



Our Ref.

MOHANDAS & ASSOCIATES

CHARTERED ACCOUNTANTS

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INDEPENDENT AUDITORS' REPORT ON AUDIT OF ANNUAL STANDALONE FINANCIAL RESULTS AND REVIEW OF QUARTERLY FINANCIAL RESULTS

**TO THE BOARD OF DIRECTORS OF
SALEM ERODE INVESTMENTS LIMITED**

Opinion

We have (a) audited the Standalone Financial Results for the year ended March 31, 2021 and (b) reviewed the Standalone Financial Results for the quarter ended March 31, 2021 (refer 'Other Matters' section below), which were subject to limited review by us, both included in the accompanying "Statement of Standalone Financial Results for the Quarter and Year Ended March 31, 2021" of Salem Erode Investments Limited (the "Company"), being submitted by the Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("the Listing Regulations").

(a) Opinion on Annual Standalone Financial Results

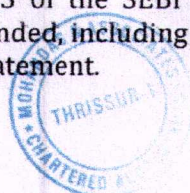
In our opinion and to the best of our information and according to the explanations given to us, the Standalone Financial Results for the year ended March 31, 2021:

- I. is presented in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended; and
- II. gives a true and fair view in conformity with the recognition and measurement principles laid down in the Indian Accounting Standards and other accounting principles generally accepted in India of the net profit and total comprehensive income and other financial information of the Company for the year then ended.

(b) Conclusion on Unaudited Standalone Financial Results for the quarter ended March 31, 2021

With respect to the Standalone Financial Results for the quarter ended March 31, 2021, based on our review conducted as stated in paragraph (b) of Auditor's Responsibilities section below, nothing has come to our attention that causes us to believe that the Standalone Financial Results for the quarter ended March 31, 2021, prepared in accordance with the recognition and measurement principles laid down in the 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.

[Signature]



Basis for Opinion on the Audited Standalone Financial Results for the year ended March 31, 2021

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 Standards are further described in paragraph (a) of Auditor's Responsibilities section below. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (the "ICAI") together with the ethical requirements that are relevant to our audit of the Standalone Financial Results for the year ended March 31, 2021 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 ICAI's Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion.

Emphasis of Matter

We draw attention to Note 5 to the standalone financial results, which describe the potential continuing impact of the COVID-19 Pandemic on the Company's standalone financial results and particularly the impairment provisions are dependent on future developments, which are highly uncertain.

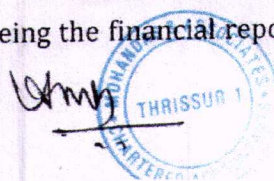
Our opinion/conclusion is not modified in respect of this matter.

Management's Responsibilities for the Statement

This Statement which includes the Standalone Financial Results is the responsibility of the Company's Board of Directors and has been approved by them for the issuance. The Standalone Financial Results for the year ended March 31, 2021 has been compiled from the related audited standalone financial statements. This responsibility includes the preparation and presentation of the Standalone Financial Results for the quarter and year ended March 31, 2021 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 the Indian Accounting Standards 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 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 the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Standalone Financial Results that give a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the Standalone 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 financial reporting process of the Company.



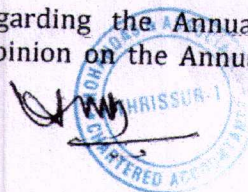
Auditor's Responsibilities

(a) Audit of the Standalone Financial Results for the year ended March 31, 2021

Our objectives are to obtain reasonable assurance about whether the Standalone Financial Results for the year ended March 31, 2021 as a whole is 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 this Standalone Financial Results.

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

- Identify and assess the risks of material misstatement of the Annual Standalone 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 made by the Board of Directors.
- Evaluate the appropriateness and reasonableness of disclosures made by the Board of Directors in terms of the requirements specified under Regulation 33 of Listing Regulations.
- 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 ability of the Company 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 Statement 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 Annual Standalone Financial Results, including the disclosures, and whether the Annual Standalone Financial Results represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the Annual Standalone Financial Results of the Company to express an opinion on the Annual Standalone Financial Results.



Materiality is the magnitude of misstatements in the Annual Standalone Financial Results that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Annual Standalone Financial Results may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the Annual Standalone Financial Results.

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.

(b) Review of the Standalone Financial Results for the quarter ended March 31, 2021

We conducted our review of the Standalone Financial Results for the quarter ended March 31, 2021 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 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 SAs specified under section 143(10) of the Act 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.

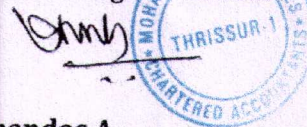
Other Matter

The Statement includes the results for the Quarter ended March 31, 2021 being the balancing figure between audited figures in respect of the full financial year and the published year to date figures up to the third quarter of the current financial year which were subject to limited review by us. Our opinion/conclusion is not modified in respect of this matter.

For Mohandas & Associates

Chartered Accountants

ICAI Firm Reg No: 02116S



Mohandas A

[Partner]

Membership No.036726

UDIN: 21036726AAAAPG969

Place: Thrissur

Date: 30-06-2020

SALEM ERODE INVESTMENTS LIMITED

CIN:L31200WB1931PLC007116

Reg. Office:14, Motilal Nehru Road, Kolkata, West Bengal- 700029

Corp Office : V.K.K Building, Main Road, Irinjalakuda, Thrissur (Dist.), Kerala - 680121

Phone: 00 91 (0480) 2828071

EMAIL: salemrodeinvestmentsltd@gmail.com / cs@salemrode.com

Website : www.salemrode.com

STATEMENT OF STANDALONE FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED 31ST MARCH, 2021

(in Lacs)

Sl. No.	Particulars	Quarter Ended			Year Ended	
		31.03.2021	31.12.2020	31.03.2020	31.03.2021	31.03.2020
		Refer Note.4	Unaudited	Refer Note.4	Audited	Audited
1	Income					
	a Revenue from Operations	31.69	70.06	29.78	222.46	120.87
	b Other Income	0.31	0.10	0.30	0.44	0.31
	Total Income	32.00	70.16	30.08	222.90	121.18
2	Expenses:					
	a Finance Costs	0.55	0.21	-	0.91	-
	b Net loss on fair value changes	(27.95)	-	17.97	(27.95)	17.97
	c Employee benefits expense	8.51	3.21	9.66	12.94	23.34
	d Depreciation & amortisation expenses	4.00	1.03	-	5.77	-
	e Administrative and other expenses	32.28	7.64	1.88	47.87	82.94
	Total Expenses	17.4	12.1	29.52	39.5	124.26
	Profit before Loan Loss Provisions, Bad Debts written off, Exceptional Items and Tax (1-2)	14.61	58.07	0.56	183.36	(3.08)
4	Loan loss provisions and bad debt written off	(10.58)	0.03	2.04	(7.43)	2.04
5	Profit before Exceptional Items and Tax (3-4)	25.20	58.04	(1.48)	190.79	(5.12)
6	Exceptional Items	-	-	-	-	-
7	Profit before tax (5-6)	25.20	58.04	(1.48)	190.79	(5.12)
8	Tax Expenses:					
	a Current Tax	8.42	10.76	2.34	44.64	2.34
	b Deferred Tax	(16.80)	7.94	(3.35)	7.53	4.55
	c Earlier years adjustments	1.42	-	-	1.42	-
	Total tax expenses	(6.95)	18.70	(1.01)	53.60	6.88
9	Profit after tax (7-8)	32.15	39.34	(0.47)	137.19	(12.00)
10	Other Comprehensive Income (net of tax)					
	A (i) Items that will not be reclassified to Statement of Profit & Loss	-	-	-	-	-
	(ii) Income tax relating to items that will not be reclassified to Statement of Profit & Loss	-	-	-	-	-
	B (i) Items that will be reclassified to Statement of Profit & Loss	-	-	-	-	-
	(ii) Income tax relating to items that will be reclassified to Statement of Profit & Loss	-	-	-	-	-
	Total Other Comprehensive Income for the period (net of tax)	-	-	-	-	-
11	Total Comprehensive Income for the period (9+10)	32.15	39.34	(0.47)	137.19	(12.00)
12	Paid up Equity Share Capital (Face Value per share Rs.1/-)	114.66	114.66	114.66	114.66	114.66
13	Earnings Per equity share of Rs.1/- each					
	Basic and Diluted (not annualised in Rs.)	0.28	0.34	(0.00)	1.20	(0.10)

For and on behalf of the board of directors of
Salem Erode Investments LimitedPlace of Signature : Irinjalakuda
Date:30-06-2021

K G Anilkumar
 [Managing Director]
 (DIN:00766739)

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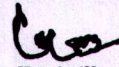
EMAIL: salemrodeinvestmentsltd@gmail.com / cs@salemrode.com

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STATEMENT OF ASSETS AND LIABILITIES

(' in Lacs)

	Particulars	As at 31-March-2021	As at 31-March-2020
		Audited	Audited
	ASSETS		
(1)	Financial Assets		
(a)	Cash and Cash Equivalents	3.18	1.27
(b)	Bank Balance other than above	0.46	0.46
(c)	Loans	2,181.66	2,085.96
(d)	Investments	80.15	52.20
(e)	Other Financial Assets	23.31	-
(2)	Non-Financial Assets		
(a)	Current Tax Assets	-	-
(b)	Deferred Tax Assets (Net)	204.04	213.00
(c)	Property, Plant and Equipment	36.68	-
(d)	Right-of-Use Asset	25.27	-
(e)	Other Intangible Assets	4.75	-
(f)	Other Non-Financial Assets	171.02	167.98
	TOTAL ASSETS	2,730.52	2,520.87
	LIABILITIES AND EQUITY		
	LIABILITIES		
(1)	Financial Liabilities		
(a)	Payables		
	(I) Trade Payables		
	(i) Total outstanding dues of micro enterprises and small enterprises	0.18	-
	(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises	5.76	-
(b)	Lease Liability	22.95	-
(c)	Other Financial Liabilities	3.79	1.48
(2)	Non-Financial Liabilities		
(a)	Provisions	169.56	128.60
(b)	Other Non-Financial Liabilities	0.32	0.02
(3)	Equity		
(a)	Equity Share Capital	114.66	114.66
(b)	Other Equity	2,413.30	2,276.11
	TOTAL LIABILITIES AND EQUITY	2,730.52	2,520.87

For and on behalf of the board of directors of
Salem Erode Investments LimitedPlace of Signature : Irinjalakuda
Date:30-06-2021

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 (DIN:00766739)

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STATEMENT OF CASH FLOW

(' in Lacs)

	Year ended 31.03.2021	Year ended 31.03.2020
A. Cash Flow from Operating Activities		
Profit Before Tax	190.79	(5.12)
Adjustments for :		
Net unrealised fair value (gain) / loss	(27.95)	17.97
Finance cost	0.91	-
Dividend Income	(5.56)	-
Depreciation, Amortisation and Impairment Expense	5.77	-
Lease payments	5.05	-
Net gain on derecognition of financial instruments under amortised cost category	-	-
Operating profit before working capital changes	169.01	12.85
Changes in Working Capital		
Decrease / (increase) in non-financial asset	(3.04)	-
(Increase) / Decrease in Trade Receivables and Others assets	(23.31)	(81.72)
(Increase) / Decrease in Loans Assets	(95.71)	(2,085.96)
(Increase) / Decrease in Lease Liability	22.95	-
Increase / (Decrease) in Trade Payables and Others Liabilities	8.54	(3.58)
Increase / (Decrease) in Other Bank Balances	-	2,025.00
Cash Generated / (used) in operations	78.45	(133.41)
Direct Taxes Paid (net of refund)	(3.68)	103.69
Net Cash (Used in) / Generated from Operating Activities	74.77	(29.72)
B. Cash Flow from Investing Activities		
Purchase of Property, Plant and Equipment, and Intangible Assets	(42.75)	-
Proceeds from Sale of Property, Plant and Equipment	-	-
(Increase) / Decrease in Investments (Other than Subsidiaries)	-	0.77
Dividend Income	5.56	-
Net Cash (Used in) / Generated from Investing Activities	(37.19)	0.77
C. Cash Flow from Financing Activities		
Proceeds from issuance of Debt securities (including subordinated debt securities) (net)	-	-
Increase / (Decrease) in Working Capital facilities (net)	-	-
Finance cost	(0.91)	-
Lease payments	(5.05)	-
Increase / (Decrease) in Other Borrowings (net)	-	-
Increase / (Decrease) in Right of use asset	(29.71)	-
Dividend Paid (including Corporate Dividend Tax)	-	(0.42)
Corporate Dividend Tax Paid	-	-
Net Cash (Used in) / Generated from Financing Activities	(35.67)	(0.42)
Net Increase / (Decrease) in Cash and Cash Equivalents	1.91	(29.37)
Cash & Cash Equivalents at the beginning of the period	1.27	30.64
Cash and Cash Equivalents at the end of the period	3.18	1.27

For and on behalf of the board of directors of
Salem Erode Investments Limited

K G Anilkumar
[Managing Director]
(DIN:00766739)

Place of Signature : Irinjalakuda
Date:30-06-2021

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Notes:

- 1) The Financial results for the quarter ended 31st March, 2021 have been reviewed by the members of the audit committee and approved by the Board of directors at their respective meeting held on Wednesday, 30th June, 2021.
- 2) In compliance with Regulation 33 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Statutory Auditors of the Company have audited the financial results for the year ended March 31, 2021 and have issued an unmodified audit opinion thereon.
- 3) These financial results have been prepared in accordance with Indian Accounting Standards(Ind-AS) as prepared under section 133 of Companies Act 2013 read with Rule 3 of the Companies Act (Indian Accounting Standards) Rules 2015 and relevant amendment thereafter.
- 4) The statement includes the results for the quarters ended March 31, 2021 and March 31, 2020 being the balancing figure of the audited figures in respect of full financial year and the published year to date figures up to the third quarter of the respective financial years, the results which were subjected to "Limited Review".
- 5) The COVID-19 pandemic has been rapidly spreading throughout the world, including India. Governments around the world have been taking significant measures to curb the spread of the virus including imposing mandatory lockdowns and restriction in activities.
Management believes that it has taken into account the possible impacts of known events arising from COVID-19 pandemic in the preparation of the financial results including but not limited to its assessment of Company's liquidity and going concern and various estimates in relation to the financial results captions up to the date of adoption of Statement by the Board of Directors.
- 6) The business of the Company falls within a single primary segment viz., financing, and hence, the disclosure requirement of Ind AS 108 - 'Operating Segments' is not applicable.
- 7) Figures pertaining to the previous period have been rearranged / regrouped, wherever considered necessary, to make them comparable with those of the current period.

**For and on behalf of the board of directors of
Salem Erode Investments Limited**




K.G. Anilkumar
[Managing Director]
(DIN:00766739)

Place of Signature : Irinjalakuda

Date:30-06-2021