

30<sup>th</sup> May 2022

To  
**National Stock Exchange of India Limited**  
Exchange Plaza, C-1, Block G  
BandraKurla Complex, Bandra (E) Mumbai – 400 051

Dear Sir / Madam,

**SUB:- SUBMISSION OF AUDITED FINANCIAL RESULTS OF THE COMPANY FOR THE YEAR ENDED 31.03.2022 -REG**

Pursuant to the provisions of the Listing Regulations, we wish to inform you that the Board of Directors of the Company at their meeting held on Monday, 30<sup>th</sup> May 2022 has inter-alia approved the following. Approved the Audited Financial Results for the quarter and financial year ended 31<sup>st</sup> March 2022.

**1. Audited Financial Results of the Company for the year ended 31<sup>st</sup> March 2022.**

The Audited Financial Results of the Company for the year ending on 31<sup>st</sup> March 2022 along with Auditors Report thereon pursuant to Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 are enclosed.

We declare that the Auditors Report issued by M/s. Gopalayier and Subramanian., Chartered Accountants, Statutory Auditors for the Audited Financial Results of the Company for the year ended 31<sup>st</sup> March 2022 are with unmodified opinion.

The Board meeting commenced at 4.00 P.M and concluded at 8.15 P.M

Kindly take the aforesaid information on record in compliance of SEBI (Listing Obligation and Disclosure Requirements), Regulations 2015.

Thanking You

Yours Sincerely

**FOR SALONA COTSPIN LIMITED**

  
**SHYAMLAL AGARWALA**  
MANAGING DIRECTOR

**SPINNING YARN TO PERFECTION**

Regd. Off. / Mills : SF No. 74/12 & 75/3, Sathy Main Road, Pungampalli, Valipalayam (P.O) Sathy T.K - 638 402. Tamilnadu.

To  
National Stock Exchange of India Limited  
Exchange Plaza, C-1, Block G  
BandraKurla Complex, Bandra (E)  
Mumbai - 400 051

30<sup>th</sup> May 2022

Dear Sir,

**Sub: Intimation of Dividend- Reg.,**

We wish to inform you that the Board of Directors at their meeting held on 30<sup>th</sup> May 2022 have declared a dividend of **Rs. 1.20** per share for the financial year 2021-22.

Kindly take on the record the above information.

Thanking you,

FOR SALONA COTSPIN LIMITED



SHYAMLAL AGARWALA  
MANAGING DIRECTOR

**SPINNING YARN TO PERFECTION**

Regd. Off. / Mills : SF No. 74/12 & 75/3, Sathy Main Road, Pungampalli, Valipalayam (P.O) Sathy T.K - 638 402. Tamilnadu.

GSTIN : 33AACCS4554N1Z3  
PAN No. : AACCS4554N  
CIN No. : L17111 TZ 1994 PLC 004797





### 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 31,2022, 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 31,2022.

##### 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 ICAI's 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 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 ether 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.
- Evaluate the appropriateness and the reasonableness of accounting estimates made by the board of directors.
- 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.
- Obtain sufficient appropriate audit evidence regarding the Annual Financial results of the company to express an opinion on the Annual financial results.

Materiality is the magnitude of misstatements in the Annual financial results that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Annual financial Results 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 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 Matters

The annual financial results include the results for the quarter ended March 31,2022 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 : 22027497AJXYAS2877

Place : Coimbatore  
Date : 30.05.2022

PART I

STATEMENT OF AUDITED FINANCIAL RESULTS FOR THE QUARTER AND THE YEAR ENDED 31ST MARCH 2022

Sl No.	PARTICULARS	QUARTER ENDED			YEAR ENDED	
		31.03.2022 (Audited)	31.12.2021 (Unaudited)	31.03.2021 (Audited)	31.03.2022 (Audited)	31.03.2021
1	<b>Income from Operations :</b> (a) Revenue from Operations (b) Other Income <b>Total Income</b>	17,065.52 (1.75) <b>17,063.77</b>	17,060.32 - <b>17,060.32</b>	8,127.43 6.68 <b>8,134.11</b>	64,708.02 6.23 <b>64,714.25</b>	23,012.73 11.35 <b>23,024.08</b>
2	<b>Expenses</b> 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 <b>Total Expenses</b>	3,911.27 13,487.19 (2,764.81) 275.14 249.17 107.78 1,402.83 <b>16,668.57</b>	2,293.55 10,485.86 117.76 314.89 155.98 74.97 2,754.97 <b>16,197.98</b>	1,543.81 5,255.74 (357.75) 187.97 190.54 59.39 969.57 <b>7,849.27</b>	11,706.48 44,785.61 (2,758.13) 937.88 738.12 332.67 6,296.57 <b>62,039.20</b>	5,276.14 13,208.91 (328.61) 634.68 446.03 265.77 2,745.20 <b>22,248.12</b>
3	Profit/(Loss) before exceptional items and Tax (1-2)	395.20	862.34	284.84	2,675.05	775.96
4	Exceptional items	-	-	-	-	-
5	Profit/(Loss) from ordinary activities before Tax (3-4)	<b>395.20</b>	<b>862.34</b>	<b>284.84</b>	<b>2,675.05</b>	<b>775.96</b>
6	Tax expense Current Tax Deferred Tax	141.45 123.44	161.73 32.90	44.34 29.37	539.79 156.34	126.60 29.37
7	<b>Net Profit/(Loss) from ordinary activities after Tax(5-6)</b>	<b>130.31</b> (4.03)	<b>667.71</b> -	<b>211.13</b> (27.13)	<b>1,978.92</b> (4.03)	<b>619.99</b> (27.13)
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 Total Comprehensive Income /(Loss) , net of tax	(4.03)	-	(27.13)	(4.03)	(27.13)
9	<b>Total Comprehensive Income /(Loss) for the period (7+8)</b>	<b>126.28</b>	<b>667.71</b>	<b>184.00</b>	<b>1,974.89</b>	<b>592.86</b>
10	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)				5191.07	3,268.81
12	Earnings per Share i) Basic ii) Diluted	2.48 2.48	12.69 12.69	4.01 4.01	37.60 37.60	11.78 11.78

PART II

SELECT INFORMATION FOR THE QUARTER AND YEAR ENDED 31ST MARCH 2022

SI No.	PARTICULARS	QUARTER ENDED			YEAR ENDED	
		31.03.2022	31.12.2021	31.03.2021	31.03.2022	31.03.2021
		(Audited)	(Unaudited)	(Audited)	(Audited)	(Audited)
<b>A</b>	<b>PARTICULARS OF SHAREHOLDING</b>					
1	Public shareholding - Number of shares - Percentage of shareholding	1790092 34.02%	1790092 34.02%	1790044 34.02%	1790092 34.02%	1790044 34.02%
2	Promoters and Promoter Group Shareholding (a) Pledge/Encumbered - Number of Shares - Percentage of shares (as a % of the total shareholding of promoter and group) - Percentage of shares (as a % of the total share capital of the Company) (b) Non-encumbered - Number of Shares - Percentage of shares (as a % of the total shareholding of promoter and group) - Percentage of shares (as a % of the total share capital of the Company)	5000 0.14%	0 0	0 0	5000 0.14%	0 0
		0.10%	0	0	0.10%	0
		3467308 99.86%	3472308 100.00%	3472536 100.00%	3467308 99.86%	3472356 100.00%
		65.89%	65.98%	65.99%	65.89%	65.98%

Particulars		31.03.2022
<b>B</b>	<b>INVESTOR COMPLAINTS</b>	
	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 31.03.2022 (Audited)	As at 31.03.2021 (Audited)
<b>ASSETS</b>		
<b>(1) Non -Current Assets</b>		
(a) Property, Plant and Equipment	4277.67	2658.25
(b) Capital Work-in-progress	0.00	0.00
(c) Investment Property	-	-
(d) Intangible assets	2.96	6.09
(e) Financial Assets		
(i) Investments	0.74	0.73
(ii) Loan & Advances	15.08	20.40
(f) Other Non-Current Assets	151.13	144.20
<b>Total Non-Current Assets</b>	<b>4447.58</b>	<b>2829.67</b>
<b>(2) Current Assets</b>		
(a) Inventories	6291.56	4276.64
(b) Financial Assets		
(i) Trade Receivables	9620.91	5346.52
(ii) Cash & Cash equivalents	7.23	20.50
(iii) Other Bank Balances	32.98	32.66
(iv) Other Financial Assets	1187.45	663.34
(c) Other Current Assets	1208.47	661.89
<b>Total Current Assets</b>	<b>18348.60</b>	<b>11001.55</b>
<b>TOTAL ASSETS</b>	<b>22796.18</b>	<b>13831.22</b>
<b>EQUITY AND LIABILITIES</b>		
<b>(1) Equity</b>		
(a) Equity Share Capital	532.89	532.89
(b) Other Equity	5191.07	3268.81
<b>Total Equity</b>	<b>5723.96</b>	<b>3801.70</b>
<b>(2) Non-Current Liabilities</b>		
(a) Financial Liabilities		
(i) Borrowings	2729.66	1195.36
(b) Provisions	107.24	86.27
(c) Deferred Tax Liabilities (Net)	307.11	150.77
(d) Other Non Current Liabilities	-	-
<b>Total Non-Current Liabilities</b>	<b>3144.01</b>	<b>1432.40</b>
<b>(3) Current Liabilities</b>		
(a) Financial Liabilities		
(i) Borrowings	11142.88	6470.71
(ii) Trade Payables		
Total Outstanding dues of micro enterprises and small enterprises	73.56	0.00
Total Outstand dues of creditors other than micro enterprises and small enterprises	1737.64	1786.38
(b) Other Current Liabilities	811.35	301.60
(c) Provisions	32.27	18.30
(d) Current Tax Liabilities (net)	130.51	20.13
<b>Total Current Liabilities</b>	<b>13928.21</b>	<b>8597.12</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>22796.18</b>	<b>13831.22</b>

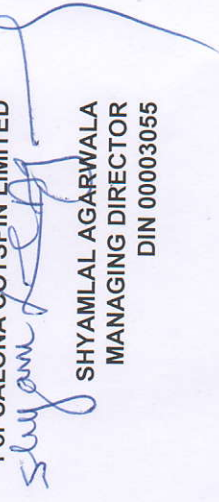
**NOTES :**

- 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, 2022 has been reviewed and recommended by the Audit Committee and approved by the Board of Directors of the Company at their meeting held on May 30, 2022. The statement of financial results for the full financial year have been audited and the results for the quarter ended March 31, 2022 has been reviewed by the Statuary Auditors' of the Company. The Statuary 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, 2022 and March 31, 2021 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, 2022 is given as Annexure A and Statement of Cash Flows for the year ended March 31, 2022 is given as Annexure B.
- 7 The Company continues to actively manage its business during COVID-19 pandemic and has not experienced significant changes on the business impact than estimated earlier. Based on the information currently available, where there is no material impact on the carrying amounts of Property, Plant and Equipment, Inventory, Receivables and other current assets and the management continues to monitor changes in future economic conditions.
- 8 The Board has recommended a dividend of 12% (Rs1.20 per share) for the financial year ended March 31, 2022.

Place : Coimbatore

Date : 30th May 2022

BY ORDER OF THE BOARD  
For SALONA COTSPIN LIMITED

  
SHYAMLAL AGARWALA  
MANAGING DIRECTOR  
DIN 00003055

## SALONA COTSPIN LIMITED

## B. CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2022

(Rupees)

Particulars	As at 31/03/2022		As at 31/03/2021	
	(Audited)		(Audited)	
	Rs.		Rs.	
<b>A Cash flow from operating activities:</b>				
Net Profit before taxation and extra ordinary items		26,71,02,301		7,48,82,913
<b>Adjustments for:</b>				
Depreciation		3,32,67,313		2,65,77,364
Deferred Expenses written off				
Profit on sale of fixed assets		4,04,071		2,94,553
Profit on sale of Investments				-
Interest and financial charges paid		7,38,11,680		4,46,02,571
Dividend Income				
Interest receipts		(2,19,383)		(8,90,147)
Direct Taxes		(5,39,79,535)		(1,26,59,620)
Operating profit before working capital changes		32,03,86,447		13,28,07,634
<b>Adjustments for working capital changes</b>				
(Increase)/Decrease in Operating assets				
Inventories		(20,14,92,150)		(6,10,24,338)
Trade receivables		(42,74,39,508)		(39,95,84,272)
Loans and Advances - short term		(5,24,10,522)		(5,26,61,077)
Other Current Assets		(5,46,89,762)		(1,64,76,950)
Other non-current assets		(6,92,472)		90,92,783
Increase/(Decrease) in Operating liabilities				
Trade payables		24,82,193		11,18,71,090
Other Current Liabilities		5,09,74,176		3,62,91,024
Short term Provisions		1,24,35,092		22,18,946
Loans and Advances - long term		5,32,381		(20,40,000)
Long Term Provisions		20,96,935		23,28,005
<b>Net cash flow from operating activities (A)</b>		<b>(34,78,17,191)</b>		<b>(23,71,77,155)</b>
<b>B Cash flow from investing activities:</b>				
Purchase of Fixed Assets		(19,91,79,716)		(6,44,45,422)
Purchase of Investment		(1,238)		(1,442)
Sale of Fixed Assets		38,78,724		1,03,85,265
Sale of Investments				
Advance for Capital Goods				
Deferred Revenue Expenditure				
Interest receipts		2,19,383		8,90,147
Dividend Income				
<b>Net cash from investing activities (B)</b>		<b>(19,50,82,847)</b>		<b>(5,31,71,452)</b>
<b>C Cash flow from financing activities:</b>				
Proceeds from long term borrowings		15,34,30,763		5,44,18,324
Repayment of long term borrowings				-
Proceeds from short term borrowings		46,72,16,438		28,06,59,406
Increase/(Decrease) in Secured Loan				
Increase/(Decrease) in long term borrowings				-
Increase/(Decrease) in short term borrowings		46,72,16,438		28,06,59,406
Interest and financial charges paid		(7,38,11,680)		(4,46,02,571)
Increase In share Capital				
Dividend Paid		52,62,400		-
<b>Net cash from financing activities</b>		<b>54,15,73,120</b>		<b>29,04,75,159</b>
Net increase/(decrease) in cash and cash equivalents		(13,26,917)		1,26,550
Cash & cash equivalents at the beginning of the year		20,50,078		19,23,527
Cash & cash equivalents at the close of the year		7,23,161		20,50,077
Cash and Cash equivalents at the close of the year comprise of				
Cash on hand		3,79,508		6,78,917
Cash at bank in current accounts		3,43,653		13,71,160
		7,23,161		20,50,077
		0		-

For SALONA COTSPIN LIMITED

*Shyam Lal Agarwala*  
 SHYAMLAL AGARWALA  
 MANAGING DIRECTOR  
 DIN 00003055