



Our Ref.

MOHANDAS & ASSOCIATES

CHARTERED ACCOUNTANTS

IIIrd Floor, "Sree Residency"

Press Club Road, Thrissur - 1.

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INDEPENDENT AUDITORS' REVIEW REPORT ON REVIEW OF INTERIM STANDALONE FINANCIAL RESULTS

TO

THE BOARD OF DIRECTORS OF SALEM ERODE INVESTMENTSLIMITED

1. We have reviewed the accompanying Statement of Unaudited Standalone Financial Results of **SALEM ERODE INVESTMENTS LIMITED** (the "Company"), for the quarter and nine months ended December 31, 2021 (the "Statement"), being submitted by the Company pursuant to the requirement of Regulation 33 and Regulation 52 read with Regulation 63(2) 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 Company's 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 34"), 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 Engagements (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.
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.



5. We draw attention to Note No.4 to the Statement which states that, as per the assessment of the management, there is no significant impact of the COVID-19 pandemic on the operations and financial position of the company.

Our conclusion on the Statement 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: 22036726ACBTCB5810

Place: Thrissur
Date: 14th February 2022

SALEM ERODE INVESTMENTS LIMITED

CIN:L31200TN1931PLC145816

Reg. Office : Door No.61/A8 (38/A8), VJP Parijatham Apartments, 1st Avenue

Ashok Nagar, Chennai, Chennai, Tamil Nadu, India, 600083

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

Phone: 00 91 (0480) 2828071

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Website : www.salemerode.com

STATEMENT OF UNAUDITED STANDALONE FINANCIAL RESULTS FOR THE QUARTER AND NINE MONTHS ENDED 31ST DECEMBER, 2021

(₹ in Lacs)

| Sl. No. | Particulars | Quarter Ended | | | Nine Months Ended | | Year Ended |
|---------|---|---------------|---------------|---------------|-------------------|---------------|---------------|
| | | 31.12.21 | 30.09.21 | 31.12.20 | 31.12.21 | 31.12.20 | 31.03.21 |
| | | Unaudited | Unaudited | Unaudited | Unaudited | Unaudited | Audited |
| 1 | Income | | | | | | |
| a | Revenue from Operations | 62.48 | 74.92 | 70.06 | 208.91 | 190.77 | 250.47 |
| b | Other Income | 0.47 | 0.20 | 0.10 | 1.21 | 0.13 | 0.38 |
| | Total Income | 62.95 | 75.12 | 70.16 | 210.12 | 190.90 | 250.85 |
| 2 | Expenses: | | | | | | |
| a | Finance Costs | 1.03 | 0.47 | 0.21 | 1.99 | 0.37 | 0.91 |
| b | Impairment on financial instruments(net) | 0.40 | 0.14 | 0.03 | 0.55 | 3.15 | (7.43) |
| c | Employee benefits expense | 12.79 | 13.36 | 3.21 | 34.00 | 4.42 | 12.94 |
| d | Depreciation & amortisation expenses | 9.09 | 6.00 | 1.03 | 20.65 | 1.77 | 5.77 |
| e | Administrative and other expenses | 9.57 | 12.58 | 7.64 | 37.34 | 15.59 | 47.87 |
| | Total Expenses | 32.88 | 32.56 | 12.12 | 94.53 | 25.30 | 60.05 |
| 3 | Profit before Exceptional Items and Tax (1-2) | 30.06 | 42.56 | 58.04 | 115.60 | 165.60 | 190.79 |
| 4 | Exceptional Items | - | - | - | - | - | - |
| 5 | Profit before tax (3-4) | 30.06 | 42.56 | 58.04 | 115.60 | 165.60 | 190.79 |
| 6 | Tax Expenses: | | | | | | |
| a | Current Tax | 10.99 | 9.19 | 10.76 | 30.05 | 36.22 | 44.64 |
| b | Deferred Tax | (0.14) | 1.83 | 4.36 | 5.57 | 20.76 | 7.53 |
| c | (Excess)/Short provision of Previous Years | - | - | - | - | - | 1.42 |
| | Total tax expenses | 10.85 | 11.02 | 15.12 | 35.62 | 56.98 | 53.60 |
| 7 | Profit after tax (5-6) | 19.21 | 31.54 | 42.91 | 79.98 | 108.62 | 137.19 |
| | Other Comprehensive Income (net of tax) | | | | | | |
| A | (i) Items that will not be reclassified to Statement of Profit & Loss | | | | | | |
| | -Remeasurement Gains/ (Losses) on Defined Benefit Plan | (0.04) | (0.17) | - | 0.05 | - | - |
| | (ii) Income tax relating to items that will not be reclassified to Statement of Profit & Loss | 0.01 | 0.04 | - | (0.01) | - | - |
| B | (i) Items that will be reclassified to Statement of Profit & Loss | | | | | | |
| | -Gains/ (Losses) on Equity Instruments through Other Comprehensive Income | - | - | - | - | - | - |
| | (ii) Income tax relating to items that will be reclassified to Statement of Profit & Loss | - | - | - | - | - | - |
| 8 | Total Other Comprehensive Income for the period (net of tax) | (0.03) | (0.12) | - | 0.03 | - | - |
| 9 | Total Comprehensive Income for the period (7+8) | 19.18 | 31.41 | 42.91 | 80.01 | 108.62 | 137.19 |
| 10 | Paid up Equity Share Capital (Face Value per share Rs.1/-) | 114.66 | 114.66 | 114.66 | 114.66 | 114.66 | 114.66 |
| 11 | Earnings Per equity share of Rs.1/- each | | | | | | |
| | Basic and Diluted (not annualised in Rs.) | 0.17 | 0.28 | 0.37 | 0.70 | 0.95 | 1.20 |

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:14-02-2022

SALEM ERODE INVESTMENTS LIMITED

CIN:L31200TN1931PLC145816

Reg. Office : Door No.61/A8 (38/A8), VJP Parijatham Apartments, 1st Avenue

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Phone: 00 91 (0480) 2828071

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

Website : www.salemrode.com

STATEMENT OF ASSETS AND LIABILITIES

(₹ in Lacs)

| | Particulars | As at 31-December-2021 | As at 31-March-2021 |
|-----|---|------------------------|---------------------|
| | | Unaudited | Audited |
| | ASSETS | | |
| (1) | Financial Assets | | |
| (a) | Cash and Cash Equivalents | 512.13 | 3.18 |
| (b) | Bank Balance other than above | - | 0.46 |
| (c) | Loans | 2,012.64 | 2,181.66 |
| (d) | Investments | 93.78 | 80.15 |
| (e) | Other Financial Assets | 43.35 | 23.31 |
| (2) | Non-Financial Assets | | |
| (a) | Deferred Tax Assets (Net) | 198.45 | 204.04 |
| (b) | Property, Plant and Equipment | 42.72 | 36.68 |
| (c) | Right-of-Use Asset | 52.58 | 25.27 |
| (d) | Other Intangible Assets | 4.15 | 4.75 |
| (e) | Other Non-Financial Assets | 169.78 | 171.02 |
| | TOTAL ASSETS | 3,129.59 | 2,730.52 |
| | 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 | 6.07 | 5.76 |
| (c) | Debt Securities | 293.00 | - |
| (d) | Borrowings (Other than Debt Securities) | | |
| (b) | Lease Liability | 48.53 | 22.95 |
| (c) | Other Financial Liabilities | 6.30 | 3.79 |
| (2) | Non-Financial Liabilities | | |
| (a) | Provisions | 167.18 | 169.56 |
| (b) | Other Non-Financial Liabilities | 0.54 | 0.32 |
| (3) | Equity | | |
| (a) | Equity Share Capital | 114.66 | 114.66 |
| (b) | Other Equity | 2,493.31 | 2,413.30 |
| | TOTAL LIABILITIES AND EQUITY | 3,129.59 | 2,730.52 |

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:14-02-2022



SALEM ERODE INVESTMENTS LIMITED

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Notes:

- 1) The unaudited standalone financial results for the quarter and nine months ended 31st December, 2021 have been reviewed by the members of the Audit Committee and approved by the Board of Directors at their respective meeting held on Monday, 14th February, 2022.
- 2) In compliance with Regulation 33 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, a limited review of unaudited financial results for the quarter ended December 31, 2021 has been carried out by the statutory auditors and have issued unqualified review conclusion thereon.
- 3) These financial results have been prepared in accordance with Indian Accounting Standards (Ind-AS) as prescribed 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 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.
- 5) The Code of Social Security, 2020 (the "code") has been enacted. The date of coming into force of the various provisions of the Code is to be notified and the rules thereunder are yet to be announced. The potential impact of the change will be estimated and accounted in the period of notification.
- 6) Details of resolution plan implemented under the resolution framework for Covid-19 related stress as per RBI circular dated August 6, 2020 are given below:

| Type of borrower | (A) Number of accounts where resolution plan has been implemented under this window | (B) exposure to accounts mentioned at (A) before implementation of the plan | (C) Of (B), aggregate amount of debt that was converted in to other securities | (D) Additional funding sanctioned, if any, including between invocation of the plan and implementation | (E) Increase in provisions on account of the implementation of the resolution plan |
|-------------------|--|---|---|--|--|
| Personal Loans | Nil | Nil | Nil | Nil | Nil |
| Corporate Persons | Nil | Nil | Nil | Nil | Nil |
| Of which MSMEs | Nil | Nil | Nil | Nil | Nil |
| Others | Nil | Nil | Nil | Nil | Nil |
| Total | Nil | Nil | Nil | Nil | Nil |

- 7) The disclosures as required under RBI Notification No. RBI/2020-21/17DOR.NO.BP.BC/4/21.04.048/2020-21 dated August 6, 2020 (for restructuring of advances of Micro Small and Medium Enterprises (MSME) Sector having exposure less than or equal to 25 crores), for the half year ended September 30, 2021 are as follows:

| No of accounts restructured | Amount |
|-----------------------------|--------|
| Nil | Nil |

- 8) 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.
- 9) The figures for the quarter ended December 31, 2021 and quarter ended December 31, 2020 are the balancing figures between unaudited figures in respect of the nine months ended December 31, 2021 and December 30, 2020 and the sum of unaudited figures in two quarters of financial year 2021 and financial year 2020 respectively.
- 10) Information as required by Regulation 52(4) of SEBI (Listing Obligations & Disclosure Requirement) regulation 2015 as amended, is attached in Annexure 1.
- 11) 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:14-02-2022

ANNEXURE 1

Disclosure in compliance with Regulation 52(4) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the Quarter and Nine months ended December 31,2021.

(₹ in Lacs)

| SI NO. | Particulars | Note No. | Quarter Ended | Nine months Ended |
|--------|--|----------|---------------|-------------------|
| | | | 31.12.2021 | 31.12.2021 |
| A | Debt-Equity Ratio | 2 | 0.11 | 0.11 |
| B | Debt-Service Coverage Ratio | | NA | NA |
| C | Interest Service Coverage Ratio | | NA | NA |
| D | Capital Redemption Reserve | | NIL | NIL |
| E | Debenture Redemption Reserve | | NIL | NIL |
| F | Net Worth(Rs. in Lacks) | 3 | 2,387.14 | 2,387.14 |
| G | Net Profit After Tax | | 19.21 | 79.98 |
| H | Earning Per Share | | | |
| i) | Basic (Rs) | | 0.17 | 0.70 |
| ii) | Diluted (Rs) | | 0.17 | 0.70 |
| I | Current Ratio | | NA | NA |
| J | Long term Debt to Working Capital | | NA | NA |
| K | Bad Debts to Account Receivable Ratio | | NA | NA |
| L | Current Liability Ratio | | NA | NA |
| M | Total Debts to Total Assets | 4 | 9.36% | 9.36% |
| N | Debtors Turnover | | NA | NA |
| O | Inventory Turnover | | NA | NA |
| P | Operating Margin(%) | | NA | NA |
| Q | Net Profit Margin(%) | 5 | 30.52% | 38.06% |
| R | Sector Specific Equivalent Ratios: | | | |
| i) | Stage 3 Loan Assets to Gross Loan Assets | 6 | 0.05% | 0.05% |
| ii) | Net Stage 3 Loan Assets to Gross Loan Assets | 7 | 0.04% | 0.04% |
| iii) | Capital Adequacy Ratio | 8 | 49.68% | 49.68% |
| iv) | Provision Coverage Ratio | 9 | 10% | 10% |

Notes:

- The figures/ ratios which are not applicable to the Company, being an NBFC, are marked as "NA".
- Debt Equity Ratio=(Debt Securities+Borrowings(Other than debt securities)+Subordinated Liabilities)/(Equity Share Capital+Other Equity).
- Net Worth is calculated as defined in Sec2(57) of the Companies Act, 2013.
- Total Debts To Total Assets=(Debt Securities+Borrowings(Other than debt securities)+Subordinated Liabilities)/Total Assets.
- Net Profit Margin(%)=Net Profit After Tax/Total Income.
- Stage 3 Loan Assets to Gross Loan Assets=Stage 3 Loan Assets/Gross Loan Assets(Based on Principal amount of Loan Assets).
- Net Stage 3 Loan Assets to Gross Loan Assets=(Stage 3 Loan Assets-Expected Credit Loss provision for Stage 3 Loan Assets)/Gross Loan Assets (Based on Principal Amount of Loan Assets).
- Capital Adequacy Ratio has been computed as per RBI Guidelines.
- Provision Coverage Ratio=Expected Credit Loss provision for Stage 3 Loan Assets/Stage 3 Loan Assets.

Thank you,

For Salem Erode Investments Limited

K G Anilkumar
(Managing Director)

