



# Kandagiri Spinning Mills Ltd.

Ref.: KSML/CS/018/2022-23

Date: 05.08.2022

Bombay Stock Exchange Limited  
Floor 25, P.J.Towers,  
Dalal Street,  
Mumbai 400 001

Dear Sir,

**Sub.: Enclosure of Unaudited Financial Results (Consolidated and Standalone) of the Company for the first quarter ended 30.06.2022 along with Independent Auditor's Limited Review Report**

Pursuant to regulation 33 of SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015 we herewith enclosed Unaudited Financial Results (Consolidated and Standalone) for the first quarter ended 30.06.2022 [which have duly reviewed by the Audit Committee and duly approved by the Board of Directors at their meeting held on today 05.08.2022], along with Independent Auditor's Limited Review Report.

Please take the same for your records

Thanking you,

Yours faithfully,

**For Kandagiri Spinning Mills Limited**

  
**J. Asifa**  
**Company Secretary**

Encl.: As above



**CIN : L17111TZ1976PLC000762**

Regd. Off: Mill Premises, Udayapatti (P.O), P.B.No.3, Salem - 636 140. Phone : Mill 0427-2244400  
Fax:0427-2244422; Grams: SUPERSPINE; e-mail: sales@kandagirimills.com; Web.: www.kandagirimills.com



**GSTIN: 33AABCK2694Q1Z1**

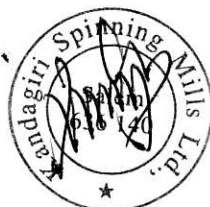
**KANDAGIRI SPINNING MILLS LIMITED (CIN : L17111TZ1976PLC000762)**

Regd. Office : Mill Premises, Udayapatti (P.O.), Salem 636 140

e-mail : sales@kandagirimills.com; website : www.kandagirimills.com

**STATEMENT OF CONSOLIDATED UNAUDITED FINANCIAL RESULTS FOR THE PERIOD ENDED JUNE 30, 2022**

S.No.	Particulars	Three months ended			Rs. lakhs
		30.06.2022	31.03.2022	30.06.2021	Year ended
		Unaudited	Unaudited	Unaudited	Audited
I	Revenue from Operations	-	31.14	-	318.76
II	Other Income	46.59	76.05	45.63	258.94
III	<b>Total Income (I+II)</b>	<b>46.59</b>	<b>107.19</b>	<b>45.63</b>	<b>577.70</b>
IV	<b>EXPENSES</b>				
	Cost of materials consumed	-	30.48	-	310.47
	Changes in inventories of finished goods and work-in-progress	-	-	-	-
	Employee benefits expenses	2.25	2.25	1.50	8.00
	Finance costs	32.35	39.10	40.27	159.46
	Depreciation	7.29	7.30	7.29	29.17
	Other expenses	6.19	8.42	9.78	28.08
	<b>Total Expenses</b>	<b>48.08</b>	<b>87.55</b>	<b>58.84</b>	<b>535.18</b>
V	Profit/(loss) before share of profit of associates (III-IV)	(1.49)	19.64	(13.21)	42.52
VI	Share of profit of associate	(1.29)	2.94	47.40	63.35
VII	Profit/(loss) after share of profit of associates (V-VI)	(2.78)	22.58	34.19	105.87
VIII	Exceptional items				
IX	Profit/(loss) before tax (VII-VIII)	(2.78)	22.58	34.19	105.87
X	Tax expense:				
	(1) Current tax	-	15.00	-	15.00
	(2) Deferred tax	-	-	-	-
XI	Profit/ (Loss) for the period from continuing operations (IX-X)	(2.78)	7.58	34.19	90.87
XII	Other Comprehensive Income				
A	(i) Items that will not be reclassified to profit and loss				
	Remeasurement of Defined benefits plan	-	-	-	-
	(ii) Income tax relating to items that will not be reclassified to profit and loss	-	-	-	-
B	(i) Items that will be reclassified to profit and loss				
	(ii) Income tax relating to items that will be reclassified to profit and loss	-	-	-	-
	<b>Total Other Comprehensive Income</b>				
XIII	<b>Total Comprehensive Income for the period (IX+X) (Comprising Profit (Loss) and Other Comprehensive Income for the period)</b>	<b>(2.78)</b>	<b>7.58</b>	<b>34.19</b>	<b>90.87</b>
XIV	Earnings per equity share of Rs.10/- each: (not annualised)				
	Basic and Diluted	(0.07)	0.20	0.89	2.36
XV	Paid Up Equity Share Capital ( Face Value Rs. 10/- each)	385.75	385.75	385.75	385.75
XVI	Other equity				-965.06



For R. Sundararajan & Associates  
Chartered Accountants  
Firm Registration No. 08282S

S. Krishnan - Partner  
Membership No. 026452


Notes

- 1 The above unaudited consolidated financial results were reviewed by the Audit Committee and then approved by the Board of Directors at its meeting held on August 5, 2022. The limited review as required under Regulation 33 of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, has been completed by the Statutory Auditors.
- 2 During the quarter also, the company has generated operating cash losses and generated negative cash flows and there has been an erosion of net worth. The Company continued to lease out its immovable property and earned lease rental income. Due to poor market condition, the company could not carrying on yarn trading business. In the coming quarters, your director will continue the yarn trading business taking in to advantage of earlier performance. The promoters have given assurance of infusion of funds as and when deemed necessary. Considering the above, the Board of directors deem it fit to continue adoption of Going concern concept in preparation of the financial statements although the Statutory Auditors have qualified their opinion wrt the same.
- 3 The Company is principally engaged in a single business segment viz. yarn based on nature of products, risks, returns and the internal business reporting system and accordingly there is no other reportable segment in terms of Ind AS 108 'Operating Segments'.
- 4 The consolidated financial results have been prepared in accordance with Ind As 110 read with Ind As28. The consolidated results include the standalone results of the parent company, its associate viz. SPMM Healthcare Services Private Limited.
- 5 The figures for the quarter ended March 31, 2022 is the balancing figures between the audited figures in respect of the full financial year and the published year to date figures upto the quarter ended December 31, 2021, which were subject to limited review by the statutory auditors.
- 6 The previous period figures have been regrouped/reclassified wherever necessary to conform to current period classification.


Salem  
August 5, 2022



For Kandagiri Spinning Mills Limited

  
R Selvarajan  
Managing Director  
DIN : 00001703

For R. Sundararajan & Associates  
Chartered Accountants  
Firm Registration No. 082828

  
S. Krishnan - Partner  
Membership No. 026452

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**R. SUNDARARAJAN & ASSOCIATES**  
**CHARTERED ACCOUNTANTS**

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**Independent Auditor's Limited Review Report on Consolidated Quarterly Unaudited Financial Results of the Company Pursuant to Regulation 33 of the SEBI ( Listing Obligations and Disclosure Requirements ) Regulations, 2015 as amended**

The Board Directors of KANDAGIRI SPINNING MILLS LIMITED

1. We have reviewed the accompanying "Statement of Consolidated Unaudited Financial Results of KANDAGIRI SPINNING MILLS LIMITED ('the Company') and its share of net profit after tax and total comprehensive income of its associate, for the quarter ended June 30, 2022 (the "financial results") which are included in the accompanying "Statement of Consolidated Unaudited Financial Results for the quarter ended June 30, 2022" (the "Statement"). The Statement has been prepared by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time. ('the Listing Regulations'), which has been initialled by us for identification purposes.
2. This Statement which is the responsibility of the Company's Management and approved by the 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. This Standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review is limited primarily to inquiries of Company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and, accordingly, we do not express an audit opinion. We also performed procedures in accordance with the circular issued by the SEBI under Regulation 33 (8) of the Listing Regulations, to the extent applicable.
4. The Statement includes the results of the following Associate:
  - a. SPMM Health Care Services Private Limited





**R. SUNDARARAJAN & ASSOCIATES**  
**CHARTERED ACCOUNTANTS**

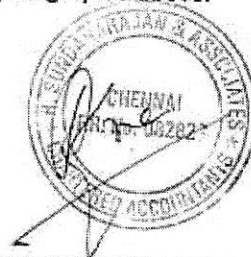
**5. Basis of Qualified Opinion**

The company has generated cash losses and generated negative cash flows and there has been an erosion of net worth. The company has not carried out any business during the quarter and still the company is incurring losses, we are of the opinion that these factors indicate existence of material uncertainty in the Company's ability to continue as a going concern. The attached financial statements do not include any adjustments that might result had the above uncertainties been known. Management has represented in this regard that there is no further adjustments to be made in the carrying values/financial statements even if the Going Concern Concept is not adopted.

**6. Qualified Conclusion**

Based on our review conducted as in clause 3 above and based on the consideration of the review reports of the other auditors referred to in paragraph 7 below, except for the effect of matters as mentioned in para 5 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 ('Ind AS') specified under Section 133 of the Companies Act, 2013 as amended, read with relevant rules issued there under and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 of the Listing Regulations, as amended from time to time, including the manner in which it is to be disclosed, or that it contains any material misstatement.

7. The consolidated unaudited financial results include the share of net profit after tax of Rs.1.21 lakhs for the quarter ended 30th June, 2022, as considered in the consolidated unaudited financial results in respect of one associate, whose financial results have not been reviewed by us. These interim financial information have been reviewed by other auditor in accordance with SRE 2410, Review of Interim Financial Information Performed by the Independent Auditor of the Entity and their report dated August 4, 2022 vide which they have issued an unmodified conclusion, have been furnished to us by the Parent's Management and our conclusion on the Statement, in so far as it relates to the amounts and disclosures included in respect of the one associate, is based solely on the report of the other auditor and the procedures performed by us as stated in paragraph 3 above.






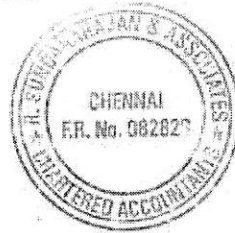
**R. SUNDARARAJAN & ASSOCIATES**  
**CHARTERED ACCOUNTANTS**

8. Attention is drawn to the fact that the figures for the three months ended 31<sup>st</sup> March, 2022 as reported in these financial results are the balancing figures between audited figures in respect of the full previous financial year and the published year to date figures up to the third quarter of the previous financial year. The figures up to the end of the third quarter of previous financial year had only been reviewed and not subjected to audit.

For R. Sundararajan & Associates  
Chartered Accountants  
Firm Registration no.082825

  
S. Krishnan - Partner  
Membership no.026452  
UDIN:

Place : Salem  
Dated:5<sup>th</sup> August 2022



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KANDAGIRI SPINNING MILLS LIMITED (CIN : L17111TZ1976PLC000762)

Regd. Office : Mill Premises, Udayapatti (P.O.), Salem 636 140

e-mail : sales@kandagirimills.com; website : www.kandagirimills.com

STATEMENT OF STANDALONE UNAUDITED FINANCIAL RESULTS FOR THE PERIOD ENDED JUNE 30, 2022

S.No.	Particulars	Three months ended			Rs. lakhs
		30.06.2022	31.03.2022	30.06.2021	Year ended
		Unaudited	Unaudited	Unaudited	Audited
I	Revenue from Operations	-	31.14	-	318.76
II	Other Income	46.59	76.05	45.63	258.94
III	<b>Total Income (I+II)</b>	<b>46.59</b>	<b>107.19</b>	<b>45.63</b>	<b>577.70</b>
IV	<b>EXPENSES</b>				
	Cost of materials consumed progress	-	30.48	-	310.47
	Employee benefits expenses	2.25	2.25	1.50	8.00
	Finance costs	32.35	39.10	40.27	159.46
	Depreciation	7.29	7.30	7.29	29.17
	Other expenses	6.19	8.42	9.78	28.08
	<b>Total Expenses</b>	<b>48.08</b>	<b>87.55</b>	<b>58.84</b>	<b>535.18</b>
V	Profit/(loss) before exceptional items and tax (III-IV)	(1.49)	19.64	(13.21)	42.52
VI	Exceptional items (Refer note 4)	-	-	-	-
VII	Profit/(loss) before tax (V-VI)	(1.49)	19.64	(13.21)	42.52
VIII	Tax expense:				
	(1) Current tax	-	15.00	-	15.00
	(2) Deferred tax	-	-	-	-
IX	Profit/ (Loss) for the period from continuing operations (VII-VIII)	(1.49)	4.64	(13.21)	27.52
X	Other Comprehensive Income				
A	(i) Items that will not be reclassified to profit and loss				
	Remeasurement of Defined benefits plan	-	-	-	-
	(iii) income tax relating to items that will not be reclassified to profit and loss	-	-	-	-
B	(ii) Items that will be reclassified to profit and loss				
	(iii) income tax relating to items that will be reclassified to profit and loss	-	-	-	-
	<b>Total Other Comprehensive Income</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
XI	<b>Total Comprehensive Income for the period (IX+X) (Comprising Profit (Loss) and Other Comprehensive Income for the period)</b>	<b>(1.49)</b>	<b>4.64</b>	<b>(13.21)</b>	<b>27.52</b>
XII	Earnings per equity share of Rs.10/- each: (not annualised)				
	Basic and Diluted	(0.04)	0.12	(0.34)	0.71
XIII	Paid Up Equity Share Capital ( Face Value Rs. 10/- each)	385.75	385.75	385.75	385.75
XIV	Other equity	-	-	-	-1,008.01



For R. Sundararajan & Associates  
Chartered Accountants  
Firm Registration No. 08282S

S. Krishnan - Partner  
Membership No. 026452


Notes

- 1 The above unaudited standalone financial results were reviewed by the Audit Committee and then approved by the Board of Directors at its meeting held on August 5, 2022. The limited review as required under Regulation 33 of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, has been completed by the Statutory Auditors.
- 2 During the quarter also, the company has generated operating cash losses and generated negative cash flows and there has been an erosion of net worth. The Company continued to lease out its immovable property and earned lease rental income. Due to poor market condition, the company could not carrying on yarn trading business. In the coming quarters, your director will continue the yarn trading business taking in to advantage of earlier performance. The promoters have given assurance of infusion of funds as and when deemed necessary. Considering the above, the Board of directors deem it fit to continue adoption of Going concern concept in preparation of the financial statements although the Statutory Auditors have qualified their opinion wrt the same.
- 3 The Company is principally engaged in a single business segment viz. yarn based on nature of products, risks, returns and the internal business reporting system and accordingly there is no other reportable segment in terms of Ind AS 108 'Operating Segments'.
- 4 The figures for the quarter ended March 31, 2022 is the balancing figures between the audited figures in respect of the full financial year and the published year to date figures upto the quarter ended December 31, 2021, which were subject to limited review by the statutory auditors.
- 5 The previous period figures have been regrouped/reclassified wherever necessary to conform to current period classification.

Salem  
August 5, 2022



For Kandagiri Spinning Mills Limited

  
R. Selvarajan  
Managing Director  
DIN : 00001703

For R. Sundararajan & Associates  
Chartered Accountants  
Firm Registration No. 08282S

S. Krishnan - Partner  
Membership No. 026452

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**R. SUNDARARAJAN & ASSOCIATES**  
**CHARTERED ACCOUNTANTS**

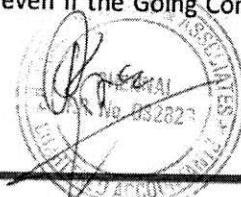
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**Independent Auditor's Limited Review Report on Standalone Quarterly Unaudited Financial Results of the Company Pursuant to Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended**

Review Report to The Board of Directors of **KANDAGIRI SPINNING MILLS LIMITED**

1. We have reviewed the accompanying "Statement of Standalone Unaudited Financial Results of **KANDAGIRI SPINNING MILLS LIMITED** (the Company) for the quarter ended June 30, 2022 (the "financial results") which are included in the accompanying "Statement of Unaudited Financial Results for the quarter ended June 30, 2022" (the "Statement"). The Statement has been prepared by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time. (the Listing Regulations'), which has been initialled by us for identification purposes.
2. This Statement which is the responsibility of the Company's Management and approved by the 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. This Standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review is limited primarily to inquiries of Company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and, accordingly, we do not express an audit opinion.
4. **Basis of Qualified Opinion**

The company has generated cash losses and generated negative cash flows and there has been an erosion of net worth. The company has not carried out any business during the quarter and still the company is incurring losses, we are of the opinion that these factors indicate existence of material uncertainty in the Company's ability to continue as a going concern. The attached financial statements do not include any adjustments that might result had the above uncertainties been known. Management has represented in this regard that there is no further adjustments to be made in the carrying values/financial statements even if the Going Concern Concept is not adopted.





**R. SUNDARARAJAN & ASSOCIATES**  
**CHARTERED ACCOUNTANTS**

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**5. Qualified Conclusion**

Based on our review conducted as in clause 3 above, except for the effect of matters as mentioned in para 4 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 ('Ind AS') specified under Section 133 of the Companies Act, 2013 as amended, read with relevant rules issued there under and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 of the Listing Regulations, as amended from time to time, including the manner in which it is to be disclosed, or that it contains any material misstatement.

6. Attention is drawn to the fact that the figures for the three months ended 31<sup>st</sup> March, 2022 as reported in these financial results are the balancing figures between audited figures in respect of the full previous financial year and the published year to date figures up to the third quarter of the previous financial year. The figures up to the end of the third quarter of previous financial year had only been reviewed and not subjected to audit.

For R. Sundararajan & Associates  
Chartered Accountants  
Firm Registration no.082825



S. Krishnan – Partner  
Membership no.026452

UDIN : 22026452 A010 UP6804

Place : Salem  
Dated:5<sup>th</sup> August 2022