

SALONA COTSPIN LIMITED
CIN L17111TZ1994PLC004797

Regd. Office : SF.No. 74/12 & 75/3, Sathy Main Road, Pungampalli Village, Valipalayam Post
 Sathy Taluk, Erode District. Pin No. 638 402

PART I

STATEMENT OF AUDITED FINANCIAL RESULTS FOR THE QUARTER AND THE YEAR ENDED 31ST MARCH 2021
 (Rs in Lakh, except per equity share data))

Sl No.	PARTICULARS	QUARTER ENDED			YEAR ENDED	
		31.03.2021 (Audited)	31.12.2020 (Unaudited)	31.03.2020 (Audited)	31.03.2021 (Audited)	31.03.2020
1	Income from Operations : (a) Revenue from Operations (b) Other Income Total Income	8,127.43 6.68 8,134.11	7,097.29 4.53 7,101.82	3,706.99 6.87 3,713.86	23,012.73 11.35 23,024.08	12,184.67 7.70 12,192.37
2	Expenses a) Cost of Materials consumed b) Purchases of Stock in trade c) Changes in Inventories of Finished goods, Work-in-progress and Stock in Trade d) Employees benefits expense e) Finance costs f) Depreciation and Amortisation expense g) Other Expenses Total Expenses	1,543.81 5,255.74 (357.75) 187.97 190.54 59.39 969.57 7,849.27	1,540.11 4,157.09 39.45 193.12 100.94 68.79 684.66 6,784.16	1,370.54 1,052.09 375.41 136.08 93.48 32.63 616.36 3,676.59	5,276.14 13,208.91 (328.61) 634.68 446.03 265.77 2,745.20 22,248.12	5,995.46 1,840.90 661.44 671.37 407.52 264.62 2,161.09 12,002.40
3	Profit/(Loss) before exceptional items and Tax (1-2)	284.84	317.66	37.27	775.96	189.97
4	Exceptional items	284.84	317.66	37.27	775.96	189.97
5	Profit/(Loss) from ordinary activities before Tax (3-4)	44.34	53.02	(0.14)	126.60	31.26
6	Tax expense Current Tax Deferred Tax	29.37	-	41.36	29.37	41.36
7	Net Profit/(Loss) from ordinary activities after Tax(5-6)	211.13	264.64	(3.95)	619.99	117.35
8	Other Comprehensive Income/(Loss) Items that will not be reclassified to Profit or Loss - Remeasurements of the defined benefit plans - Equity Instruments through other comprehensive Income - Income tax relating to items that will not be reclassified to Profit or Loss	(27.13)	-	(2.51)	(27.13)	(2.68)
9	Total Comprehensive Income /(Loss) , net of tax	184.00	264.64	(6.46)	592.86	114.67
10	Total Comprehensive Income /(Loss) for the period (7+8) Paid up Equity Share Capital (Face value Rs 10/- each)	526.24	526.24	526.24	526.24	526.24
11	Reserve and Surplus (Other Equity)				3268.81	2,675.95
12	Earnings per Share i) Basic ii) Diluted	4.01 4.01	5.03 5.03	-0.08 -0.08	11.78 11.78	2.23 2.23

PART II

SELECT INFORMATION FOR THE QUARTER AND YEAR ENDED 31ST MARCH 2021

SI No	PARTICULARS	QUARTER ENDED		YEAR ENDED	
		31.03.2021 (Audited)	31.12.2020 (Unaudited)	31.03.2020 (Audited)	31.03.2021 (Audited)
A	PARTICULARS OF SHAREHOLDING				
1	Public shareholding	1790044	1790044	1945048	1790044
	- Number of shares	34.02%	34.02%	36.96%	34.02%
	- Percentage of shareholding				1945048 36.96%
2	Promoters and Promoter Group Shareholding				
	(a) Pledge/Encumbered	0	0	0	0
	- Number of Shares	0	0	0	0
	- Percentage of shares				
	promoter group)	0	0	0	0
	- Percentage of shares				
	(as a % of the total share capital of the Company)				
	(b) Non-encumbered				
	- Number of Shares	3472356	3472356	3317352	3472356
	- Percentage of shares	100.00%	100.00%	100.00%	100.00%
	(as a % of the total shareholding of promoter and promoter group)				
	- Percentage of shares	65.98%	65.98%	63.04%	65.98%
	(as a % of the total share capital of the Company)				3317352 100.00% 63.04%

	Particulars	31.03.2021
B	INVESTOR COMPLAINTS	
	Pending at the beginning of the quarter	- Nil -
	Received during the quarter	- Nil -
	Disposed of during the quarter	- Nil -
	Remaining unresolved at the end of the quarter	- Nil -

SALONA COTSPIN LIMITED
A. STATEMENT OF ASSETS AND LIABILITIES


(Rs.in Lakh)

Particulars	As at 31.03.2021 (Audited)	As at 31.03.2020 (Audited)
ASSETS		
(1) Non-Current Assets		
(a) Property, Plant and Equipment	2658.25	2382.60
(b) Capital Work-in-progress	0.00	0.00
(c) Investment Property	-	-
(d) Intangible assets	6.09	9.85
(e) Financial Assets		
(i) Investments	0.73	0.72
(f) Other Non-Current Assets	164.60	235.13
Total Non-Current Assets	2829.67	2628.30
(2) Current Assets		
(a) Inventories	4276.64	3666.40
(b) Financial Assets		
(i) Trade Receivables	5346.52	1350.67
(ii) Cash & Cash equivalents	20.50	19.24
(iii) Other Bank Balances	32.66	37.46
(iv) Other Financial Assets	663.34	136.73
(c) Other Current Assets	661.89	492.32
Total Current Assets	11001.55	5702.82
TOTAL ASSETS	13831.22	8331.12
EQUITY AND LIABILITIES		
(1) Equity		
(a) Equity Share Capital	532.89	532.89
(b) Other Equity	3268.81	2675.95
Total Equity	3801.70	3208.84
(2) Non-Current Liabilities		
(a) Financial Liabilities		
(i) Borrowings	1195.35	651.17
(b) Provisions	86.27	62.99
(c) Deferred Tax Liabilities (Net)	150.77	121.40
(d) Other Non Current Liabilities	-	-
Total Non-Current Liabilities	1432.39	835.56
(3) Current Liabilities		
(a) Financial Liabilities		
(i) Borrowings	5953.00	3146.40
(ii) Trade Payables	1786.38	667.67
(b) Other Current Liabilities	819.32	456.41
(c) Provisions	18.30	16.24
(d) Current Tax Liabilities	20.13	-
Total Current Liabilities	8597.13	4286.72
TOTAL EQUITY AND LIABILITIES	13831.22	8331.12

NOTES :

- 1 The Company's main business is manufacture and sale of Textiles. There is no other reportable segments.
- 2 The above results for the full financial year and for the quarter ended March 31, 2021 has been reviewed and recommended by the Audit Committee and approved by the Board of Directors of the Company at their meeting held on June 28, 2021. The statement of financial results for the full financial year have been audited and the results for the quarter ended March 31, 2021 has been reviewed by the Statutory Auditors' of the Company. The Statutory Auditors' have issued an unmodified opinion on the financial results. The Auditor's report has been filed with the stock exchanges and is also available on the company's website.
- 3 The statement includes the results for the quarters ended March 31, 2021 and March 31, 2020 being the balancing figure of the audited figures in respect of full financial year and the published year to date figures up to the third quarter of the respective financial years. Also refer Note 2 above.
- 4 These financial results have been prepared in accordance with Indian Accounting Standard ("Ind AS") prescribed under section 133 of the Companies Act, 2013 read with the relevant rules there under and in terms of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as modified by Circular No. CIR/CFO/FAC/62/2016 dated July 5, 2016.
- 5 Previous period figures have been re-grouped/re-classified wherever necessary
- 6 The Statement of Assets and Liabilities as at March 31, 2021 is given as Annexure A and Statement of Cash Flows for the year ended March 31, 2021 is given as Annexure B.
- 7 The Management has considered possible effects, if any, that may result from the pandemic relating to COVID19 on the carrying amounts of its assets. In developing the assumptions and estimates relating to the uncertainties as the Balance Sheet date, in relation to the recoverable amounts of these assets, the Management has considered the global economic conditions prevailing as at the date of approval of these financial results, and has used internal and external sources of information to the extent determined by it. The actual outcome of these assumptions and estimates may vary in future due to the impact of the pandemic.
- 8 The Board has recommended a dividend of 10% (Rs.1 per share) for the financial year ended March 31, 2021.

Place : Coimbatore
Date : 28th June 2021

BY ORDER OF THE BOARD
For SALONA COTSPIN LIMITED

SHYAMLAL AGARWAJA
MANAGING DIRECTOR
DIN 00003055

SALONA COTSPIN LIMITED

B. CASH FLOW STATEMENT FOR THE PERIOD ENDED 31st MARCH, 2021

Particulars	31st March 2021 Rs.	31st March 2020 Rs.
A Cash flow from operating activities:		
Net Profit before taxation and extra ordinary items	7,48,82,912	1,87,29,018
Adjustments for:		
Depreciation	2,65,77,364	2,64,62,146
Deferred Expenses written off	-	-
Profit on sale of fixed assets	-	-
Profit on sale of Investments	4,46,02,571	4,07,51,547
Interest and financial charges paid		0
Dividend Income	(8,90,147)	(7,77,366)
Interest receipts	(1,26,59,620)	(31,26,250)
Direct Taxes	13,25,13,080	8,20,39,095
Operating profit before working capital changes		
Adjustments for working capital changes		
(Increase)/Decrease in Operating assets		
Inventories	(6,10,24,338)	44,57,963
Trade receivables	(39,95,84,272)	4,69,64,015
Loans and Advances - short term	(5,26,61,077)	18,63,964
Other Current Assets	(1,64,76,950)	(52,77,270)
Other non-current assets		
Increase/(Decrease) in Operating liabilities		
Trade payables	11,18,71,090	2,71,43,830
Other Current Liabilities	3,62,91,024	(73,55,817)
Short term Provisions	22,18,946	(58,685)
Loans and Advances - long term	70,52,783	(74,23,781)
Long Term Provisions	23,28,005	6,00,623
Net cash flow from operating activities (A)	(23,74,71,709)	14,29,53,937
B Cash flow from investing activities:		
Purchase of Fixed Assets	(6,44,45,422)	(27,19,479)
Purchase of Investment	(1,442)	23,13,929
Sale of Fixed Assets	1,06,79,818	4,09,754
Sale of Investments		
Advance for Capital Goods		
Deferred Revenue Expenditure		
Interest receipts	8,90,147	7,77,366
Dividend Income		
Net cash from investing activities (B)	(5,28,76,899)	7,81,570
C Cash flow from financing activities:		
Proceeds from long term borrowings	5,44,18,324	(2,16,36,074)
Repayment of long term borrowings		
Proceeds from short term borrowings	28,06,59,406	(7,63,84,002)
Increase/(Decrease) in Secured Loan		
Increase/(Decrease) in long term borrowings		
Increase/(Decrease) in short term borrowings	28,06,59,406	(7,63,84,002)
Interest and financial charges paid	(4,46,02,571)	(4,07,51,547)
Increase In share Capital		38,06,461
Dividend Paid		
Net cash from financing activities	29,04,75,159	(14,25,78,084)
Net increase/(decrease) in cash and cash equivalents	1,26,551	11,57,422
Cash & cash equivalents at the beginning of the year	19,23,527	7,66,105
Cash & cash equivalents at the close of the year	20,50,078	19,23,527
Cash and Cash equivalents at the close of the year comprise of		
Cash on hand	6,78,917	15,26,273
Cash at bank in current accounts	13,71,160	3,97,254
	20,50,078	19,23,527

Slyam & Co



INDEPENDENT AUDITOR'S REPORT

TO THE BOARD OF DIRECTORS OF SALONA COTSPIN LIMITED

Report on the audit of Annual Financial Results

Opinion:

We have audited the accompanying annual financial results of Salona Cotspin Limited (hereinafter referred to as the "Company") for the year ended March 31,2021,attached herewith,being submitted by the Company pursuant to the requirement of Regulation 33 of 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, the aforesaid annual financial results:

- a. are presented in accordance with the requirements of Regulations 33 of the Listing Regulations in this regard; and
- b. 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 of the Company for the year ended March 31,2021.

Basis for Opinion

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 SAs are further described in the Auditor's Responsibilities for the Audit of the Annual 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 together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act, and the Rules there under, 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 opinion on the annual financial results.

Management's and Board of Director's Responsibilities for the Annual Financial Results.

These annual financial have been prepared on the basis of the annual financial statements.

The Company's Management and the Board of Directors are responsible for the preparation and presentation of these annual financial results that give a true and fair view of the net profit/loss and other comprehensive income and other financial information in accordance with the recognition and measurement principles laid down in Indian Accounting standards prescribed under Section 133 of the Act 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 the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the annual financial results that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the annual financial results, 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 is responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Annual financial Results

Our objectives are to obtain reasonable assurance about whether the annual 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 these annual 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 annual 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 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 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 financial results made by the Management and Board of Directors.

Place: Coimbatore
Date: 09/06/2023



- Conclude on the appropriateness of the Management and 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 appropriateness of this assumption .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 annual financial results 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 annual financial results including the disclosures, and whether the annual financial results 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 Matters

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

For Gopalaiyer and Subramanian
Chartered Accountants
FRN : 000960S



R. Mahadevan

R.Mahadevan
Partner
M.No. : 027497

UDIN : 21027497AAAAMF6462

Place : Coimbatore
Date : 28.06.2021

