



Kandagiri Spinning Mills Ltd.

Ref.: KSML/CS/038/2021-22

Date: 14-02-2022

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

Dear Sir,

Enclosure of Unaudited Financial Results (Consolidated and Standalone) of the Company
for the third quarter / nine months ended 31.12.2021 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 third quarter / nine months ended 31.12.2021 [which have been duly reviewed by the Audit Committee and duly approved by the Board of Directors at their meeting held on today 14-02-2022], 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

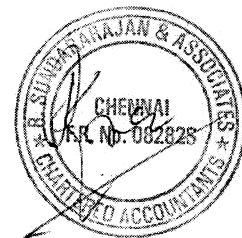


R. SUNDARARAJAN & ASSOCIATES
CHARTERED ACCOUNTANTS

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 and nine months ended December 31, 2021 (the "financial results") which are included in the accompanying "Statement of Consolidated Unaudited Financial Results for the quarter and nine months ended December 31, 2021" (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. SPM Health Care Services Private Limited





R. SUNDARARAJAN & ASSOCIATES
CHARTERED ACCOUNTANTS

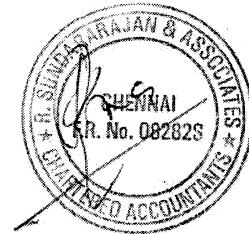
5. Basis of Qualified Opinion

Although the company has started yarn trading business, still the company is incurring operating losses. There has been an erosion of net worth also. 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 8 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. We draw attention to Note No.6 to the Statement, which discloses the uncertainties and the management's assessment of the financial impact due to lock-downs and other restrictions and conditions related to the COVID-19 pandemic situation, for which a definitive assessment of the impact in the subsequent period is highly dependent upon circumstances as they evolve. Our conclusion is not modified in respect of this matter.
8. The consolidated unaudited financial results include the share of net profit after tax of Rs.60.41 lakhs for the nine months ended 31st December, 2021, as considered in the consolidated unaudited financial results in respect of one associate, whose financial results






R. SUNDARARAJAN & ASSOCIATES
CHARTERED ACCOUNTANTS

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 February 9, 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.

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

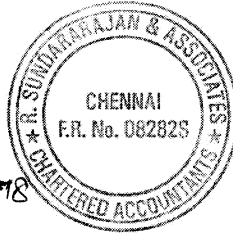

S. Krishnan - Partner

Membership no.026452

UDIN : 22026452ABZXIQ9878

Place : Salem

Dated:14th February 2022



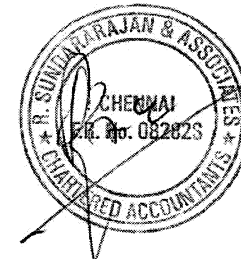
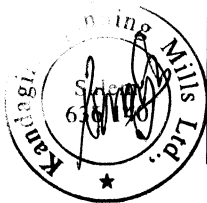
KANDAGIRI SPINNING MILLS LIMITED (CIN : L17111TZ1976PLC000762)

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 DECEMBER 31, 2021


S.No.	Particulars	Three months ended			Nine months ended		Year ended
		31.12.2021	30.09.2021	31.12.2020	31.12.2021	31.12.2020	31.03.2021
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
I	Revenue from Operations	141.52	146.10	-	287.62	47.21	254.08
II	Other Income	58.57	78.69	45.77	182.89	107.41	152.52
III	Total Income (I+II)	200.09	224.79	45.77	470.51	154.62	406.60
IV	EXPENSES						
	Cost of materials consumed	138.22	141.77	-	279.99	1.20	203.91
	Changes in inventories of finished goods and work-in-progress	-	-	-	-	47.21	47.21
	Employee benefits expenses	2.25	2.00	1.50	5.75	4.01	12.15
	Finance costs	39.97	40.12	56.75	120.36	141.02	170.11
	Depreciation	7.29	7.29	7.29	21.87	21.87	29.17
	Other expenses	6.26	3.62	4.75	19.66	22.69	37.64
	Total Expenses	193.99	194.80	70.29	447.63	238.00	500.19
	Profit/(loss) before share of profit of associate						
V	(III-IV)	6.10	29.99	(24.52)	22.88	(83.38)	(93.59)
VI	Share of profit of associate	5.65	7.36	24.83	60.41	7.68	4.77
VII	Profit/(loss) before exceptional item and tax (V-VI)	11.75	37.35	0.31	83.29	(75.70)	(88.82)
VIII	Exceptional items	-	-	-	-	-	-
IX	Profit/(loss) before tax (VII-VIII)	11.75	37.35	0.31	83.29	(75.70)	(88.82)
X	Tax expense:						
	(1) Current tax	-	-	-	-	-	-
	(2) MAT credit utilised	-	-	-	-	-	-
	(3) Deferred tax	-	-	-	-	-	-
XI	Profit/ (Loss) for the period from continuing operations (IX-X)	11.75	37.35	0.31	83.29	(75.70)	(88.82)
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	-	-	-	-	-	-
	Total Other Comprehensive Income	-	-	-	-	-	-
XIII	Total Comprehensive Income for the period (XI+XII) (Comprising Profit (Loss) and Other Comprehensive Income for the period)	11.75	37.35	0.31	83.29	(75.70)	(88.82)
XIV	Earnings per equity share of Rs.10/- each: (not annualised)						
	Basic and Diluted	0.30	0.97	0.01	2.16	(1.96)	0.72
XV	each)	385.75	385.75	385.75	385.75	385.75	385.75
XVI	Other equity						(1,055.93)



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 February 14, 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 Although the company has started yarn trading business, still the company is incurring operating losses. The Company continued to lease out its immovable property and earned lease rental income. The quality of goods produced hitherto by company has generated goodwill and brand image. The Board of Directors hope to continue to use these advantages by continuing yarn trading business and 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 During the quarter, your company has sold 4.4543 acres of land at their windmill site at Pazhavor Village, Tirunelveli district as per the approval given by the shareholders through the postal ballot resolution dated 19.12.2016 and as per the approval by the Board of Directors at their meeting held on 28.6.2021. The sale proceeds have been utilised for discharging the liabilities of the company.
- 4 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'.
- 5 The consolidated financial results have been prepared in accordance with Ind AS 110 read with Ind AS 28. The consolidated results include the standalone results of the parent company, its associate viz. SPMM Health Care Services Private Limited.
- 6 The Company has taken into account potential impacts of COVID 19 in the preparation of the standalone unaudited financial results. Based on the information currently available, there is no material impact on carrying amounts of the assets including inventories, receivables, investments and other financial and non financial assets in the ordinary course of business base on the internal and external information available upto the date of approval of these financial results. The company is continuously monitoring any material changes in economic conditions.
- 7 The previous period figures have been regrouped/reclassified wherever necessary to conform to current period classification.

For Kandagiri Spinning Mills Limited

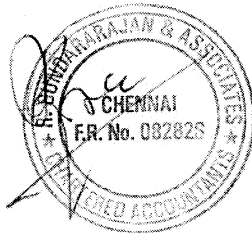

R Selvarajan

Managing Director

DIN : 00001703

Salem

February 14, 2022





R. SUNDARARAJAN & ASSOCIATES

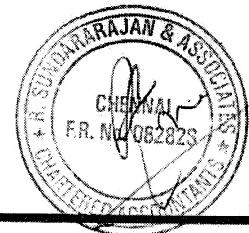
CHARTERED ACCOUNTANTS

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 and nine months ended December 31, 2021 (the "financial results") which are included in the accompanying "Statement of Unaudited Financial Results for the quarter and nine months ended December 31, 2021" (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**

Although the company has started yarn trading business, still the company is incurring operating losses. There has been an erosion of net worth also. 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

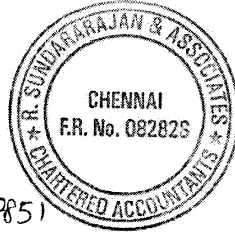
5. Qualified Conclusion

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. We draw attention to Note No.5 to the Statement, which discloses the uncertainties and the management's assessment of the financial impact due to lock-downs and other restrictions and conditions related to the COVID-19 pandemic situation, for which a definitive assessment of the impact in the subsequent period is highly dependent upon circumstances as they evolve. Our conclusion is not modified in respect of this matter.

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

S. Krishnan - Partner
Membership no.026452
UDIN : 22026452/ABZWNHZ8851

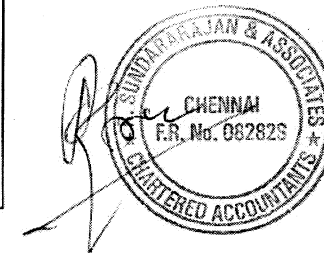


Place : Salem
Dated:14th February 2022

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 DECEMBER 31, 2021

Rs. lakhs


S.No.	Particulars	Three months ended			Nine months ended		Year ended
		31.12.2021 Unaudited	30.09.2021 Unaudited	31.12.2020 Unaudited	31.12.2021 Unaudited	31.12.2020 Unaudited	31.03.2021 Audited
I	Revenue from Operations	141.52	146.10	-	287.62	47.21	254.08
II	Other Income	58.57	78.69	45.77	182.89	107.41	152.52
III	Total Income (I+II)	200.09	224.79	45.77	470.51	154.62	406.60
IV	EXPENSES						
	Cost of materials consumed	138.22	141.77	-	279.99	1.20	203.91
	Changes in inventories of finished goods and work-in-progress	-	-	-	-	47.21	47.21
	Employee benefits expenses	2.25	2.00	1.50	5.75	4.01	12.15
	Finance costs	39.97	40.12	56.75	120.36	141.02	170.11
	Depreciation	7.29	7.29	7.29	21.87	21.87	29.17
	Other expenses	6.26	3.62	4.75	19.66	22.69	37.64
	Total Expenses	193.99	194.80	70.29	447.63	238.00	500.19
	Profit/(loss) before exceptional items and tax (III-IV)	6.10	29.99	(24.52)	22.88	(83.38)	(93.59)
V	Exceptional items	-	-	-	-	-	-
VII	Profit/(loss) before tax (V-VI)	6.10	29.99	(24.52)	22.88	(83.38)	(93.59)
VIII	Tax expense:						
	(1) Current tax	-	-	-	-	-	-
	(2) MAT credit utilised	-	-	-	-	-	-
	(3) Deferred tax	-	-	-	-	-	-
IX	Profit/ (Loss) for the period from continuing operations (VII-VIII)	6.10	29.99	(24.52)	22.88	(83.38)	(93.59)
X	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	-	-	-	-	-	-
	(i) Items that will be reclassified to profit and loss						
B	loss						
	(ii) Income tax relating to items that will be reclassified to profit and loss						
	Total Other Comprehensive Income	-	-	-	-	-	-
XI	Total Comprehensive Income for the period (IX+X) (Comprising Profit (Loss) and Other Comprehensive Income for the period)	6.10	29.99	(24.52)	22.88	(83.38)	(93.59)
XII	Earnings per equity share of Rs.10/- each: (not annualised)						
	Basic and Diluted	0.16	0.78	(0.64)	0.59	(2.16)	(2.43)
XIII	Rs. 10/- each)	385.75	385.75	385.75	385.75	385.75	385.75
XIV	Other equity						(1,035.53)



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 February 14, 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 Although the company has started yarn trading business, still the company is incurring operating losses. The Company continued to lease out its immovable property and earned lease rental income. The quality of goods produced hitherto by company has generated goodwill and brand image. The Board of Directors hope to continue to use these advantages by continuing yarn trading business and 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.
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- 4 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'.
- 5 The Company has taken into account potential impacts of COVID 19 in the preparation of the standalone unaudited financial results. Based on the information currently available, there is no material impact on carrying amounts of the assets including inventories, receivables, investments and other financial and non financial assets in the ordinary course of business base on the internal and external information available upto the date of approval of these financial results. The company is continuously monitoring any material changes in economic conditions.
- 6 The previous period figures have been regrouped/reclassified wherever necessary to conform to current period classification.

For Kandagiri Spinning Mills Limited


R. Sivarajan
Managing Director
DIN : 00001703

Salem
February 14, 2022

