

Date – 26th May 2023

National Stock Exchange of India Ltd.,
Plot No.C/1 'G' Block Bandra – Kurla
Complex Bandra East, Mumbai 400 051.
Scrip Code: SALONA

Bombay Stock Exchange Limited
Phiroz Jeejeebhoy Towers,
Dalal Street,
Mumbai – 400 023
Scrip Code: 590056

**Sub: Outcome of the Board Meeting for the quarter and financial year ended 31st March, 2023
-SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.**

Mam / Sir,

Pursuant to Regulation 33 and other applicable provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI LODR'), we wish to inform you that the Board of Directors (the 'Board') of Salona Cotspin Limited ('Company') at its meeting held this day, inter-alia

a) approved the Audited Standalone Financial Statements of the Company for the financial year ended 31st March, 2023.

b) recommended payment of dividend of Rs. 1.20 (Rupee One and Twenty Paise Only) per Equity Share of Rs. 10/- each (fully paid-up) for the financial year ended 31st March, 2023 and the same shall be payable subject to approval of the Shareholders at the ensuing Annual General Meeting of the Company.

A copy of the aforesaid audited financial results along with the Auditor's Report thereon is enclosed herewith.

The Board Meeting concluded at 4:45 p.m.

This intimation will also be uploaded on the Company's website at www.salonacotspin.com under Investor tab.

You are requested to kindly take note of the same.

Yours faithfully
For Salona Cotspin Limited



Archana R Jha
Company Secretary and Compliance
Officer

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



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 2023

(Rs.in Lakh, except per equity share data))

Sl No.	PARTICULARS	QUARTER ENDED		YEAR ENDED	
		31.03.2023 (Refer Note No.3)	31.12.2022 (Unaudited)	31.03.2023 (Audited)	31.03.2022 (Audited)
1	Income from Operations :				
	(a) Revenue from Operations	14,698.79	9,217.60	17,065.52	64,708.02
	(b) Other Income	7.95	5.90	(1.75)	6.23
	Total Income	14,706.74	9,223.50	17,063.77	64,714.25
2	Expenses				
	a) Cost of Materials consumed	2,577.34	2,149.64	3,911.27	11,706.48
	b) Purchases of Stock in trade	9,428.78	3,572.71	13,487.19	44,785.61
	c) Changes in Inventories of Finished goods, Work-in-progress and Stock in Trade	1,038.01	1,529.21	(2,764.81)	(2,758.13)
	d) Employees benefits expense	336.60	310.79	275.14	937.88
	e) Finance costs	352.46	254.17	249.17	738.12
	f) Depreciation and Amortisation expense	125.54	123.58	107.78	332.67
	g) Other Expenses	816.95	895.33	1,402.83	6,296.57
	Total Expenses	14,675.68	8,835.43	16,668.57	62,039.20
3	Profit/(Loss) before exceptional items and Tax (1-2)	31.06	388.07	395.20	2,675.05
4	Exceptional items	-	-	-	-
5	Profit/(Loss) from ordinary activities before Tax (3-4)	31.06	388.07	395.20	2,675.05
6	Tax expense				
	Current Tax	(303.98)	101.77	141.45	539.79
	Deferred Tax	20.87	24.31	123.44	156.34
7	Net Profit/(Loss) from ordinary activities after Tax(5-6)	314.17	261.99	130.31	1,978.92
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 other Comprehensive Income /(Loss) , net of tax	0.30	-	(4.03)	(4.03)
9	Total Comprehensive Income /(Loss) for the period (7+8)	314.39	261.99	126.28	1,974.89
10	Paid up Equity Share Capital (Face value Rs 10/- each)	526.24	526.24	526.24	526.24
11	Reserve and Surplus (Other Equity)				
12	Earnings per Share (in Rs.) (Not annualised for quarter)				
	i) Basic	5.97	4.98	2.48	37.60
	ii) Diluted	5.97	4.98	2.48	37.60



PART II

SELECT INFORMATION FOR THE QUARTER AND YEAR ENDED 31ST MARCH 2023

SI No.	PARTICULARS	QUARTER ENDED		YEAR ENDED		
		31.03.2023 (Audited)	31.12.2022 (Unaudited)	31.03.2022 (Audited)	31.03.2023 (Audited)	31.03.2022 (Audited)
A 1	Public shareholding - Number of shares - Percentage of shareholding	1731692 32.91%	1790092 34.02%	1790092 34.02%	1731692 32.91%	1790092 34.02%
		0 0%	5000 0.14%	5400 0.14%	0 0%	5000 0.14%
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) promoter - 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) promoter - Percentage of shares (as a % of the total share capital of the Company)	0 0%	0 0%	0 0.10%	0 0%	0 0.10%
		3530708 99.86%	3467308 99.86%	3467308 99.86%	3530708 99.86%	3467308 99.86%
		67.09%	65.89%	65.89%	67.09%	65.89%

Particulars	31.03.2023
B INVESTOR COMPLAINTS	
Pending at the beginning of the quarter	- Nil -
Received during the quarter	1
Disposed of during the quarter	1
Remaining unresolved at the end of the quarter	- Nil -



SALONA COTSPIN LIMITED
A. STATEMENT OF ASSETS AND LIABILITIES

(Rs.in Lakh)

Particulars	As at 31.03.2023 (Audited)	As at 31.03.2022 (Audited)
ASSETS		
(1) Non -Current Assets		
(a) Property, Plant and Equipment	4052.55	4277.67
(b) Capital Work-in-progress	26.92	0.00
(c) Investment Property	-	-
(d) Intangible assets	2.02	2.96
(e) Financial Assets		
(i) Investments	0.82	0.74
(ii) Loan & Advances	14.00	15.08
(iii) Trade Receivables	11.45	
(f) Other Non-Current Assets	1597.16	151.13
Total Non-Current Assets	5704.92	4447.58
(2) Current Assets		
(a) Inventories	5647.19	6291.56
(b) Financial Assets		
(i) Trade Receivables	12232.62	9620.91
(ii) Cash & Cash equivalents	6.34	7.23
(iii) Other Bank Balances	74.03	32.98
(iv) Other Financial Assets	1259.58	1187.45
(c) Current Tax Asset (Net)	389.25	
(d) Other Current Assets	1704.78	1208.47
Total Current Assets	21313.79	18348.60
TOTAL ASSETS	27018.71	22796.18
EQUITY AND LIABILITIES		
(1) Equity		
(a) Equity Share Capital	532.89	532.89
(b) Other Equity	6885.08	5191.07
Total Equity	7417.97	5723.96
(2) Non-Current Liabilities		
(a) Financial Liabilities		
(i) Borrowings	3563.13	2729.66
(b) Provisions	122.09	107.24
(c) Deferred Tax Liabilities (Net)	359.90	307.11
(d) Other Non Current Liabilities	-	-
Total Non-Current Liabilities	4045.12	3144.01
(3) Current Liabilities		
(a) Financial Liabilities		
(i) Borrowings	12152.10	11142.88
(ii) Trade Payables		
Total Outstanding dues of micro enterprises and small enterprises	10.25	73.56
Total Outstand dues of creditors other than micro enterprises and small enterprises	2435.01	1737.64
(b) Other Current Liabilities	920.87	811.35
(c) Provisions	37.39	32.27
(d) Current Tax Liabilities (net)	0.00	130.51
Total Current Liabilities	15555.62	13928.21
TOTAL EQUITY AND LIABILITIES	27018.71	22796.18



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, 2023 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 26, 2023. The statement of financial results for the full financial year have been audited and the results for the quarter ended March 31, 2023 has been reviewed by the Statuary 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, 2023 and March 31, 2022 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, to confirm with the current period classification/presentation.
- 6 The Statement of Assets and Liabilities as at March 31, 2023 is given as Annexure A and Statement of Cash Flows for the year ended March 31, 2023 is given as Annexure B.
- 7 The Board has recommended a dividend of 12% (Rs. 1.20 per share) for the financial year ended March 31, 2023.

Place : Coimbatore

Date : 26th May 2023



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 2023

(Rupees in Lakh)

Particulars	As at 31/03/2023 (Audited) Rs.	As at 31/03/2022 (Audited) Rs.
A Cash flow from operating activities:		
Net Profit before taxation and extra ordinary items	2,026.07	2,671.02
Adjustments for:		
Depreciation	546.68	332.67
Deferred Expenses written off		4.04
Profit on sale of fixed assets	10.18	-
Profit on sale of Investments		738.12
Interest and financial charges paid	940.14	-
Dividend Income		(2.19)
Interest receipts	(18.98)	(539.80)
Direct Taxes	(216.12)	-
Operating profit before working capital changes	3,287.97	3,203.86
Adjustments for working capital changes		
(Increase)/Decrease in Operating assets		
Inventories	644.37	(2,014.92)
Trade receivables	(2,611.71)	(4,274.40)
Loans and Advances - short term	(72.13)	(524.11)
Other Current Assets	(548.81)	(546.90)
Current Tax Asset	(389.25)	
Other non-current assets	(1,446.03)	(6.92)
Increase/(Decrease) in Operating liabilities		
Trade payables	634.05	24.82
Other Current Liabilities	109.53	509.74
Short term Provisions	(125.39)	124.35
Loans and Advances - long term	1.08	5.32
Long Term Provisions	14.85	20.97
Net cash flow from operating activities (A)	(501.47)	(3,478.19)
B Cash flow from investing activities:		
Purchase of Fixed Assets	(351.30)	(1,991.80)
Purchase of Investment	(0.08)	(0.01)
Sale of Fixed Assets	(6.42)	38.79
Sale of Investments		
Advance for Capital Goods		
Deferred Revenue Expenditure		
Interest receipts	18.98	2.19
Dividend Income		
Net cash from investing activities (B)	(338.82)	(1,950.83)
C Cash flow from financing activities:		
Proceeds from long term borrowings	833.47	1,534.31
Repayment of long term borrowings		-
Proceeds from short term borrowings	1,009.22	4,672.16
Increase/(Decrease) in Secured Loan		
Increase/(Decrease) in long term borrowings		-
Increase/(Decrease) in short term borrowings	1,009.22	4,672.16
Interest and financial charges paid	(940.14)	(738.12)
Increase In share Capital		
Dividend Paid	63.15	52.62
Net cash from financing activities	839.40	5,415.73
Net increase/(decrease) in cash and cash equivalents	(0.89)	(13.27)
Cash & cash equivalents at the beginning of the year	7.23	20.50
Cash & cash equivalents at the close of the year	6.34	7.23
Cash and Cash equivalents at the close of the year comprise of		
Cash on hand	5.35	3.80
Cash at bank in current accounts	1.00	3.44
	6.34	7.23
	0	-

For SALONA COTSPIN LIMITED



SHYAMLAL AGARWALA
MANAGING DIRECTOR

DIN: 00003055



Independent Auditor's Report on Audit of Annual Standalone Financial Result and Review of Quarterly Financial result of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended

To
The Board of Directors
Salona Cotspin Limited,
Coimbatore.

Opinion and Conclusion

We have audited the Standalone Financial results for the year ended March 31, 2023 ("Statement") and reviewed the standalone financial results for the quarter ended March 31, 2023 of Salona Cotspin Limited (the "Company") (refer "other matters" section below) which were subject to limited review by us attached herewith, 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").

Opinion

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

- (i) are presented in accordance with the requirements of Regulation 33 of the Listing Regulations in this regard; and
- (ii) give a true and fair view in conformity with the recognition and measurement principles laid down in the applicable Indian Accounting Standards, and other accounting principles generally accepted in India, of the net profit and other comprehensive income and other financial information for the year ended March 31, 2023.

Conclusion on Unaudited Standalone Financial Results for the quarter ended March 31, 2023

With respect to the Standalone Financial Results for the quarter ended March 31, 2023, based on our review conducted as stated in paragraph (b) of Auditor's Responsibilities section below, nothing has come to our attention that causes us to believe that the Standalone Financial Results for the quarter ended March 31, 2023, prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standards and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms 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.

Basis for Opinion on the audited standalone financial results for the year ended March 31, 2023

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 Standalone 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 standalone financial statements under the provisions of the Act, and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the standalone annual financial results.

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

The Statement have been prepared on the basis of the standalone annual financial statements. The Company's Management and the Board of Directors are responsible for the preparation and presentation of these standalone annual financial results that give a true and fair view of the net profit 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 Statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Statement, 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 are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities

(a) Audit of the Standalone Financial Results for the year ended March 31,2023:

Our objectives are to obtain reasonable assurance about whether the Statement as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the Statement.

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



- Identify and assess the risks of material misstatement of the standalone 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 standalone financial statements on whether the company has adequate internal financial controls with reference to standalone 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 standalone annual financial results made by the Management and 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 standalone 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 statement, including the disclosures, and whether the standalone annual financial results represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the Annual Standalone Financial Results of the Company to express an opinion on the Annual Standalone Financial Results.

Materiality is the magnitude of misstatements in the Annual Standalone Financial Results that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Annual Standalone 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 Annual Standalone Financial Results.

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.



(b) Review of the Standalone Financial Results for the quarter ended March 31, 2023

We conducted our review of the Standalone Financial Results for the quarter ended March 31, 2023 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 ICAI. A review of interim financial information consists of making inquiries, primarily of the Company's personnel 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 SAs 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.

Other Matters

The Statement include the results for the quarter ended March 31, 2023 being the balancing figures between the audited figures in respect of the full financial year and the published unaudited year to date figures up to the third quarter of the current financial year, which were subjected to limited review by us, as required under the Listing regulations Our report on the Statement is not modified in respect of this matter.

For Gopalaiyer and Subramanian

Chartered Accountants

(Firm Regn. No: 000960S)



CA.R. Mahadevan

Partner

M. no: 027497

UDIN:23027497BGXPBF8922



Place: Coimbatore

Date: 26.05.2023