



# Kandagiri Spinning Mills Ltd

Ref.: KSML/CS/030 /2021-22

Date: 13.11.2021

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 second quarter / half year ended 30.09.2021 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 second quarter / half year ended 30.09.2021 [which have duly reviewed by the Audit Committee and duly approved by the Board of Directors at their meeting held on today 13.11.2021], 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 - 696 140. Phone: Mill 0427-2244400  
Fax:0427-2244422. Grams. SUPERSPINE. e-mail: sales@kandagirimills.com. Web: www.kandagirimills.com

**GSTIN: 33AABCK2694Q1Z1**



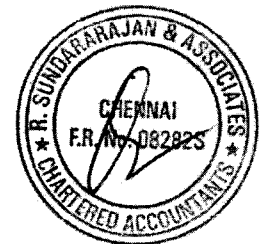
# **R. SUNDARARAJAN & ASSOCIATES**

## **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 half year ended September 30, 2021 (the "financial results") which are included in the accompanying "Statement of Consolidated Unaudited Financial Results for the quarter and half year ended September 30, 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.





# **R. SUNDARARAJAN & ASSOCIATES**

## **CHARTERED ACCOUNTANTS**

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4. The Statement Includes the results of the following Associate:
- SPMM Health Care Services Private Limited

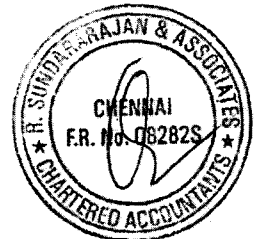
5. **Basis of Qualified Opinion**

The company has generated cash losses and generated negative cash flows and there has been an erosion of net worth. Although the company has started yarn trading business, still the company is incurring cash 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 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.4 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.





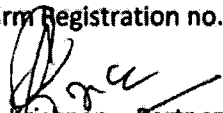
# R. SUNDARARAJAN & ASSOCIATES

CHARTERED ACCOUNTANTS

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8. The consolidated unaudited financial results include the share of net profit after tax of Rs.54.76 lakhs for the half year ended 30th September, 2021, 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 November 10, 2021 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

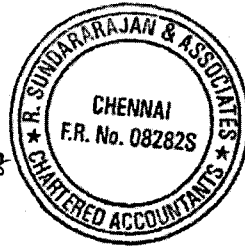
  
S. Krishnan - Partner

Membership no.026452

UDIN / 21026452AAAADS1158

Place: Salem

Dated:13<sup>th</sup> November 2021



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Email: krish\_ca@hotmail.com

KANDAGIRI SPINNING MILLS LIMITED (CIN : L17111TZ1976PLC000762)

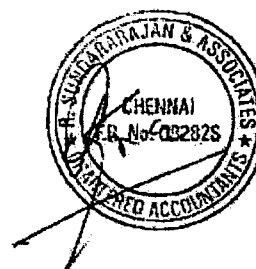
Regd. Office : Mill Premises, Udayapatti (P.O.), Salem 636 140

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

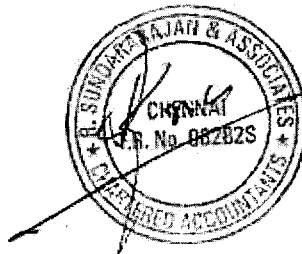
STATEMENT OF CONSOLIDATED UNAUDITED FINANCIAL RESULTS FOR THE PERIOD ENDED SEPTEMBER 30, 2021

Rs.Lakhs

S.No.	Particulars	Three months ended			Six months ended		Year ended
		30.09.2021 Unaudited	30.09.2021 Unaudited	30.09.2020 Unaudited	30.09.2021 Unaudited	30.09.2020 Unaudited	31.03.2021 Audited
I	Revenue from Operations	146.10	-	-	146.10	47.21	254.08
II	Other Income	78.69	45.63	45.93	124.32	61.64	182.52
III	Total Income (I+II)	224.79	48.63	48.93	270.42	108.85	406.60
IV	EXPENSES						
	Cost of materials consumed	141.77	-	-	141.77	1.20	203.91
	Changes in inventories of finished goods and work-in-progress	-	-	-	-	47.21	47.21
	Employee benefits expenses	2.00	1.50	1.50	3.50	2.51	12.16
	Finance costs	40.12	40.27	83.12	80.39	84.27	170.11
	Depreciation	7.29	7.29	7.29	14.58	14.58	29.17
	Other expenses	3.62	9.78	11.67	13.40	17.94	37.64
	Total Expenses	194.80	88.84	103.88	263.64	167.71	509.19
V	Profit/(Loss) before share of profit of associate (II-IV)	29.99	(13.21)	(57.65)	16.78	(58.86)	(93.59)
VI	Share of profit of associate	7.36	47.40	1.93	54.76	17.15	4.77
VII	Profit/(Loss) before exceptional item and tax (V-VI)	37.35	34.19	(59.58)	71.54	(76.01)	(88.82)
VIII	Exceptional items	-	-	-	-	-	-
IX	Profit/(Loss) before tax (VII-VIII)	37.35	34.19	(59.58)	71.54	(76.01)	(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)	37.35	34.19	(59.58)	71.54	(76.01)	(88.82)
XII	Other Comprehensive Income						
A	(i) Items that will not be reclassified to profit and loss						
	Remeasurement of Defined benefits plan	-	-	-	-	-	-
	(iii) Increase in 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	-	-	-	-	-	-
	Total Other Comprehensive Income	-	-	-	-	-	-
XIII	Total Comprehensive Income for the period (XI+XII) (Comprising Profit (Loss) and Other Comprehensive Income for the period)	37.35	34.19	(59.58)	71.54	(76.01)	(88.82)
XIV	Earnings per equity share of Rs. 10/- each: (not annualised)						
	Basic and Diluted	0.97	0.89	(1.54)	1.88	(1.97)	0.86
XV	Paid Up Equity Share Capital (Face Value Rs. 10/- each)	385.75	385.75	385.75	385.75	385.75	385.75
XVI	Other equity	-	-	-	-	-	1,058.93



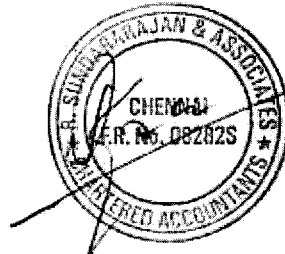
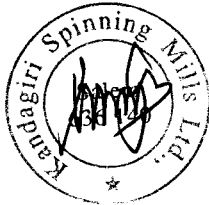
Consolidated Statement of Assets, Equity and Liabilities		
Balance Sheet as at September 30, 2021		
Particulars	Rs. lakhs	
	30.09.2021 Unaudited	31.03.2021 Unaudited
<b>Non current assets</b>		
Property, plant and equipment	1110.97	1125.55
Capital work in progress		
Intangible assets		
<b>Financial assets</b>		
Investments	189.07	134.31
Loans	153.81	146.06
Other financial asset	21.63	12.47
Advance tax assets(net)	2.00	2.00
Other non-current assets		
Non-current assets (A)	1,477.48	1,420.39
<b>Current assets</b>		
Inventories		
<b>Financial assets</b>		
Trade receivables	128.14	113.02
Cash and cash equivalents	3.56	24.88
Other bank balances	3.88	3.88
Others	1.26	0.00
Other current assets	0.00	0.00
Current assets (B)	136.84	141.78
<b>Total assets (A) + (B)</b>	1,614.32	1,562.17
<b>EQUITY AND LIABILITIES</b>		
<b>Equity</b>		
Equity share capital	385.74	385.74
Other equity	-984.40	-1055.93
Equity (C)	-598.66	-670.19
<b>Non-current liabilities</b>		
<b>Financial liabilities</b>		
Borrowings	1441.57	1441.57
Provisions		
Other non current liabilities		
Non current liabilities (D)	1,441.57	1,441.57
<b>Current liabilities</b>		
<b>Financial liabilities</b>		
Borrowings		
Trade payables		
-Total outstanding dues of micro enterprises and small enterprises	0.35	0.65
-Total outstanding dues of creditors other than micro enterprises and small enterprises	296.35	360.29
Provisions	0.00	0.00
Other financial liabilities	195.20	187.81
Other current liabilities	279.51	242.04
Current liabilities (E)	771.41	790.79
<b>Total equity and liabilities (C) + (D) + (E)</b>	1,614.32	1,562.17



**Consolidated Statement of Cash Flows**

Rs. lakhs


Particulars	30.09.2021	30.09.2020
<b>Cash flow from operating activities</b>		
Profit/ (Loss) before tax	71.54	(76.01)
<u>Adjustments for -</u>		
Share of profits of associates	(54.76)	17.15
Depreciation & Amortisation expense	14.58	14.58
Finance cost	80.39	84.27
Dividend Income		
Loss/(Profit) on sale of Long term Investments		
(Profit)/Loss on sale of Property, Plant and Equipment (PPE)	(33.06)	
Impairment loss on assets		
Interest Income	(1.26)	(1.64)
<b>Operating profit/ (loss) before working capital changes</b>	<b>77.43</b>	<b>38.35</b>
<u>Adjustments for changes in -</u>		
Trade receivables	(15.32)	79.29
Inventories		302.65
Non current and current Financial Assets	(9.01)	4.01
Other non current and current assets		
Trade payables	(64.24)	15.71
Non current and current Financial Liabilities	11.40	(46.54)
Other Non current and current Liabilities	37.45	(327.41)
Other Non current and Current provisions		
<b>Cash generated from operations</b>	<b>37.91</b>	<b>66.06</b>
Income Tax (net)	(9.16)	(1.81)
<b>Net cash from operating activities</b>	<b>28.75</b>	<b>64.25</b>
<b>Cash flow from investing activities</b>		
Payments for acquisition of Property, Plant & Equipment		
Dividend received		
Interest Received	1.26	1.54
Margin money deposit with bank		
Advance for sale of undertaking		
Proceeds from sale of shares		
Proceeds from sale of assets	33.06	
<b>Net cash from investing activities</b>	<b>34.32</b>	<b>1.64</b>
<b>Cash flow from financing activities</b>		
Proceeds from inter corporate loan-related party		
Repayments of Non current Borrowings	(4.00)	
Repayments of Inter-corporate loan		
Proceeds from unsecured loan-directors		21.79
Interest Paid	(80.39)	(84.27)
<b>Net cash (used in) financing activities</b>	<b>(84.39)</b>	<b>(62.48)</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>(21.32)</b>	<b>3.41</b>
<b>Cash and cash equivalents</b>		
At beginning	24.88	5.70
At end	3.56	9.11
<b>NET INCREASE/ (DECREASE) IN CASH</b>	<b>(21.32)</b>	<b>3.41</b>



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 November 13, 2021. 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 cash losses and generated negative cash flows and there has been an erosion of net worth. Although the company has started yarn trading business, still the company is incurring cash 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 8 acres of land at their windmill site at Pazhavoor 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 consolidated 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.

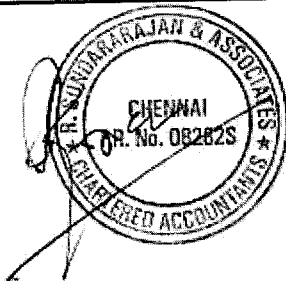
For Kandagiri Spinning Mills Limited

  
R. Selvakumar  
Managing Director

DIN : 00001703

Salem

November 13, 2021







# R. SUNDARARAJAN & ASSOCIATES

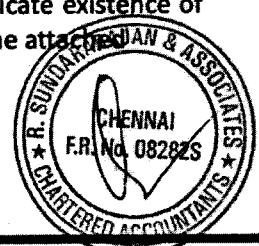
## CHARTERED ACCOUNTANTS

### 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 half year ended September 30, 2021 (the "financial results") which are included in the accompanying "Statement of Unaudited Financial Results for the quarter and half year ended September 30, 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**

The company has generated cash losses and generated negative cash flows and there has been an erosion of net worth. Although the company has started yarn trading business, still the company is incurring cash 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





# R. SUNDARARAJAN & ASSOCIATES

## CHARTERED ACCOUNTANTS

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.

### 5. Qualified Conclusion

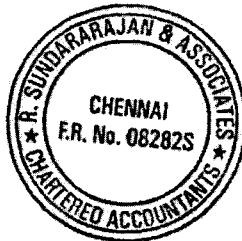
Based on our review conducted as in clause 3 above, except for the effect of matters as mentioned in para 4 above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in the aforesaid 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.4 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/ 21026452AAAA DR 6784



Place : Salem

Dated:13<sup>th</sup> November 2021

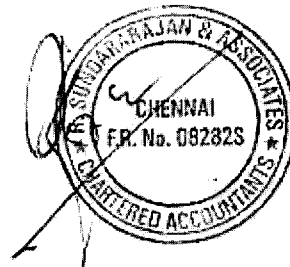
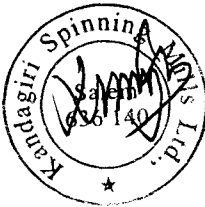
**KANDAGIRI SPINNING MILLS LIMITED (CIN : L17111TZ1976PLC000762)**  
**Regd. Office : Mill Premises, Udayapatti (F.O.), Salem 636 140**  
**e-mail : sales@kandagirimills.com; website : www.kandagirimills.com**  
**STATEMENT OF STANDALONE UNAUDITED FINANCIAL RESULTS FOR THE PERIOD ENDED SEPTEMBER 30, 2021**

Rs. lakhs

S.No.	Particulars	Three months ended			Six months ended		Year ended
		30.09.2021	30.06.2021	30.09.2020	30.09.2021	30.09.2020	31.03.2021
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
I	Revenue from Operations	146.10	-	-	146.10	47.21	254.08
II	Other Income	78.69	45.63	45.93	124.32	61.64	152.52
III	<b>Total Income (I+II)</b>	<b>224.79</b>	<b>45.63</b>	<b>45.93</b>	<b>270.42</b>	<b>108.85</b>	<b>406.60</b>
IV	<b>EXPENSES</b>						
	Cost of materials consumed	141.77	-	-	141.77	1.20	203.91
	Changes in inventories of finished goods and work-in-progress	-	-	-	-	47.21	47.21
	Employee benefits expenses	2.00	1.50	1.50	3.50	2.51	12.15
	Finance costs	40.12	40.27	83.12	80.39	84.27	170.11
	Depreciation	7.29	7.29	7.29	14.58	14.58	29.17
	Other expenses	3.62	9.78	11.67	13.40	17.94	37.64
	<b>Total Expenses</b>	<b>194.80</b>	<b>58.84</b>	<b>103.58</b>	<b>253.64</b>	<b>167.71</b>	<b>500.19</b>
V	Profit/(loss) before exceptional items and tax (III-IV)	<b>29.99</b>	<b>(13.21)</b>	<b>(57.65)</b>	<b>16.78</b>	<b>(58.86)</b>	<b>(93.59)</b>
VI	Exceptional items (Refer note 4)	-	-	-	-	-	-
VII	Profit/(loss) before tax (V-VI)	29.99	(13.21)	(57.65)	16.78	(58.86)	(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)	29.99	(13.21)	(57.65)	16.78	(58.86)	(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	-	-	-	-	-	-
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>	-	-	-	-	-	-
XI	<b>Total Comprehensive Income for the period (IX+X)</b> <b>(Comprising Profit (Loss) and Other Comprehensive Income for the period)</b>	<b>29.99</b>	<b>(13.21)</b>	<b>(57.65)</b>	<b>16.78</b>	<b>(58.86)</b>	<b>(93.59)</b>
XII	Earnings per equity share of Rs. 10/- each: (not annualised)						
	Basic and Diluted	<b>0.78</b>	<b>(0.34)</b>	<b>(1.49)</b>	<b>0.43</b>	<b>(1.53)</b>	<b>(2.43)</b>
XIII	Paid Up Equity Share Capital ( Face Value Rs. 10/- each)	385.75	385.75	385.75	385.75	385.75	385.75
XIV	Other equity						1,035.53



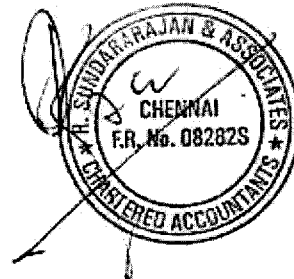
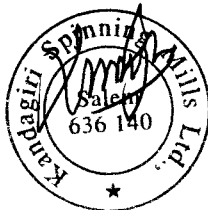
Standalone Statement of Assets, Equity and Liabilities		
Balance Sheet as at September 30, 2021		Rs. lakhs
Particulars	30.09.2021 Unaudited	31.03.2021 Unaudited
<b>Non current assets</b>		
Property, plant and equipment	1110.97	1125.55
Capital work in progress		
Intangible assets		
Financial assets		
Investments	154.71	154.71
Loans	153.81	146.06
Other financial asset	21.63	12.47
Advance tax assets(net)	2.00	2.00
Other non-current assets		
<b>Non-current assets ( A )</b>	<b>1,443.12</b>	<b>1,440.79</b>
<b>Current assets</b>		
Inventories		
Financial assets		
Trade receivables	128.14	113.02
Cash and cash equivalents	3.56	24.88
Other Bank balances	3.88	3.88
Others	1.26	0.00
Other current assets	0.00	0.00
<b>Current assets ( B )</b>	<b>136.84</b>	<b>141.78</b>
<b>Total assets ( A ) + ( B )</b>	<b>1,579.96</b>	<b>1,582.57</b>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity</b>		
Equity share capital	385.74	385.74
Other equity	1018.76	1035.53
<b>Equity ( C )</b>	<b>633.02</b>	<b>649.79</b>
<b>Non-current liabilities</b>		
Financial liabilities		
Borrowings	1441.57	1441.57
Provisions		
Other non current liabilities		
<b>Non current liabilities ( D )</b>	<b>1,441.57</b>	<b>1,441.57</b>
<b>Current liabilities</b>		
Financial liabilities		
Borrowings		
Trade payables		
Total outstanding dues of micro enterprises and small enterprises	0.35	0.65
Total outstanding dues of creditors other than micro enterprises and small enterprises	296.35	360.29
Provisions		
Other financial liabilities	195.20	187.81
Other current liabilities	279.51	242.04
<b>Current liabilities ( E )</b>	<b>771.41</b>	<b>790.79</b>
<b>Total equity and liabilities ( C ) + ( D ) + ( E )</b>	<b>1,579.96</b>	<b>1,582.57</b>



**Standalone Statement of Cash Flow**

Rs. Lakhs


Particulars	30.09.2021	30.09.2020
<b>Cash flow from operating activities</b>		
Profit/ (Loss) before tax	16.78	(58.86)
<u>Adjustments for -</u>		
Depreciation & Amortisation expense	14.58	14.58
Finance cost	80.39	84.27
Dividend Income		
Loss/(Profit) on sale of Long term Investments		
(Profit)/Loss on sale of Property, Plant and Equipment (PPE)	(33.06)	
Impairment loss on assets		
Interest Income	(1.26)	(1.64)
<b>Operating profit/ (loss) before working capital changes</b>	<b>77.43</b>	<b>38.35</b>
<u>Adjustments for changes in -</u>		
Trade receivables	(15.12)	79.29
Inventories		302.65
Non current and current Financial Assets	(9.01)	4.01
Other non current and current assets		
Trade payables	(64.24)	15.71
Non current and current Financial Liabilities	11.40	(46.54)
Other Non current and current Liabilities	37.45	(327.41)
Other Non current and Current provisions		
<b>Cash generated from operations</b>	<b>37.91</b>	<b>66.06</b>
Income Tax (net)	(9.16)	(1.81)
<b>Net cash from operating activities</b>	<b>28.75</b>	<b>64.25</b>
<b>Cash flow from Investing activities</b>		
Payments for acquisition of Property, Plant & Equipment		
Dividend received		
Interest Received	1.26	1.54
Margin money deposit with bank		
Advance for sale of undertaking		
Proceeds from sale of shares		
Proceeds from sale of assets	33.06	
<b>Net cash from Investing activities</b>	<b>34.32</b>	<b>1.64</b>
<b>Cash flow from financing activities</b>		
Proceeds from inter corporate loan-related party		
Repayments of Non current Borrowings	(4.00)	
Repayments of inter- corporate loan		
Proceeds from unsecured loan-directors		21.79
Interest Paid	(80.39)	(84.27)
<b>Net cash (used in) financing activities</b>	<b>(84.39)</b>	<b>(62.48)</b>
<b>Net Increase/(decrease) in cash and cash equivalents</b>	<b>(21.32)</b>	<b>3.41</b>
<b>Cash and cash equivalents</b>		
At beginning	24.88	5.70
At end	3.56	9.11
<b>NET INCREASE/ (DECREASE) IN CASH</b>	<b>(21.32)</b>	<b>3.41</b>



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 November 13, 2021. 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 cash losses and generated negative cash flows and there has been an erosion of net worth. Although the company has started yarn trading business, still the company is incurring cash 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 8 acres of land at their windmill site at Pazhavoov 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 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. Sekarajan  
Managing Director  
DIN : 00001703

Sulem

November 13, 2021

