***Admn. Office :*** 8-2-334/18, 3rd Floor,
Road No. 3, Banjara Hills,
Hyderabad-500 034.
Tel : 23545939, 23543580 Fax : 23544909
CIN No. : L25209TG1984PLC005048

SALGUTI Industries Ltd.
Adding Value

To,
**BSE Limited**
Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai- 400 001

Date: 30-06-2021

Dear Sir/Madam,

Sub: Submission of Audited Financial Results and Audit Report of the Company u/r 33 of SEBI (LODR) Regulations, 2015 for the 4th Quarter & Year ended 31st March, 2021.

Pursuant to Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, The Board of Directors of the Company in their meeting held on Wednesday, the 30th of June, 2021, inter-alia, have discussed and approved Audited Financials Results and Audit Report of the Company for the 4th Quarter & Year ended 31st March, 2021.

The Board Meeting of the Company commenced at 11:00 A.M and concluded at 4: 30 P.M.

Request you to take the same on your records.

Yours Faithfully,
For **SALGUTI INDUSTRIES LIMITED**

**RAJITHA REDDY SALGUTI**
(DIN: 00051603)
Whole-Time Director

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SALGUTI Industries Ltd.
Adding Value

Date: 30-06-2021

To,
BSE Limited
Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai- 400001

Sub: Declaration under Regulation 33 (3) (d) of the SEBI (LODR) Regulations, 2015 and SEBI Circular No. CIR/CFD/CMD /56/2016 dated 27th May, 2016.

I, Mrs. Rajitha Reddy Salguti, (DIN: 00051603), Whole-Time Director of the Company, hereby declare that the Statutory Auditors of the Company M/s. P C N & Associates., Chartered Accountants (Firm Reg No.016016S) have issued unmodified opinion on financial results of the company for the 4th quarter and financial year ended on 31st March, 2021. The Declaration is issued in compliance with Regulation 33 (3) (d) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and SEBI Circular No. CIR/CFD/CMD /56/2016 dated 27th May, 2016.

This is for you are your information and necessary Records.

Thanking you,

Yours Faithfully,
For **SALGUTI INDUSTRIES LIMITED**

**Rajitha Reddy Salguti**
(DIN: 00051603)
Whole-Time Director

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SALGUTI Industries Ltd.
Adding Value

## STATEMENT OF STANDALONE AUDITED BALANCE SHEET

| PARTICULARS | As at 31 Mar 2021 | As at 31 Mar 2020 |
|---|---|---|
| **ASSETS** | | |
| **Non - Current Assets** | | |
| Property, Plant, Equipment | 859.70 | 926.88 |
| Loans & Advances | 305.90 | 297.07 |
| Other Non Current Assets | 27.76 | 22.02 |
| Deferred Tax Asset | - | - |
| **Current Assets** | | |
| Inventories | 2,450.60 | 1,865.40 |
| Trade receivables | 1,628.05 | 2,416.67 |
| Cash and cash equivalents | 5.67 | 15.83 |
| Current Tax Assets (Net) | 118.71 | 62.73 |
| Other current assets | 716.16 | 655.50 |
| **TOTAL** | **6,112.54** | **6,262.09** |
| **EQUITY AND LIABILITIES** | | |
| Equity share capital | 753.67 | 753.67 |
| Other equity | 163.03 | 151.28 |
| **Non- Current liabilities** | | |
| **Financial liabilities** | | |
| (i) Borrowings | 1,980.46 | 1,968.26 |
| (ii) Other Financial Liabilities | - | |
| Deferred tax liabiliies (Net) | 66.76 | 63.30 |
| **Current liabilities** | | |
| **Financial liabilities** | | |
| (i) Borrowings | 1,505.35 | 1,754.03 |
| (ii) Trade Payables | 1,189.86 | 1,487.48 |
| (iii) Other Financial Liabilities | 373.47 | - |
| Other Current Liabilities | 76.800 | 82.67 |
| Provisions | 0.78 | 1.40 |
| Current Tax Liabilities (net) | 2.37 | - |
| **TOTAL** | **6,112.54** | **6,262.09** |

**Place: Hyderabad**
**Date: 30.06.2021**

**FOR SALGUTI INDUSTRIES LIMITED**

**RAJITHA REDDY**

***Admn. Office :*** 8-2-334/18, 3rd Floor,
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Hyderabad-500 034.
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SALGUTI Industries Ltd.
Adding Value

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

| Sl. No. | Particulars | 3 Months Ended | | | 12 Months Ended | |
|---|---|---|---|---|---|---|
| | | 31.03.2021 | 31.12.2020 | 31.03.2020 | 31.03.2021 | 31.03.2020 |
| | | Audited | Un Audited | Audited | Audited | |
| 1 | **Income from Operations** | | | | | |
| | (a) Net Income from Operations | 2,017.504 | 2135.89 | 1,779.292 | 7,959.164 | 8,097.722 |
| | (b) Other operating income | 23.996 | - | 20.985 | 29.526 | 26.085 |
| | Total Income (A + B) | 2,041.500 | 2,135.89 | 1,800.278 | 7,988.690 | 8,123.808 |
| 2 | **Expenses:** | | | | | |
| | (a) Cost of Sales/Services | 1,645.18 | 1,971.40 | 998.55 | 6,440.97 | 6,118.09 |
| | (b) Increase/(Decrease) in Stock-in-Trade/Work in Progress | (35.85) | (437.37) | 22.78 | (425.49) | (69.68) |
| | (c) Employee benefits expense | 134.74 | 185.61 | 173.54 | 590.36 | 599.32 |
| | (d) Other Expenses | 177.26 | 262.09 | 412.31 | 781.74 | 848.45 |
| | (e) Depreciation and amortisation expense | 50.51 | 44.69 | 50.38 | 184.59 | 178.20 |
| | (f) Finance Costs | 100.34 | 94.02 | 127.56 | 401.32 | 437.23 |
| | Total Expenditure | 2,072.18 | 2,120.44 | 1,785.13 | 7,973.49 | 8,111.62 |
| 3 | **Profit / (Loss) from operations before other income & Exceptional Items (1-2)** | (30.68) | 15.45 | 15.15 | 15.20 | 12.19 |
| 4 | Exceptional Items | - | - | - | - | - |
| 5 | **Profit / (Loss)from ordinary activities after Exceptional Items and before tax (3-4)** | (30.68) | 15.45 | 15.15 | 15.20 | 12.19 |
| 6 | Tax Expense | 23.65 | (8.05) | 60.57 | | 67.57 |
| | Current Tax | 2.37 | | 1.90 | 2.37 | 1.90 |
| | MAT credit entitlement | (2.37) | | (1.90) | (2.37) | (1.90) |
| | Deferred tax | 27.11 | (8.05) | 60.57 | 3.46 | 67.57 |
| 7 | **Net Profit / (Loss) from ordinary activities after tax (5 ± 6)** | (57.79) | 23.50 | (45.42) | 11.74 | (55.38) |
| 8 | **Discontinued Operations** | - | - | - | | - |
| | Profit from discontinued operations before tax | | | | | |
| | Tax expense of discontinued operations | | | | | |
| 9 | Other Comprehensive Income (net of tax ) | - | - | - | | - |
| 10 | **Total Comprehensive Income (after tax) (7 ± 8)** | (57.79) | 23.50 | (45.42) | 11.74 | (55.38) |
| 11 | **Earnings Per Share** | | | | | |
| | (a) Basic | (0.77) | 0.03 | (0.60) | 0.16 | (0.73) |
| | (b) Diluted | (0.77) | 0.03 | (0.60) | 0.16 | (0.73) |

**NOTES:**

1. This statement has been reviewed by the Audit Committee and approved by the Board of Directors in their respective meeting held on 30th June, 2021.
2. This statement has 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 recognised accounting practices and policies to the extent applicable.
3. The format for audited quarterly results as prescribed in SEBI's circular CIR/CFD/CMD/15/2015 dated November 2015 has been modified to comply with requirements of SEBI's circular dated July 5, 2016 Ind AS and Schedule III to the companies Act, 2013 applicable to companies that are required to comply with Ind AS. The inapplicable items in the format of the above results have not been disclosed.
4. The Previous year figures have been regrouped wherever necessary.

**Place: Hyderabad.**
**Date: 30th June, 2021.**

FOR SALGUTI INDUSTRIES LIMITED

RAJITHA REDDY
WHOLE TIME DIRECTOR

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SALGUTI Industries Ltd.
Adding Value

**SALGUTI INDUSTRIES LIMITED**
**CIN:-L25209TG1984PLC005048**
**Statement of Cash flow for the period ended 31st Mar 2021**

| Particulars | For the year ended 2021 (in Lakhs) | 2020(in Lakhs) |
|---|---|---|
| **A. Cash flow from operating activities** | | |
| **Profit / (Loss) before tax** | 15.20 | 12.19 |
| **Adjustments to reconcile profit before tax to net cash from / (used in) operating activities.** | | |
| Depreciation on property, plant and equipment | 184.59 | 178.20 |
| (Gain)/loss on sale of property, plant and equipment | - | - |
| Excess Loss | - | - |
| Interest income | (27.93) | (24.66) |
| Unamortised Expenses Written Off | - | - |
| Finance costs (including fair value change in financial instruments) | 401.32 | 437.23 |
| Share of profit of an associate or a joint venture | | |
| **Operating Profit before working capital changes** | **573.19** | **602.96** |
| **Working capital adjustments** | | |
| Decrease/ (increase) in Trade and Other Advances | | |
| Decrease/ (increase) in Inventory | (585.20) | (144.24) |
| Increase/ (decrease) in Trade Payables | (297.62) | 437.58 |
| (Increase) / decrease in Trade Receivables | 788.62 | (308.72) |
| Increase/ (decrease) in Short Term Loans and Advances | | |
| Decrease/ (increase) in Balances with Revenue Authorities | | |
| Decrease/ (increase) in Current assets | (60.66) | (28.19) |
| Decrease/ (increase) in other Non-Current assets | (5.74) | 0.0 |
| Decrease/ (increase) in Current Tax Assets | (55.99) | (31.44) |
| (Decrease)/ increase in Current Tax liabilities | 2.37 | - |
| Decrease/ (increase) in Short Term Provisions | (0.63) | 0.60 |
| Increase/ (decrease) Other Current Liabilities | 367.60 | (137.40) |
| Increase/ (decrease) in Short term borrowings | (248.68) | (48.08) |
| Sub Total | 477.26 | 343.08 |
| Income tax paid | - | - |
| **Net cash flows from operating activities (A)** | 477.26 | 343.08 |
| **B. Cash flow from Investing activities** | | |
| Payment for purchase and construction of property, plant and equipm | (117.41) | (73.35) |
| Proceeds from sale of property, plant and equipment | | |
| Proceeds from sale of financial instruments | | - |
| Interest received | 27.93 | 24.66 |
| Refund/ (Investment) in bank deposits for more than 3 months | | - |
| Loans given | (8.82) | (14.70) |
| Repayment of loans given | | - |
| **Net cash flows from / (used in) investing activities (B)** | -98.31 | (63.39) |
| C. Cash flow from financing activities | | |
| Proceeds from issue of share capital | | |
| Proceeds from long term loans and borrowings | 12.20 | 168.70 |
| Interest payment | (401.32) | (437.23) |
| **Net Cash flows from / (used in) Financing activities (C)** | (389.12) | (268.53) |
| **Net increase / (decrease) in cash and cash equivalents (A+B+C)** | (10.16) | 11.16 |
| Opening Balance of Cash | 15.83 | 4.67 |
| Closing Balance | 5.67 | 15.83 |
| **Components of Cash and Cash Equivalents** | | |
| Cash on Hand | 3.83 | 14.62 |
| Balances with bank in current account | 1.84 | 1.21 |
| **Balance at the end of the year** | 5.67 | 15.83 |

**Place: Hyderabad**

**Date: 30.06.2021**

**FOR SALGUTI INDUSTRIES LIMITED**

**RAJITHA REDDY SALGUTI**

**P C N & ASSOCIATES**
CHARTERED ACCOUNTANTS
Plot No. 12, "N Heights"
Ground Floor, Software Layout Unit
Cyberabad, Hyderabad - 500 081.

Tel. : (91-40) 2311 9499
E-mail : pcnassociates@yahoo.com

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

**TO**
**THE BOARD OF DIRECTORS**
**M/s. SALGUTI INDUSTRIES LIMITED**

**Report on the audit of the Annual Financial Results**

**Opinion:**

We have audited the accompanying quarterly financial results of M/s. **SALGUTI INDUSTRIES LIMITED** for the quarter ended 31st March, 2021 and the year to date results for the period from 01-04-2020 to 31-03-2021, attached herewith, being submitted by the company pursuant to the requirement of Regulation 33 of the SEBI (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 these financial results:

i. are presented in accordance with the requirements of Regulation 33 of the Listing Regulations in this regard; and

ii. give a true and fair view in conformity with the recognition and measurement principles laid down in the applicable accounting standards and other accounting principles generally accepted in India of the net profit and other comprehensive income and other financial information for the quarter ended 31st March, 2021 as well as the year to date results for the period from 01-04-2020 to 31-03-2021.

**Basis for Opinion:**

We conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the 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 results under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe

P C N & ASSOCIATES Hyderabad FRN:016016S Chartered Accountants

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that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**Management's Responsibilities for the Financial Results**

These quarterly financial results as well as the year to date financial results have been prepared on the basis of the interim financial statements. The Company's Board of Directors are responsible for the preparation of these financial results that give a true and fair view of the net profit and other comprehensive income and other financial information in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34, 'Interim Financial Reporting' prescribed under Section 133 of the Act read with relevant rules issued thereunder 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 design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial results that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial results, 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 are also responsible for overseeing the Company's financial reporting process.

**Auditor's Responsibilities for the Audit of the Financial Results**

Our objectives are to obtain reasonable assurance about whether the 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 financial results.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

P C N & ASSOCIATES Hyderabad FRN: 016018S Chartered Accountants

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- Identify and assess the risks of material misstatement of the 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, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.
- Conclude on the appropriateness of the 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 Company's ability to continue as a going concern. 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 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 results, including the disclosures, and whether the financial results 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.

**For P C N & Associates,**
**Chartered Accountants,**
**Firm's Registration No: 016016S**




**K Gopala Krishna**
**Partner**
**M Number: 203605**
**UDIN: 21203605AAAAGS1401**

**Place: Hyderabad**
**Date: 30-06-2021**