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18th November 2017

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

Subject: Submission of Explanation:-Reply to email dated 15.11.2017, Non-compliance as per Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015,

Ref: NSE/LIST/FR/2665

Dear Sir/Madam,

As per Regulation 33 of the SEBI (Listing Obligation and Disclosure Requirement) Regulation, 2015, we are forwarding herewith the Unaudited Financial Results along with Limited Review Report of Statutory Auditors for the Quarter ended 30.09.2017.

Kindly take the above on records.

Thanking You,
Yours Faithfully
For Salona Cotspin Limited


Sathya K.B
Company Secretary

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 UN-AUDITED FINANCIAL RESULTS FOR THE HALF YEAR AND THREE MONTHS ENDED 30TH SEPTEMBER 2017

(Rs.in lakhs)							
Sl No.	PARTICULARS	QUARTER ENDED			HALF YEAR ENDED		YEAR ENDED 31.03.2017 Audited
		30.09.2017	30.06.2017	30.09.2016	30.09.2017	30.09.2016	
		(Unaudited)			(Unaudited)		
I	Income from Operations :						
II	Revenue from Operations	2,159.83	2,404.28	2,154.24	4,564.11	5,076.86	11,993.09
	Other Income	-	-	28.33	-	72.68	160.02
	Total Income	2,159.83	2,404.28	2,182.57	4,564.11	5,149.54	12,153.11
III	Expenditure						
	a) Cost of Materials consumed	1,705.23	1,738.97	1,727.79	3,444.20	3,271.56	6,635.29
	b) Purchases of Stock in trade	172.64	184.16	425.05	356.80	1,099.68	2,413.36
	c) Changes in Inventories of Finished goods/WIP/Stock in Trade	(493.86)	(511.25)	(779.45)	(1,005.11)	(858.19)	(400.28)
	d) Employees benefit expenses	159.89	135.29	130.39	295.18	235.55	549.70
	e) Finance costs	87.10	67.77	50.42	154.87	102.56	230.68
	f) Depreciation and Amortisation expenses	93.83	93.83	91.89	187.66	183.78	363.22
	g) Other Expenditure	393.78	562.91	317.88	956.69	807.72	2,083.85
	g) Total expenditure	2,118.61	2,271.68	1,963.97	4,390.29	4,842.66	11,875.82
IV	Profit/(Loss) before exceptional items and Tax	41.22	132.60	218.60	173.82	306.88	277.29
V	Exceptional items	-	-	-	-	-	-
VI	Profit/(Loss) from ordinary activities before Tax (5-6)	41.22	132.60	218.60	173.82	306.88	277.29
VII	Tax expense						
	Current Tax	9.43	28.58	40.32	38.01	61.40	61.34
	Deferred Tax	-	-	-	-	-	(118.33)
VIII	Net Profit/(Loss) from ordinary activities after Tax(9-10)	31.79	104.02	178.28	135.81	245.48	334.28
IX	Other Comprehensive Income		(0.04)	-	-	-	-

X	Total Comprehensive Income for the period (Comprising Profit/(Loss) for the period (after Tax) and other Comprehensive Income (after Tax))	31.79	103.98	178.28	135.81	245.48	334.28
XI	Paid up Equity Share Capital (Face value Rs 10/- each)	526.24	526.24	526.24	526.24	526.24	526.24
XII	Earnings per Share						
	i) Basic	0.60	1.98	3.39	2.58	4.66	6.35
	ii) Diluted	0.60	1.98	3.39	2.58	4.66	6.35

PART II

SELECT INFORMATION FOR THE QUARTER AND THREE MONTHS ENDED 30TH SEPTEMBER 2017

SELECT INFORMATION FOR THE QUARTER AND THREE MONTHS ENDED 30TH SEPTEMBER 2017								
Sl No.	PARTICULARS	QUARTER ENDED			HALF YEAR ENDED		YEAR ENDED	
		30.09.2017	30.06.2017	30.09.2016	30.09.2017	30.09.2016		
		(Unaudited)						
A	PARTICULARS OF SHAREHOLDING							
1	Public shareholding	2191482	2194321	2279153	2191482	2279153		2235381
	- Number of shares	41.64%	41.70%	43.31%	41.64%	43.31%		42.48%
	- Percentage of shareholding							
2	Promoters and Promoter Group Shareholding							
	(a) Pledge/Encumbered	0	0	0	0	0		
	- Number of Shares	0	0	0	0	0		
	- Percentage of shares							
	promoter group)	0	0	0	0	0		
	- Percentage of shares							
	(as a % of the total share capital of the Company)							
	(b) Non-encumbered							
	- Number of Shares	3070918	3068079	2983247	3070918	2983247		3027019
	- Percentage of shares	100.00%	100.00%	100.00%	100.00%	100.00%		100.00%
	(as a % of the total shareholding of promoter and promoter group)							
	- Percentage of shares	58.36%	58.30%	56.69%	58.36%	56.69%		57.52%
	(as a % of the total share capital of the Company)							

	Particulars	FOR THE QUARTER ENDED 30.09.2017
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
STATEMENT OF ASSETS AND LIABILITIES

(Rs.in Lakh)

Particulars	As at 30.09.2017 (Unaudited)	As at 31.03.2017 (Audited)
ASSETS		
(1) Non -Current Assets		
(a) Property, Plant and Equipment	1510.05	1646.45
(b) Capital Work-in-progress	46.56	-
(c) Investment Property	-	-
(d) Intangible assets	6.42	6.08
(e) Financial Assets		
(i) Investments	30.00	30.00
(f) Other Non-Current Assets	173.18	191.54
Total Non-Current Assets	1766.21	1874.07
(2) Current Assets		
(a) Inventories	2910.66	2714.27
(b) Financial Assets		
(i) Trade Receivables	1725.96	2161.27
(ii) Cash & Cash equivalents	12.86	7.30
(iii) Other Bank Balances	13.39	13.39
(iv) Other Financial Assets	255.78	195.23
(c) Other Current Assets	260.60	111.89
Total Current Assets	5179.25	5203.35
TOTAL ASSETS	6945.46	7077.42

EQUITY AND LIABILITIES		
(1) Equity		
(a) Equity Share Capital	532.89	532.89
(b) Other Equity	2355.61	2257.80
Total Equity	2888.50	2790.69
(2) Non-Current Liabilities		
(a) Financial Liabilities		
(i) Borrowings	460.96	563.10
(b) Provisions	86.25	82.28
(c) Deferred Tax Liabilities (Net)	107.52	107.52
(d) Other Non Current Liabilities	-	-
Total Non-Current Liabilities	654.73	752.90
(3) Current Liabilities		
(a) Financial Liabilities		
(i) Borrowings	2637.07	2711.12
(ii) Trade Payables	294.11	394.01
(b) Other Current Liabilities	421.28	408.82
(c) Provisions	49.77	19.88
Total Current Liabilities	3402.23	3533.83
TOTAL EQUITY AND LIABILITIES	6945.46	7077.42

NOTES :

- 1 The above Unaudited Financial Results were reviewed by the Audit Committee of Directors and taken on record by the Board of Directors at their meeting held on 13th November 2017.
- 2 Statutory Auditors of the Company have carried out "Limited Review" of the above financial results for the Half year ended September 30, 2017.
- 3 The Company has only one business segment in operation. i.e. Textile Business. Hence segment wise reporting is not applicable.
- 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 Tax provision for deferred tax will be considered in the Annual Results.
- 7 Impact of IND AS on Employee Benefits will be considered in the Annual Results
- 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.

(Rs. In Lacs)	
Particulars	Quarter ended 30 th September 16
Net Profit under Indian GAAP	178.28
Add / Less : Adjustments	NIL
Net Profit under Ind-AS	178.28
Less : Gain on Fair Value of Investments	0.00
Total Comprehensive Income	178.28

- 9 The results for the half year ended September 30 2016 have been restated to comply with IND AS to make them comparable with the current period. Further previous period figures have been regrouped and reclassified wherever necessary.

Place : Coimbatore

Date : 13th November 2017

BY ORDER OF THE BOARD

For SALONA COTSPIN LIMITED

Shyam Lal Agarwala

SHYAMLAL AGARWALA

MANAGING DIRECTOR

DIN 00003055



GOPALAIYER AND SUBRAMANIAN

CHARTERED ACCOUNTANTS

Limited Review Report on the Unaudited Standalone Financial Results for the Half Year ended September 30, 2017 pursuant to the Regulation 33 of SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015

To

The Board of Directors
Salona Cotspin Limited
SF No.74/12&75/3, Sathy Main Road,
Pungampalli, Valipalayam (PO),
Sathy TK - 638 402.

1. We have reviewed the Unaudited Financial Results of Salona Cotspin Limited (the "Company") for the half year ended September 30, 2017 which are included in the accompanying 'Statement Unaudited [Financial Results for half year ended September 30, 2017' together with the relevant notes thereon (the "Statement"). The statement has been prepared by the Company pursuant to Regulation 33 of the SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015 (the "Listing Regulations, 2015") read with SEBI Circular dated July 5, 2016. The statement is the responsibility of the Company's management and has been approved by the Board of Directors. Further, the management is also responsible to ensure that the accounting policies used in preparation of this statement are consistent with those used in the preparation the Company's Unaudited Balance Sheet as at July 1, 2017 prepared in accordance with the Companies (Indian Accounting Standards) Rules, 2015 (Ind AS) prescribed under Section 133 of the Companies Act, 2013 and other recognized accounting practices and policies.
2. We conducted our review 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. The standard requires that we plan and perform the review to obtain moderate assurance as to whether the statement is free of material misstatement.
3. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provides less assurance than audit. We have not performed an audit accordingly, we do not express an audit opinion.
4. Based on our review conducted as above nothing has come to our attention that causes us to believe that the Statement has not been prepared in all material respects in accordance with Ind AS and other recognized accounting practices and policies, and has not disclosed the information required to be disclosed in terms of Regulation 33 of the Listing Regulations, 2015 read with SEBI Circular dated July 5, 2016 including the manner in which it is to be disclosed, or that it contains any material misstatement.
5. We draw attention to the following matters:
 - a. Note 2 to the Statement which states that the Company has adopted Ind AS for the financial year commencing from April 1, 2017, and accordingly, the Statement has been prepared by the Company's Management in compliance with Ind AS.
 - b. We were neither engaged to review, nor have we reviewed the comparative figures including the reconciliation to the Total Comprehensive Income for the half year ended on September 30, 2017 and accordingly, we do not express any conclusion on the results in the Statement for the half year ended September 30, 2017 As set out in Note 4 to the Statement these figures have been furnished by the Management.

Place : Coimbatore
Date : 13.11.2017

For GOPALAIYER AND SUBRAMANIAN
Chartered Accountants (FRN 000960S)

R. Mahadevan - M.No. 27497
Partner.