

09th June 2018

To
National Stock Exchange of India Limited
Exchange Plaza, Bandra Kurla Complex
Bandra (E), Mumbai - 400 051

Dear Sir,

Subject: Submission of Explanation:-Reply to your mail dated 09th June 2018 and
Letter dated 24.05.2018, certified copy (signature on each page)
Ref: NSE/LIST/FR/6098

We are enclosing herewith Audited Standalone Financial Results for the quarter and
financial year ended 31st March 2018 along with the Statutory Audit Report
including the details of Standalone Reconciliation of profit and loss and Standalone
Reconciliation of Equity.

Kindly take on record the same.

Thanking You,
Yours Faithfully
For Salona Cotspin Limited



Sajith K.B
Company Secretary

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 : 33AACC54554N1Z3 PAN No. : AACCS4554N
CIN No. : L17111 TZ 1994 PLC 004797



**Auditor's Report on Financial Results of SALONA COTSPIN LIMITED Pursuant to the Regulation 33 of (lie SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015**

To
The Board of Directors of SALONA COTSPIN LIMITED

We have audited the accompanying Statement of financial results of SALONA COTSPIN LIMITED ('the Company') for the year ended 31 March 2018, attached herewith, being submitted by the Company pursuant to the requirements of Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI Listing Regulations'). Attention is drawn to the fact that the figures for the quarter ended 31 March 2018 and the corresponding quarter ended in the previous year as reported in these financial results are the balancing figures between audited figures in respect of the full financial year and the published year to date figures up to the end of the third quarter of the relevant financial year. Also, the figures up to the end of the third quarter had only been reviewed and not subjected to audit.

These financial results have been prepared on the basis of the audited annual financial statements and reviewed quarterly financial results up to the end of the third quarter, which are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial results based on our audit of the annual financial statements, which have been prepared in accordance with the recognition and measurement principles laid down in the Companies (Indian Accounting Standards) Rules, 2015, as per Section 133 of the Companies Act, 2013 and other accounting principles generally accepted in India and in compliance with SEBI Listing Regulations.

We conducted our audit in accordance with the auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial results are free of material misstatements. An audit includes examining, on a test basis, evidence supporting the amounts disclosed as financial results. An audit also includes assessing the accounting principles used and significant estimates made by management. We believe that our audit provides a reasonable basis for our opinion.

Corresponding figures for the year ended 31 March 2017 included in the financial results were audited by the predecessor auditor who expressed an unmodified opinion vide their audit report dated 15th May 2017 on the annual financial results for the year ended on 31 March 2017.

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

- (i) Are presented in accordance with the requirements of Regulation 33 of SEBI Listing Regulations in this regard; and
- (ii) Give a true and fair view of the net profit and other financial information of the company for the year ended 31 March 2018.

Place: Coimbatore
Date: 21.05.2018

For **GOPALAIYER AND SUBRAMANIAN**
Chartered Accountants
(Firm Reg.no:0009605)

CA.R. MAHADEVAN
Partner
(Membership No: 026497)

SALONA COTSPIN LIMITED

CIN L17111TZ1994PLC004797

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

PART I

STATEMENT OF STANDALONE AUDITED FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED 31ST MARCH 2018

(Rs.in Lakh)

Sl No.	PARTICULARS	QUARTER ENDED			YEAR ENDED	
		31.03.2018	31.12.2017	31.03.2017	31.03.2018	31.03.2017
		(Audited)	(Unaudited)	(Audited)	(Audited)	
	Income from Operations :					
I	Revenue from Operations	3,116.64	3,001.16	4,078.09	10,681.91	12,140.88
II	Other Income	9.67	-	9.75	9.67	12.23
	Total Income	3,126.31	3,001.16	4,087.84	10,691.58	12,153.11
III	Expenditure					
	a) Cost of Materials consumed	1,447.51	1,449.36	1,688.84	6,341.07	6,635.29
	b) Purchases of Stock in trade	339.68	690.87	655.29	1,387.35	2,413.36
	c) Changes in Inventories of Finished goods/WIP/Stock in Trade	386.22	189.27	751.67	(429.62)	(400.28)
	d) Employees benefit expenses	144.55	150.97	174.77	590.70	549.70
	e) Finance costs	102.52	89.30	64.62	346.69	230.68
	f) Depreciation and Amortisation expenses	91.98	93.83	117.18	373.47	363.22
	g) Other Expenditure	590.43	313.81	724.68	1,860.93	2,083.85
	g) Total expenditure	3,102.89	2,977.41	4,177.05	10,470.59	11,875.82
IV	Profit/(Loss) before exceptional items and Tax	23.42	23.75	(89.21)	220.99	277.29
V	Exceptional items	-	-	-	-	-
VI	Profit/(Loss) from ordinary activities before Tax (5-6)	23.42	23.75	(89.21)	220.99	277.29
VII	Tax expense					
	Current Tax	7.33	5.76	(11.99)	51.10	61.34
	Deferred Tax	(43.15)	-	(118.33)	(43.15)	(118.33)
VIII	Net Profit/(Loss) from ordinary activities after Tax(9-10)	59.24	17.99	41.11	213.04	334.28
IX	Other Comprehensive Income	36.19	0.05	0.40	36.24	0.40
X	Total Comprehensive Income for the period (Comprising Profit/(Loss) for the period (after Tax) and other Comprehensive Income (after Tax)	95.43	18.04	41.51	249.28	334.68
XI	Paid up Equity Share Capital (Face value Rs 10/- each)	526.24	526.24	526.24	526.24	526.24
XII	Earnings per Share					
	i) Basic	1.13	0.34	0.78	4.05	6.35
	ii) Diluted	1.13	0.34	0.78	4.05	6.35

For SALONA COTSPIN LTD.

Slyam
Managing Director

PART II

SELECT INFORMATION FOR THE QUARTER AND YEAR ENDED 31ST MARCH 2018

SI No.	PARTICULARS	QUARTER ENDED			YEAR ENDED	
		31.03.2018	31.12.2017	31.03.2017	31.03.2018	31.03.2017
		(Audited)	(Unaudited)	(Audited)	(Audited)	
A	PARTICULARS OF SHAREHOLDING					
1	Public shareholding					
	- Number of shares	2030573	2191482	2235381	2030573	2235381
	- Percentage of shareholding	38.59%	41.64%	42.48%	38.59%	42.48%
2	Promoters and Promoter Group Shareholding					
	(a) Pledge/Encumbered					
	- Number of Shares	0	0	0	0	
	- Percentage of shares	0	0	0	0	
	promoter group)					
	- Percentage of shares	0	0	0	0	
	(as a % of the total share capital of the Company)					
	(b) Non-encumbered					
	- Number of Shares	3231827	3070918	3027019	3231827	3027019
	- Percentage of shares	100.00%	100.00%	100.00%	100.00%	100.00%
	(as a % of the total shareholding of promoter and promoter group)					
	- Percentage of shares	61.41%	58.36%	57.52%	61.41%	57.52%
	(as a % of the total share capital of the Company)					

	Particulars	31.03.2018
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 -

For SALONA COTSPIN LTD.

Shekhar Singh
Managing Director

SALONA COTSPIN LIMITED
STATEMENT OF ASSETS AND LIABILITIES

(Rs. in Lakh)

Particulars	As at 31.03.2018 (Audited)	As at 31.03.2017 (Audited)
ASSETS		
(1) Non -Current Assets		
(a) Property, Plant and Equipment	1484.55	1646.45
(b) Capital Work-in-progress	501.85	-
(c) Investment Property	-	-
(d) Intangible assets	15.30	6.08
(e) Financial Assets		
(i) Investments	29.92	30.00
(f) Other Non-Current Assets	184.38	191.54
Total Non-Current Assets	2216.00	1874.07
(2) Current Assets		
(a) Inventories	3647.20	2714.27
(b) Financial Assets		
(i) Trade Receivables	1913.77	2161.27
(ii) Cash & Cash equivalents	4.80	7.30
(iii) Other Bank Balances	55.58	13.39
(iv) Other Financial Assets	210.44	195.23
(c) Other Current Assets	289.72	111.89
Total Current Assets	6121.51	5203.35
TOTAL ASSETS	8337.51	7077.42
EQUITY AND LIABILITIES		
(1) Equity		
(a) Equity Share Capital	532.89	532.89
(b) Other Equity	2469.08	2257.80
Total Equity	3001.97	2790.69
(2) Non-Current Liabilities		
(a) Financial Liabilities		
(i) Borrowings	534.60	563.10
(b) Provisions	56.45	82.28
(c) Deferred Tax Liabilities (Net)	64.37	107.52
(d) Other Non Current Liabilities	-	-
Total Non-Current Liabilities	655.42	752.90
(3) Current Liabilities		
(a) Financial Liabilities		
(i) Borrowings	3438.94	2711.12
(ii) Trade Payables	670.90	394.01
(b) Other Current Liabilities	538.52	408.82
(c) Provisions	31.76	19.88
Total Current Liabilities	4680.12	3533.83
TOTAL EQUITY AND LIABILITIES	8337.51	7077.42
	0.00	

For SALONA COTSPIN LTD.

Shyam Singh
Managing Director

NOTES :

- 1 The Company has only one business segment in operation. i.e. Textile Business. Hence segment wise reporting is not applicable.
- 2 The figures for the quarters ended March 31, 2018 and March 31, 2017 are the balancing figures between the audited figures in respect of the full financial years and the published unaudited year-to-date figures up to the third quarter of the respective financial years, which were subjected to limited review.
- 3 Previous period/Year's figures have been re-grouped/re-casted wherever necessary to make them comparable.
- 4 The Company Adopted Indian Accounting Standards (IND AS) from April 1st, 2017 and accordingly these financial results have been prepared in accordance with the recognition and measurement principles laid down in the IND AS 34 "Interim Financial Reporting" prescribed Under Sec. 133 of the Companies Act, 2013 read with the relevant rules issued there under and the other accounting principles generally accepted in India.
- 5 The management has exercised necessary due diligence to ensure that the financial results provide a true and fair view of its affairs in accordance with the IND AS
- 6 The Board recommended dividend of 6% (Rs.0.60/equity share), subject to approval of share holders in the Annual General Meeting
- 7 The above audited financial results were reviewed by the Audit committee and approved by the Board of Directors at their meeting held on 21st May 2018
- 8 Based on SEBI circular dated 5th June 2016, the Company has presented the results for the previous period under Ind-AS. Consequent to transition to Ind-AS, the reconciliation of Net Profit/(Loss) is given below in accordance with the requirements of paragraph 32 of Ind-AS 101, First Time Adoption of Ind-AS.

(a) The Reconciliation of Net Profit reported under previous GAAP for the quarter and financial Year ended 31st March 2017 are as under:

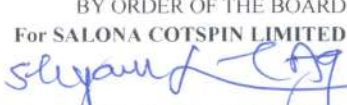
Description	(Rs. In Lakh)	
	Quarter ended 31st March 2017	Year ended 31st March 2017
Net Profit as per previous GAAP	41.11	334.28
Other Adjustments	0.00	0.00
Net Profit after tax as per Ind AS	41.11	334.28
Other Comprehensive Income (net of Tax)	0.40	0.40
Total Comprehensive Income	41.51	334.68

(b) The reconciliation between Total equity reported under previous GAAP and Ind AS for the financial year ended 31st March 2017 and 1st April 2016 are as under

Description	(Rs. In Lakh)	
	Equity as at 31st March 2017 (Audited)	Equity as at 1st April 2016 (Audited)
Equity as per Previous GAAP	2790.29	2456.41
Ind AS Adjustments		
Other Comprehensive Income (Net of Tax)	0.40	0.29
Total Equity under Ind AS	2790.69	2456.70

- 9 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 relevant rules there under and in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and SEBI Circular dated July 5, 2016.

Place : Coimbatore
Date : 21st May 2018

BY ORDER OF THE BOARD
For SALONA COTSPIN LIMITED

SHYAMLAL AGARWALA
MANAGING DIRECTOR
DIN 00003055