

May 26, 2023

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 26/05/2023 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 Friday, the 26th May, 2023, inter alia, transacted the following business:

1. Considered and approved the Audited Financial Results for the quarter and year ended on 31st March, 2023.
2. Recommended dividend @ 3.00% amounting Rs.0.06/- per equity share of face value of Rs.2/- each for the Financial Year 2022-2023, 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 submit the following:

1. Statement showing the Audited Financial Results for the quarter and financial year ended 31st March, 2023, along with Cash Flow Statement for the financial year ended March 31st March, 2023 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 2:45 p.m.

Please take the same on your record.

Thanking you.

Yours faithfully,

For, Shahlon Silk Industries Limited

Hitesh K. Garmora
Company Secretary

INDEPENDENT AUDITOR'S REPORT

TO THE BOARD OF DIRECTORS OF SHAHLON SILK INDUSTRIES LIMITED,

Report on the Audit of the Annual Financial Results

Opinion:

We have audited the accompanying financial results of **SHAHLON SILK INDUSTRIES LIMITED** ("the Company"), for the year ended **31st March, 2023**, attached herewith, being submitted by the Company pursuant to the requirement of Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("Listing Regulations").

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

- a. are presented in accordance with the requirements of Regulation 33 of the Listing Regulations in this regard; and
- b. 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 31st March, 2023.

Basis for Opinion:

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 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 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 obtained by us, is sufficient and appropriate to provide a basis for our opinion on the annual financial results.

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

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

In preparing the annual financial results, 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 is responsible for overseeing the Company's financial reporting process.

Auditor's Responsibility for the Audit of the Financial Statements:

Our objectives are to obtain reasonable assurance about whether the annual financial results as a whole are 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 these annual financial results.

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 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 financial statements on whether the company has adequate internal financial controls with reference to 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 made by the management.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures in the 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 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 Financial Statements, including the disclosures, and whether the Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

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.

Other Matter:

- a. The annual financial results include the results for the quarter ended 31st March, 2023 being the balancing figure 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 subject to limited review by us.



Place: Surat
Date: 26-05-2023

For, Rasesh Shah & Associates
Chartered Accountants
Firm Reg. No.: 0108671W

RCSH

Rasesh B. Shah
(Partner)
Membership No.: 034217
UDIN: 23034217B9QKKY1592

SHAHLON SILK INDUSTRIES LTD.



Statement of Standalone Audited Financial Results for the Quarter and Year Ended 31ST March 2023

(₹ In lakhs)

Particulars		For the quarter months ended (dd-mm-yyyy)			For the Year ended (dd-mm-yyyy)	
A	Date of start of reporting period	01-01-2023	01-10-2022	01-01-2022	01-04-2022	01-04-2021
B	Date of end of reporting period	31-03-2023	31-12-2022	31-03-2022	31-03-2023	31-03-2022
C	Whether results are audited or unaudited	Audited	Unaudited	Audited	Audited	
1	Revenue From Operations					
(a)	Revenue From Operations	12,285.57	5,389.41	9,506.02	30,862.17	31,304.43
(b)	Other Income	12.09	7.49	6.97	34.60	33.78
	Total Revenue	12,297.66	5,396.90	9,513.00	30,896.76	31,338.21
2	Expenses					
(a)	Cost of materials consumed	2,065.10	2,473.78	3,539.00	11,481.99	13,081.48
(b)	Purchases of stock-in-trade	7,023.31	936.16	3,001.07	10,138.87	9,610.23
(c)	Changes in inventories of finished goods, work-in-progress and stock-in-trade	963.21	(286.51)	160.98	138.55	(978.18)
(d)	Employee benefit expense	768.74	644.23	768.06	3,069.01	3,074.72
(e)	Finance costs	322.78	370.91	350.97	1,420.28	1,430.61
(f)	Depreciation and amortisation expense	226.54	229.30	247.06	905.38	982.40
(g)	Other Expenses					
i	Manufacturing Expenses	721.47	701.27	824.79	2,984.12	2,866.26
ii	Administrative & Other Expenses	86.64	130.01	117.76	339.35	289.37
iii	Selling & Distribution Expenses	76.94	138.28	67.28	516.62	405.76
	Total other expenses	885.05	969.56	1,009.84	3,840.10	3,561.38
	Total expenses	12,254.73	5,337.44	9,076.98	30,994.17	30,762.63
3	Profit before exceptional items and tax	42.93	59.46	436.02	(97.41)	575.58
4	Exceptional items	33.00	-	-	612.78	-
5	Profit before tax	75.93	59.46	436.02	515.37	575.58
6	Tax Expense					
	Current tax	10.69	(9.09)	125.80	170.29	258.65
	Deferred tax	31.72	(33.87)	99.45	(32.69)	(0.81)
	Total tax expenses	42.41	(42.96)	225.25	137.60	257.84
7	Net Profit Loss for the period	33.53	102.42	210.77	377.77	317.73
8	Other Comprehensive income/(Expense) for period					
	(i) Items that will not be reclassified to profit or loss					
	Actuarial (loss)/gain on defined benefit obligation	54.23	-	31.67	54.23	31.67
	Total Other Comprehensive Income for the year (Net of Tax)	54.23	-	31.67	54.23	31.67
9	Total Comprehensive Income for the period (9+10)	87.76	102.42	242.44	432.00	349.40
10	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	2.00	2.00	2.00	2.00	2.00
11	Other Equity (excluding Revaluation Reserves)				7,635.23	7,235.79
12	Earnings per equity share					
	Basic earnings (loss) per share	0.04	0.11	0.24	0.42	0.36
	Diluted earnings (loss) per share	0.04	0.11	0.24	0.42	0.36



FOR SHAHLON SILK INDUSTRIES LTD.


 DIRECTOR / AUTHORISED SIGNATORY

Statement of Assets and Liability as at 31st March 2023		(₹ In lakhs)	
Particulars		Current year ended (dd-mm-yyyy)	Previous year ended (dd-mm-yyyy)
Date of start of reporting period		01-04-2022	01-04-2021
Date of end of reporting period		31-03-2023	31-03-2022
Whether results are audited or unaudited		Audited	
Assets			
1	Non-current assets		
	Property, plant and equipment	8,402.09	9,109.02
	Capital work-in-progress	31.84	160.10
	Intangible assets	14.40	18.85
	Investment property	-	-
	Goodwill	-	-
	Other intangible assets	-	-
	Intangible assets under development	-	-
	Non-current financial assets		
	Non-current investments	83.08	84.98
	Loans, Non-current	-	-
	Other Non-current Financial assets	202.71	249.16
	Total non-current financial assets	285.78	334.14
	Deferred tax assets (net)	-	-
	Other non-current assets	765.76	840.59
	Total non-current assets	9,499.88	10,462.70
2	Current assets		
	Inventories	6,457.15	7,033.05
	Current financial asset		
	Current investments	-	-
	Trade receivables	11,861.91	9,514.85
	Cash and cash equivalents	11.32	23.94
	Bank balance other than cash and cash equivalents	83.77	151.69
	Loans, current	-	-
	Other current financial assets	-	-
	Total current financial assets	11,957.00	9,690.48
	Current tax assets (net)	-	-
	Other current assets	700.23	640.50
	Total current assets	19,114.38	17,364.03
3	Non-current assets classified as held for sale	-	-
4	Regulatory deferral account debit balances and related deferred tax Assets	-	-
	Total assets	28,614.25	27,826.73
Equity and liabilities			
1	Equity		
	Equity Share capital	1,786.05	1,786.05
	Other equity	8,101.49	7,723.08
	Total equity	9,887.54	9,509.13
2	Liabilities		
	Non-current liabilities		
	Non-current financial liabilities		
	Borrowings, non-current	4,162.43	6,083.37
	Trade payables, non-current	-	-
	Other non-current financial liabilities	-	-
	Total non-current financial liabilities	4,162.43	6,083.37
	Provisions, non-current	-	-
	Deferred tax liabilities (net)	105.30	137.99
	Deferred government grants, Non-current	-	-
	Other non-current liabilities	177.88	184.47
	Total non-current liabilities	4,445.62	6,405.84
	Current liabilities		
	Current financial liabilities		
	Borrowings, current	7,376.24	7,163.86
	Trade Payables	4,706.18	2,679.06
	Other current financial liabilities	2,088.97	1,910.61
	Total current financial liabilities	14,171.39	11,753.53
	Other current liabilities	-	-
	Provisions, current	-	-
	Current tax liabilities (Net)	109.70	158.24
	Deferred government grants, Current	-	-
	Total current liabilities	14,281.09	11,911.77
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	18,726.71	18,317.61
	Total equity and liabilities	28,614.25	27,826.73

NOTES

- The above financial results have been reviewed by the Audit Committee and approved by the Board of Directors at its meeting held on 26th May 2023.
- 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.
- The Company is engaged in the business of "Textiles" and therefore has only one reportable segment in accordance with Ind AS 108 'Operating Segments'.
- Exceptional items include Profit on Land and Building already acquired by the Government of India for Vadodara-Mumbai Express Highway in the financial year 2020-21. The Company has received a balance sum of Rs. 579.77 lakh from National Highway Authorities of India towards revised compensation during the first quarter of current financial year 2022-23.
- The figures for the quarter ended March 31, 2023 and March 31, 2022 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, 2022 and December 31, 2021 respectively.
- Previous years' figures have been regrouped / rearranged wherever considered necessary.



Date: 26/05/2023
Place: SURAT

Rakesh
Partners
CHARTERED ACCOUNTANTS
MEMBERSHIP NO. 034217

For Shahlon Silk Industries Ltd.
By Order of the Board

Shahlon
Director


UDIN # 23034217BGQKky1592

SHAHLON SILK INDUSTRIES LTD.

CASH FLOW STATEMENT ANNEXED TO THE FINANCIAL RESULTS FOR THE YEAR ENDED 31ST March, 2023	2022-23 Audited (₹ in lakhs)	2021-22 Audited (₹ in lakhs)
(A) Cash Flow from Operating Activities :		
Net profit before Tax and Extraordinary Items	(43.18)	607.24
<u>Adjusted For :</u>		
Depreciation	905.38	982.40
Interest Paid	1,420.28	1,430.61
Proportionate Capital Subsidy on Plant Machinery	(6.59)	(6.59)
Extra ordinary item ((Profit) /loss on sale of assets)	(23.16)	(34.04)
Operating Profit before Working Capital Charges	2,252.74	2,979.62
<u>Adjusted For :</u>		
Trade and other receivables	(2,406.79)	266.89
Inventories	575.90	(1,188.09)
Trade payables & Provisions	1,984.17	442.25
Cash Generated From Operations	2,406.02	2,500.67
Interest Paid on operations	(1,025.55)	(1,147.93)
Cash flow before Extraordinary items	1,380.47	1,352.74
Short Provision for taxation (Earlier Year)	-	(49.28)
Current tax	(170.29)	(209.37)
Net Cash from Operating Activities	1,210.18	1,094.09
(B) Cash Flow from Investing Activities		
Purchase of Fixed Assets	(235.51)	(142.01)
Sales of Fixed Assets	805.69	89.71
(Purchase) / Sales of Investments	1.90	-
Long Term Advances	97.84	(94.94)
Net Cash used in Investing Activities	669.92	(147.23)
(C) Cash Flow from Financing Activities		
Repayment of Finance / Lease / Loan (Net)	(1,748.17)	1,601.84
Short Term Loan	212.38	(2,172.33)
Interest Paid on Term Loan	(394.73)	(282.67)
Dividend Paid	(53.58)	(44.65)
Net Cash used in Financial Activities	(1,984.10)	(897.82)
NET INCREASE IN CASH & CASH EQUIVALENTS (A)+(B)+(C)	(103.99)	49.03
Opening Cash and Cash Equivalents	289.32	240.29
Closing Cash and Cash Equivalents	185.33	289.32



FOR SHAHLON SILK INDUSTRIES LTD.


 DIRECTOR / AUTHORISED SIGNATORY

May 26, 2023

To,
The Manager
Dept. of Corporate Services
BSE 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, 2023.

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