

June 29, 2021

To,
Manager- Dept. of Corporate Services
BSE Ltd.
25th Floor, P.J. Towers, Dalal Street,
Mumbai - 400 001

Scrip Code: 542862

Sub: Outcome of Board Meeting held on 29/06/2021 pursuant to Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Dear Sir,

This is to inform you that the Board of Directors of the Company at their meeting held on Tuesday, the 29th June, 2021, inter alia, transacted the following business:

1. Considered and approved the Audited Financial Results for the quarter and year ended on 31st March, 2021.
2. Recommended dividend @ 2.5% (Rs.0.25/-) per equity share of Rs.10/- each, subject to approval of the members at the forthcoming Annual General Meeting.

Pursuant to Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we enclose the following:

1. Statement showing the Audited Financial Results for the quarter and financial year ended 31st March, 2021, along with Cash Flow Statement for the financial year ended March 31st March, 2021 and the Statement of Assets & Liabilities;
2. Auditors' Report on aforesaid Audited Financial Results; and
3. Declaration on the unmodified opinion on Audit Report.

The Meeting of the Board of Directors of the Company commenced at 11.45 a.m. and concluded at 4:10 p.m.

Please take the same on your record.

Thanking you.

Yours faithfully,

For, Shahlon Silk Industries Limited



Hitesh K. Garmora
Company Secretary

Enclosure: As above.

Auditor's Report on Quarterly Financial Results and Year to Date Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

To,
The Board of Directors,
SHABLON SILK INDUSTRIES LIMITED,
91, GIDC Khatodra, Behind Sub Jail,
Ring Road, Surat -395002,
Gujarat, India.

We have audited the quarterly financial results of **Shahlon Silk Industries Limited** for the quarter ended 31st March, 2021 and year to date results for the period 1st April, 2020 to 31st March, 2021, attached herewith, being submitted by the Company pursuant to the requirement of regulation 33 of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015.

These Quarterly financial results as well as the year to date financial results have been prepared on the basis of the interim financial statements, 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 such interim financial statements, which have been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standards 34 (Ind AS 34) for item Financial Reporting, prescribed, under section 133 of the Companies act, 2013 read with relevant rules issued thereunder; or by the Institute of Chartered Accountant of India (ICAI), as applicable and other accounting principles generally accepted in India.

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 whether the financial results are free of material misstatement(s). An audit also 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.

In our opinion and to the best of our information and according to the explanation given to us these quarterly financial results as well as the year to date results

- (i) are presented in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 in this regard; and
- (ii) give a true and fair view of the net profit and other financial information for the quarter ended 31st March, 2021 as well as the year to date results for the period from 1st April, 2020 to 31st March, 2021.



Place: Surat
Date : 29-06-2021

For Rasesh Shah & Associates
Chartered Accountants
ICAI FRN: 108671W.

Rasesh

Rasesh B. Shah
(Partner)
Membership No. 034217
UDIN: 21034217AAAAAV2050

SHAHLON SILK INDUSTRIES LTD.



Statement of Standalone Audited Financial Results for the Quarter and Year Ended 31st March 2021

| | | (₹ In lakhs) | | | | |
|-------------|---|------------------------------|-----------------|------------------|--------------------|------------------|
| Particulars | | For the quarter months ended | | | For the Year ended | |
| | | (dd-mm-yyyy) | | | (dd-mm-yyyy) | |
| A | Date of start of reporting period | 01.01.2021 | 01.10.2020 | 01.01.2020 | 01.04.2020 | 01-04-19 |
| B | Date of end of reporting period | 31.03.2021 | 31.12.2020 | 31.03.2020 | 31.03.2021 | 31-03-20 |
| C | Whether results are audited or unaudited | Refer Note 5 | Unaudited | Refer Note 5 | Audited | Audited |
| 1 | Revenue From Operations | | | | | |
| (a) | Revenue from operations | 10,668.05 | 5,773.26 | 11,437.20 | 21,441.69 | 38,214.68 |
| (b) | Other income | 13.98 | 12.31 | 6.26 | 44.70 | 37.11 |
| | Total Revenue | 10,682.03 | 5,785.57 | 11,443.47 | 21,486.39 | 38,251.80 |
| 2 | Expenses | | | | | |
| (a) | Cost of materials consumed | 4,360.41 | 3,708.03 | 4,960.48 | 10,949.96 | 16,233.11 |
| (b) | Purchases of stock-in-trade | 3,481.23 | 165.96 | 4,865.82 | 3,923.73 | 10,999.69 |
| (c) | Changes in inventories of finished goods, work-in-progress and stock-in-trade | (38.19) | (137.54) | (531.93) | (645.62) | (327.18) |
| (d) | Employee benefit expense | 740.68 | 708.15 | 706.16 | 2,130.53 | 3,281.88 |
| (e) | Finance costs | 389.38 | 456.85 | 458.88 | 1,754.27 | 1,822.00 |
| (f) | Depreciation and amortisation expense | 277.05 | 277.69 | 340.70 | 1,110.60 | 1,317.36 |
| (g) | Other Expenses | | | | | |
| i | Manufacturing Expenses | 839.31 | 733.10 | 876.17 | 2,325.03 | 3,798.05 |
| ii | Administrative & Other Expenses | 120.87 | 113.70 | 109.13 | 396.39 | 615.09 |
| iii | Selling & Distribution Expenses | 77.38 | 152.01 | 107.90 | 405.74 | 399.18 |
| | Total other expenses | 1,037.56 | 998.81 | 1,093.20 | 3,127.15 | 4,812.32 |
| | Total expenses | 10,248.12 | 6,177.96 | 11,893.32 | 22,350.61 | 38,139.19 |
| 3 | Profit before exceptional and extraordinary items and tax | 433.91 | (392.39) | (449.85) | (864.23) | 112.61 |
| 4 | Exceptional items | - | 1,084.71 | - | 1,360.23 | - |
| 5 | Profit before extraordinary items and tax | 433.91 | 692.33 | (449.85) | 496.00 | 112.61 |
| 6 | Extraordinary items | - | - | - | - | - |
| 7 | Profit before tax | 433.91 | 692.33 | (449.85) | 496.00 | 112.61 |
| 8 | Tax Expense | | | | | |
| | Current tax | 83.42 | 85.93 | (134.07) | 167.62 | 98.18 |
| | Deferred tax | 13.70 | 26.44 | 67.74 | (18.69) | (10.98) |
| | Total tax expenses | 97.12 | 112.37 | (66.33) | 148.93 | 87.20 |
| 9 | Net Profit Loss for the period | 336.79 | 579.96 | (383.53) | 347.07 | 25.41 |
| 10 | Other Comprehensive income/(Expense) for period | | | | | |
| | (i) Items that will not be reclassified to profit or loss | (111.25) | - | 115.84 | (111.25) | 115.84 |
| | (ii) Income tax relating to items that will not be reclassified to profit or loss | - | - | - | - | - |
| | Total Other Comprehensive Income for the year (Net of Tax) | (111.25) | - | 115.84 | (111.25) | 115.84 |
| 11 | Total Comprehensive Income for the period (9+10) | 225.54 | 579.96 | (267.68) | 235.82 | 141.25 |
| 12 | Details of equity share capital | | | | | |
| | Paid-up equity share capital | 1,786.05 | 1,786.05 | 1,786.05 | 1,786.05 | 1,786.05 |
| | Face value of equity share capital | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 |
| 13 | Other Equity (excluding Revaluation Reserves) | | | | 6,907.39 | 6,689.60 |
| 14 | Earnings per equity share | | | | | |
| | Basic earnings (loss) per share | 1.89 | 3.25 | (2.15) | 1.94 | 0.15 |
| | Diluted earnings (loss) per share | 1.89 | 3.25 | (2.15) | 1.94 | 0.15 |



FOR SHAHLON SILK INDUSTRIES LTD.

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DIRECTOR / AUTHORISED SIGNATORY

| Statement of Assets and Liability as at 31st March 2021 | | (₹ In lakhs) | |
|---|---|---------------------------------|----------------------------------|
| Particulars | | Current year ended (dd-mm-yyyy) | Previous year ended (dd-mm-yyyy) |
| Date of start of reporting period | | 01-04-20 | 01-04-19 |
| Date of end of reporting period | | 31-03-21 | 31-03-20 |
| Whether results are audited or unaudited | | Audited | Audited |
| Assets | | | |
| 1 | Non-current assets | | |
| | Property, plant and equipment | 9,741.86 | 11,089.08 |
| | Capital work-in-progress | 417.73 | 432.18 |
| | Intangible assets | 24.44 | 30.99 |
| | Investment property | - | - |
| | Goodwill | - | - |
| | Other intangible assets | - | - |
| | Intangible assets under development | 152.10 | 143.17 |
| | Non-current financial assets | | |
| | Non-current investments | 84.98 | 79.48 |
| | Loans, Non-current | - | - |
| | Other Non-current Financial assets | - | - |
| | Total non-current financial assets | 84.98 | 79.48 |
| | Deferred tax assets (net) | - | - |
| | Other non-current assets | 810.53 | 799.82 |
| | Total non-current assets | 11,231.63 | 12,574.72 |
| 2 | Current assets | | |
| | Inventories | 5,844.95 | 5,209.35 |
| | Current financial asset | | |
| | Current investments | - | - |
| | Trade receivables | 9,613.74 | 10,320.54 |
| | Cash and cash equivalents | 19.31 | 18.18 |
| | Bank balance other than cash and cash equivalents | 139.49 | 165.20 |
| | Loans, current | - | - |
| | Other current financial assets | - | - |
| | Total current financial assets | 9,772.53 | 10,503.92 |
| | Current tax assets (net) | - | - |
| | Other current assets | 808.51 | 926.17 |
| | Total current assets | 16,425.99 | 16,639.45 |
| 3 | Non-current assets classified as held for sale | - | - |
| 4 | Regulatory deferral account debit balances and related deferred tax Assets | - | - |
| | Total assets | 27,657.62 | 29,214.17 |
| Equity and liabilities | | | |
| 1 | Equity | | |
| | Equity Share capital | 1,786.05 | 1,786.05 |
| | Other equity | 7,418.33 | 7,227.16 |
| | Total equity | 9,204.38 | 9,013.21 |
| 2 | Liabilities | | |
| | Non-current liabilities | | |
| | Non-current financial liabilities | | |
| | Borrowings, non-current | 4,524.91 | 5,121.36 |
| | Trade payables, non-current | - | - |
| | Other non-current financial liabilities | - | - |
| | Total non-current financial liabilities | 4,524.91 | 5,121.36 |
| | Provisions, non-current | - | - |
| | Deferred tax liabilities (net) | 138.80 | 157.49 |
| | Deferred government grants, Non-current | - | - |
| | Other non-current liabilities | 191.07 | 197.66 |
| | Total non-current liabilities | 4,854.78 | 5,476.51 |
| | Current liabilities | | |
| | Current financial liabilities | | |
| | Borrowings, current | 9,336.19 | 9,437.41 |
| | Trade Payables | 2,235.93 | 4,039.66 |
| | Other current financial liabilities | 1,875.75 | 1,274.53 |
| | Total current financial liabilities | 13,447.87 | 14,751.60 |
| | Other current liabilities | - | - |
| | Provisions, current | - | - |
| | Current tax liabilities (Net) | 150.60 | (27.15) |
| | Deferred government grants, Current | - | - |
| | Total current liabilities | 13,598.47 | 14,724.45 |
| 3 | Liabilities directly associated with assets in disposal group classified as held for sale | - | - |
| 4 | Regulatory deferral account credit balances and related deferred tax liability | - | - |
| | Total liabilities | 18,453.25 | 20,200.96 |
| | Total equity and liabilities | 27,657.62 | 29,214.17 |

NOTES

- The above financial results have been reviewed by the Audit Committee and approved by the Board of Directors at its meeting held on 29th June, 2021.
- The financial results have been 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 to the extent applicable.
- Exceptional items include Profit on Land and Building under compulsory acquisition by Government of India for Vadodara - Mumbai Express Highway of Rs. 1360.23 lakhs.
- The operations and financial results of the company for the quarter and Year ended 31st March, 2021 were adversely impacted on account of the lock down imposed by the Government of India due to the Covid-19 Pandemic. Accordingly, the results for the current periods are not comparable to the previous corresponding period results.
The Company has taken into account the possible impact of COVID-19 in preparation of the financial results, including its assessment of going concern assumption and the recoverability of the carrying value of the assets, if any.
- The figures for the quarter ended March 31, 2021 and March 31, 2020 are the balancing figures between audited figures in respect of the full financial year and the unaudited published year-to-date figures upto the third quarter ended December 31, 2020 and December 31, 2019 respectively
- The Company is engaged in the business of "Textiles" and therefore has only one reportable segment in accordance with Ind AS 108 'Operating Segments'.
- Previous years' figures have been regrouped / rearranged wherever considered necessary.

For Raresh Shah & Associates



For Shahlon Silk Industries Ltd.
By Order of the Board

[Signature]
Director

Date : 29.06.2021
Place: SURAT

[Signature]
Partner

CHARTERED ACCOUNTANTS
MEMBERSHIP NO. 034217

UDIN: 21034217AAAAAV2050



SHAHLON SILK INDUSTRIES LTD.

| CASH FLOW STATEMENT ANNEXED TO THE BALANCE SHEET FOR THE YEAR ENDED 31st March, 2021 | 2020-21 Audited (₹ in lakhs) | 2019-20 Audited (₹ in lakhs) |
|---|------------------------------------|------------------------------------|
| (A) Cash Flow from Operating Activities : | | |
| Net profit before Tax and Extraordinary Items | (975.48) | 228.45 |
| <u>Adjusted For :</u> | | |
| Depreciation | 1,110.60 | 1,317.36 |
| Interest Paid | 1,754.27 | 1,822.00 |
| Proportionate Capital Subsidy on Plant Machinery | (6.59) | (6.59) |
| Extra ordinary item ((Profit) /loss on sale of assets) | (9.98) | (12.23) |
| Operating Profit before Working Capital Charges | 1,872.82 | 3,348.99 |
| <u>Adjusted For :</u> | | |
| Trade and other receivables | 824.47 | 1,264.03 |
| Inventories | (635.60) | 124.59 |
| Trade payables & Provisions | (1,559.81) | (123.36) |
| Cash Generated From Operations | 501.87 | 4,614.24 |
| Interest Paid on operations | (1,263.47) | (1,438.24) |
| Cash flow before Extraordinary items | (761.59) | 3,176.00 |
| Short Provision for taxation (Earlier Year) | 1.73 | - |
| Current tax | (169.35) | (98.18) |
| Net Cash from Operating Activities | (929.21) | 3,077.82 |
| (B) Cash Flow from Investing Activities | | |
| Purchase of Fixed Assets | (260.22) | (872.90) |
| Sales of Fixed Assets | 1,885.08 | 56.71 |
| (Purchase) / Sales of Investments | (2.53) | (9.12) |
| Long Term Advances | 32.24 | 302.30 |
| Net Cash used in Investing Activities | 1,654.57 | (523.01) |
| (C) Cash Flow from Financing Activities | | |
| Repayment of Finance / Lease / Loan (Net) | (61.40) | (1,632.14) |
| Short Term Loan | (101.22) | (343.65) |
| Interest Paid on Term Loan | (490.80) | (383.76) |
| Dividend Paid including Dividend Distribution Tax | (44.65) | (107.48) |
| Net Cash used in Financial Activities | (698.07) | (2,467.04) |
| NET INCREASE IN CASH & CASH EQUIVALENTS (A)+(B)+(C) | 27.29 | 87.78 |
| Opening Cash and Cash Equivalents | 213.01 | 125.23 |
| Closing Cash and Cash Equivalents | 240.29 | 213.01 |



FOR AND ON BEHALF OF THE BOARD
SHAHLON SILK INDUSTRIES LTD.



(Signature)

DIRECTOR

29th June, 2021

To,
The Manager
Dept. of Corporate Services
Bombay Stock Exchange Ltd.
25th Floor, P.J. Towers,
Dalal Street,
Mumbai – 400001

Sub.: Declaration under Regulation 33(3)(d) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Dear Sir,

In Compliance to Regulation 33(3)(d) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, amended vide SEBI circular No. CIR/CFD/CMD/56/2016 dated May 27, 2016, we hereby declare that, M/s Rasesh Shah & Associates, Chartered Accountants (Firm Reg. No. : 108671W), Surat, Statutory Auditors of the Company, have issued an Audit Report with unmodified opinion on Audited financial Results of the Company for the quarter and year ended 31st March, 2021.

Kindly find the same in order and take the same on your record.

Thanking you.

For, SHAHLON SILK INDUSTRIES LIMITED



ARVIND RAICHAND SHAH

Managing Director

DIN: 00010483