

11th November 2019

Bombay Stock Exchange Limited
Corporate Relations Department
1st Floor, New Trading Ring
Rotunda Building P J Towers, Dalal Street
Mumbai - 400 001

Dear Sir / Madam,

The meeting of the Board of Directors of the company was held at No.9, Ramalinga Nagar IV Cross, Saibaba Colony, Coimbatore-641 011, on Monday the 11th November 2019 at 04.30 P.M to consider and take on record the Unaudited Financial Results of the Company, subject to auditor's limited review, for the quarter ending 30th September 2019 and the meeting was concluded at 7:30 P.M

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 30.09.2019.

Kindly take on record of the same.

Thanking you,

Yours faithfully,
For SALONA COTSPIN LIMITED


MANAGING DIRECTOR

Encl: a/a

SPINNING YARN TO PERFECTION



The Board of Directors
Salona Cotspin Limited
SF No 74/12 & 75/3 Sathy Road,
Pungampalli Village,
Sathyamangalam – 638402.

1. We have reviewed the accompanying statement of Standalone Unaudited Financial Results of Salona Cotspin Limited ("the Company"), for the quarter and six months ended September 30, 2019 ("the Statement"), being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.
2. This Statement which is the responsibility of the Company's Management and approved by the Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34H), prescribed under section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the statement in accordance with the Standard on Review Engagement (SRE) 2410 'Review of Interim Financial Information performed by the independent Auditor of the Entity', issued by the Institute of Chartered Accountants of India (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 Standards on Auditing specified under Section 143(10) of the Companies Act, 2013 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.

Attention is drawn to Note 4 of the statement which stated that the statement of cash flows for the corresponding six months ended September 30, 2018, as reported in the accompanying statement have been approved by the Company's Board of Directors, but have not been subjected to review.

4. Based on our review conducted as stated in paragraph 3 above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in the aforesaid 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.

For Gopalaiyer and Subramanian
Chartered Accountants
FRN : 000960S

R. Mahadevan
Partner
M. No. 027497



UDIN : 19027497AAAA PH4344

Place : Coimbatore
Date : 11.11.2019

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 2019

(Rs.in lakhs)

SI No.	PARTICULARS	QUARTER ENDED			HALF YEAR ENDED		YEAR ENDED
		30.09.2019	30.06.2019	30.09.2018	30.09.2019	30.09.2018	
		(Unaudited)			(Unaudited)		
I	Income from Operations :						
	Revenue from Operations	2,909.92	3,022.95	3,771.89	5,932.87	7,681.72	13,287.01
II	Other Income	0.13	-	4.39	0.13	6.47	10.32
	Total Income	2,910.05	3,022.95	3,776.28	5,933.00	7,688.19	13,297.33
III	Expenditure						
	a) Cost of Materials consumed	1,477.31	1,748.95	1,581.32	3,226.26	3,016.62	6,396.25
	b) Purchases of Stock in trade	176.22	379.01	1,047.72	555.23	2,421.76	3,481.21
	c) Changes in Inventories of Finished goods/WIP/Stock in Trade	434.81	(13.17)	(31.27)	421.64	26.37	(568.75)
	d) Employees benefit expenses	172.10	175.04	168.82	347.14	325.45	663.43
	e) Finance costs	110.24	118.35	88.99	228.59	184.10	399.19
	f) Depreciation and Amortisation expenses	77.33	77.33	181.52	154.66	274.88	384.98
	g) Other Expenditure	445.16	436.02	612.42	881.18	1,191.57	2,310.91
	g) Total expenditure	2,893.17	2,921.53	3,649.52	5,814.70	7,440.75	13,067.22
IV	Profit/(Loss) before exceptional items and Tax	16.88	101.42	126.76	118.30	247.44	230.11
V	Exceptional items	-	-	-	-	-	-
VI	Profit/(Loss) from ordinary activities before Tax (5-6)	16.88	101.42	126.76	118.30	247.44	230.11
VII	Tax expense	3.47	20.88	24.60	24.35	52.50	51.41
	Current Tax	-	-	-	-	-	15.67
	Deferred Tax	-	-	-	-	-	-
VIII	Net Profit/(Loss) from ordinary activities after Tax(9-10)	13.41	80.54	102.16	93.95	194.94	163.03
IX	Other Comprehensive Income	-	-	0.41	-	(0.07)	4.60

X	Total Comprehensive Income for the period (Comprising Profit/(Loss) for the period (afterTax) and other Comprehensive Income (after Tax))	13.41	80.54	102.57	93.95	194.87	167.63
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	0.25	1.53	1.94	1.79	3.70	3.10
	ii) Diluted	0.25	1.53	1.94	1.79	3.70	3.10

PART II

SELECT INFORMATION FOR THE HALF YEAR AND THREE MONTHS ENDED 30TH SEPTEMBER 2019

Sl No.	PARTICULARS	QUARTER ENDED			HALF YEAR ENDED		YEAR ENDED
		30.09.2019	30.06.2019	30.09.2018	30.09.2019	30.09.2018	
		(Unaudited)					
A	PARTICULARS OF SHAREHOLDING						
1	Public shareholding	1987044	2006944	2030573	1987044	2030573	2006944
	- Number of shares	37.76%	38.14%	38.59%	37.76%	38.59%	38.14%
	- Percentage of shareholding						
2	Promoters and Promoter Group Shareholding						
	(a) Pledge/Encumbered						
	- Number of Shares	0	0	0	0	0	0
	- Percentage of shares promoter group)	0	0	0	0	0	0
	- Percentage of shares (as a % of the total share capital of the Company)						
	(b) Non-encumbered						
	- Number of Shares	3275356	3255456	3231827	3275356	3231827	3255456
	- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%
	- Percentage of shares (as a % of the total share capital of the Company)	62.24%	61.86%	61.41%	62.24%	61.41%	61.86%

	Particulars	FOR THE QUARTER ENDED 30.09.2019
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 30.09.2019 (Unaudited)	As at 31.03.2019 (Audited)
ASSETS		
(1) Non -Current Assets		
(a) Property, Plant and Equipment	2425.53	2561.78
(b) Capital Work-in-progress	59.52	59.52
(c) Investment Property	-	-
(d) Intangible assets	10.47	12.68
(e) Financial Assets		
(i) Investments	1.63	23.86
(f) Other Non-Current Assets	218.16	160.89
Total Non-Current Assets	2715.31	2818.73
(2) Current Assets		
(a) Inventories	2791.90	3710.98
(b) Financial Assets		
(i) Trade Receivables	1116.17	1820.31
(ii) Cash & Cash equivalents	10.81	7.66
(iii) Other Bank Balances	38.50	9.05
(iv) Other Financial Assets	170.83	155.37
(c) Other Current Assets	620.01	467.96
Total Current Assets	4748.22	6171.33
TOTAL ASSETS	7463.53	8990.06
EQUITY AND LIABILITIES		
(1) Equity		
(a) Equity Share Capital	532.89	532.89
(b) Other Equity	2686.80	2599.34
Total Equity	3219.69	3132.23
(2) Non-Current Liabilities		
(a) Financial Liabilities		
(i) Borrowings	768.28	867.53
(b) Provisions	64.09	56.99
(c) Deferred Tax Liabilities (Net)	80.04	80.04
(d) Other Non Current Liabilities	-	-
Total Non-Current Liabilities	912.41	1004.56
(3) Current Liabilities		
(a) Financial Liabilities		
(i) Borrowings	2579.36	3910.25
(ii) Trade Payables	287.69	396.23
(b) Other Current Liabilities	433.67	529.96
(c) Provisions	30.71	16.83
Total Current Liabilities	3331.43	4853.27
TOTAL EQUITY AND LIABILITIES	7463.53	8990.06

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 11th November 2019.
- 2 Statutory Auditors of the Company have carried out "Limited Review" of the above financial results for the Half year ended September 30, 2019.
- 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 In As 115, "Revenue from Contracts with Customers", mandatory for reporting periods beginning on or after 1 April 2018, replaces existing revenue recognition requirements. The Company has applied the modified retrospective approach, wherein there were no significant adjustments required to be made to the retained earnings as at 1 April 2018. Also the application of Ind AS 115 did not have any significant impact on recognition and measurement of revenue and related items in the financial results of the Company.
- 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 Previous period figures have been regrouped and reclassified wherever necessary.

Place : Coimbatore

Date : 11th November 2019

BY ORDER OF THE BOARD
For SALONA COTSPIN LIMITED


SHYAMLAL AGARWALA
MANAGING DIRECTOR
DIN 00003055.

SALONA COTSPIN LIMITED
UN-AUDITED CASH FLOW STATEMENT FOR THE PERIOD ENDED 30TH SEPTEMBER 2019

Particulars	30th September 2019	30th September 2018
	Rs.	Rs.
A Cash flow from operating activities:		
Net Profit before taxation and extra ordinary items	1,18,29,974	2,47,43,715
Adjustments for:		
Depreciation	1,54,66,320	2,74,88,054
Deferred Expenses written off		-
Profit on sale of fixed assets	-	5,41,280
Profit on sale of Investments	-	-
Interest and financial charges paid	2,28,58,556	1,84,09,557
Dividend Income	0	-
Interest receipts	-	(1,05,288)
Direct Taxes	(24,35,410)	(52,50,000)
Operating profit before working capital changes	4,77,19,440	6,58,27,318
Adjustments for working capital changes		
(Increase)/Decrease in Operating assets		
Inventories	9,19,07,516	15,13,25,607
Trade receivables	7,04,14,552	25,10,470
Loans and Advances - short term	(15,45,953)	(2,59,67,034)
Other Current Assets	(1,81,49,583)	(76,60,554)
Other non-current assets		-
Increase/(Decrease) in Operating liabilities		
Trade payables	(1,08,53,653)	(3,06,77,058)
Other Current Liabilities	(96,29,306)	75,35,613
Short term Provisions	13,87,817	43,41,387
Loans and Advances - long term	(57,27,238)	24,53,977
Long Term Provisions	7,10,400	7,10,400
Net cash flow from operating activities (A)	16,62,33,991	17,04,00,126
B Cash flow from investing activities:		
Purchase of Fixed Assets	(19,00,584)	(5,64,04,553)
Purchase of Investment	22,23,130	75,880
Sale of Fixed Assets	2,79,775	-
Sale of Investments		-
Advance for Capital Goods		-
Deferred Revenue Expenditure		-
Interest receipts	-	1,05,288
Dividend Income		-
Net cash from investing activities (B)	6,02,321	(5,62,23,385)
C Cash flow from financing activities:		
Proceeds from long term borrowings	(99,25,670)	4,41,38,326
Repayment of long term borrowings	-	-
Proceeds from short term borrowings	(13,30,88,454)	(12,49,44,687)
Repayment of short term borrowings		-
Increase/(Decrease) in Secured Loan		-
Increase/(Decrease) in long term borrowings	-	-
Increase/(Decrease) in Unsecured Loan		-
Increase/(Decrease) in short term borrowings	(13,30,88,454)	(12,49,44,687)
Interest and financial charges paid	(2,28,58,556)	(1,84,09,557)
Increase In share Capital		-
Dividend Paid	6,49,020	38,06,461
Net cash from financing activities	(16,65,21,700)	(10,30,22,378)
Net increase/(decrease) in cash and cash equivalents	3,14,612	1,11,54,363
Cash & cash equivalents at the beginning of the year	7,66,105	4,79,812
Cash & cash equivalents at the close of the year	10,80,717	1,16,34,175
Cash and Cash equivalents at the close of the year comprise of		
Cash on hand	7,63,104	4,73,437
Cash at bank in current accounts	3,17,612	1,11,60,738
	10,80,717	1,16,34,175
	0	-

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