) Depreciation and amortisation expenses	19	18	27	88
g) Other Expenses	45	124	288	891
Total Expenses	587	795	964	3,891
V Profit / (Loss) before exceptional items and tax (III-IV)	(266)	(372)	(442)	(1,749)
VI Exceptional items	847	86	124	214
VII Profit / (Loss) before tax (V+VI)	581	(286)	(318)	(1,535)
VIII Tax expense				
(a) Deferred tax	-	(60)	-	(60)
(b) Tax in respect of earlier years	-	(41)	-	(41)
IX Net Profit / (Loss) for the period (VII-VIII)	581	(387)	(318)	(1,636)
X Share of Profit/(Loss) of associates	-	(2)	(2)	(5)
XI Net Profit / (Loss) for the period (IX +/- X)	581	(389)	(320)	(1,641)
XII Other Comprehensive Income:				
Items that will not be reclassified to profit or loss				
(a) Remeasurement of post employment benefits obligation	-	4	-	4
XIII Total Comprehensive Income (XI+XII)	581	(385)	(320)	(1,637)
XIV Paid up equity share capital	3,303	3,303	3,303	3,303
XV Reserves excluding Revaluation Reserve				
(as per Balance sheet of previous accounting period)				
XVI Face value of the share	10	10	10	10
XVII Earning Per Equity Share (of Rs. 10/- each) (not annualised):				
(a) Basic	1.76	(1.18)	(0.97)	(4.98)
(b) Diluted	1.76	(1.18)	(0.97)	(4.98)

### Notes:

- The above financial results for the quarter ended 30th June, 2022 were reviewed by the Audit Committee and approved by the Board of Directors at its meeting held on 11th August, 2022.
- This statement has been prepared in accordance with Indian Accounting Standard (IND AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 as amended by the Companies (Indian Accounting Standards) Amendment Rules, 2018.
- Income Tax including deferred tax will be determined and provided for at the end of the financial year.
- Earning Per Share (EPS) has been calculated as per Indian Accounting Standard (IND AS-33) issued by the Institute of Chartered Accountants of India.
- The Company has identified 'Textile' Business as its only primary reportable segment in accordance with the requirement of Ind AS 108, 'Operating Segments'. Accordingly, no separate segment information has been provided.
- Due to the direction of the Gujarat High Court Dt. 23rd September, 2021, the Ahmedabad Municipal Corporation (AMC) has disconnected water and drainage connection of the company. Hence, the operations of the company are closed with effective from 25th November, 2021 and the same is still continuing and the company has profit of ₹ 581 lakhs during the quarter ended 30th June, 2022 and as of date negative net worth of the company stood at ₹ 8452 lakhs. In the opinion of the management, company's assets including cash & bank balance are sufficient to meet the liabilities of the company. The management of the company is also evaluating various options including starting new line of business. The Promoters of the company always helped the company at the time of financial crisis in the past and will back the company if needed, in the foreseeable future also. Considering these factors, the results have been prepared on a going concern basis.
- The Hon'ble Gujarat High Court directed to close down the operations of polluting industries in and around Ahmedabad in the state of Gujarat and the decision of the High Court was upheld by Hon'ble Supreme Court of India, due to which the Company has discontinued its operations, hence there is no separate reportable business or geographical segments as per Ind AS 108 "Indian Accounting Standard on Operating Segments".

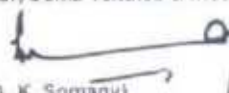


8. Exceptional items for the quarter ended 30th June, 2022 represent following components:

Particulars	Amount (₹ in Lakhs)		Remarks, if any
	Quarter Ended 30.06.2022	Quarter Ended 31.03.2022	
1. Foreign Exchange Gain on Loan Given to Soma Textiles FZC (Associate Company)	285.00	136.00	-
2. Provision for Obsolete Inventory	-	(79.00)	Fair Value Assessment as per Ind As 113
3. Provision for diminution in value of investment	-	(23.00)	Fair Value Assessment as per Ind As 109
4. Net Balance Written off for Receivables and Payables	-	52.00	Fair Value Assessment as per Ind As 109
5. Profit on Assignment of Lease Right of Land	135.00	-	-
6. Profit on Sale of Building	427.00	-	-
<b>Total Exceptional Items</b>	<b>847.00</b>	<b>86.00</b>	

9. The figures of the quarter ended 31st March, 2022 are the balancing figures between audited figures in respect of the full financial year and the unaudited published year to date figures upto 31st December, 2021 which were subjected to limited review.
10. The share of losses of an associate exceeds its interest in the associate, the Company discontinues recognising its share of further losses. The amount of investment has been fully impaired hence Nil impact in Consolidated Result. If the associate subsequently reports profits, the entity resumes recognising its share of those profits only after its share of the profits equals the share of losses not recognised.
11. Security Exchange Board of India (SEBI) vide its Order Number WTM /AB/IV/D/4/10343/2020 dated 8th February 2021 declared the GDR Issue made by the company in October 2006 violated provisions of Section 12 A (a) of SEBI Act 1992 read with regulations 3(b) and 4 (1) of PFUTP regulations, 2003 and directed that Soma Textiles & Industries Limited, Promoter Directors, Executive Director and other of that period (2006-07) are debarred respectively for 3.2 years from the date of the order from accessing the security market and further prohibited from buying, selling or otherwise dealing in securities including units of mutual funds directly or indirectly or being associated with the security market in any manner. The company, Promoter Directors, Executive Director and others preferred an appeal against the order of SEBI before the Security Appellate Tribunal (SAT) and the matter is kept for hearing on 22nd August, 2022 and therefore the matter is sub judice.
12. Due to continuous loss incurred by the company, net worth of the company is eroded. However, various initiatives undertaken by the Company in relation to saving cost, enhance ancillary revenues are expected to result in improved operating performance. Further, company is in the process of identifying surplus assets and will monetise the same in due course to result in sustainable cash flows addressing any uncertainties.
13. Previous period's figures have been regrouped/recast/reclassified, wherever necessary, to correspond with the current period's classification/ disclosure.

For, Soma Textiles & Industries Limited

  
(A. K. Somany)  
(DIN: 00024903)  
(Managing Director)

Place: Ahmedabad  
Date: 11<sup>th</sup> August, 2022

