


Kandagiri Spinning Mills Limited					
Regd. Office: Mill Premises, Udayapatti PO, Salem 636 140					
Financial Results for the quarter/year ended March 31, 2011					
Rs. lakhs					
Three months ended unaudited 31.03.10	Three months ended unaudited 31.03.11	Particulars	Nine months ended unaudited 31.12.10	Year ended Audited 31.03.11	Previous year ended Audited 31.03.10
3148	4080	1. Net sales/Income from operations	11107	15187	10564
1	8	2. Other income	10	18	10
3149	4088	3. Total income (1+2)	11117	15206	10574
		4. Expenditure			
		(i) Increase(-)/decrease in value of stocks of finished goods and work in progress	(340)	(1,271)	-322
1823	3264	(ii) Consumption of raw materials	6119	9383	5974
--	--	(iii) Purchase of traded goods	--	--	--
258	318	(iv) Employees cost	994	1312	933
349	522	(v) Power and fuel-net	850	1373	996
253	299	(vi) Other expenditure	792	1091	848
198	199	(vii) Depreciation	585	784	779
2877	3673	(viii) Total expenditure	9000	12672	9208
179	306	5. Interest-net	824	1130	917
--	--	6. Exceptional item - income	--	--	--
93	110	7. Profit/(Loss) from Ordinary activities before tax (3-4-5+6)	1,293	1,404	449
		8. Tax expense			
		(i) Current tax	--	--	--
10	28	(iii) Deferred tax liability/(withdrawal)	450	478	115
83	82	9. Net profit/(Loss) from Ordinary activities after Tax (7-8)	843	926	334
--	--	10. Extraordinary items	--	--	--
83	82	11. Net profit/(Loss) for the period (9-10)	843	926	334
386	386	12. Paid-up Equity share capital (Face value Rs.10 per share)	386	386	386
		13. Reserves excluding revaluation reserves		2792	2054
2.16	2.14	14. Earnings per share - Basic and diluted (not annualised) in Rs.	21.92	24.06	8.67
		15. Public shareholding			
1159078	1159078	- Number of shares	1159078	1159078	1159078
30.11	30.11	- Percentage of shareholding	30.11	30.11	30.11
		16. Promoters and Promoter group shareholding			
2690172	2690172	- Number of shares	2690172	2690172	2690172
69.89	69.89	- Percentage of shareholding	69.89	69.89	69.89
Nil	Nil	- Pledged/encumbered	Nil	Nil	Nil

## Notes:

- Interest - net includes (i) foreign currency transactions and translations loss (net) relating to financial cost of Rs.86.23 lakhs, Rs.83.68 lakhs and Rs.2.55 lakhs for the year ended March 31, 2011, December 31, 2010 and for the three months ended March 31, 2011 respectively and (ii) foreign currency transactions and translations gain (net) of Rs.48.29 lakhs and Rs.65.68 lakhs for the three months ended March 31, 2010 and for the year ended March 31, 2010 respectively.
- Power cost for the quarter and year ended March 31, 2011 is after recognising the reversal of carbon credit accrued in prior years of Rs.114 lakhs due to rejection of claim and Rs.40 lakhs as a measure of abundant caution due to inordinate delay in issuing validation report.
- In view of the MAT credit entitlement under section 115JAA of the Income tax Act, 1961, no provision for current income tax has been considered.
- In addition to the interim dividend of Rs.2 per equity share of Rs.10 each declared on January 29, 2011, the board has recommended, subject to approval of bank, a final dividend of Rs.2 per equity share of Rs.10 each.
- The company is principally engaged in a single business segment viz., cotton yarn and operates in a single geographical segment.
- During the quarter, no investor complaints were received nor pending for redressal at the beginning and end of the quarter.

For Kandagiri Spinning Mills Ltd.,



Chairman and Managing Director  
(R. SELVARAJAN)

## 7. Disclosure of assets and liabilities as per clause 41(1)(ea) of the listing agreement for the year ended March 31, 2011

Rs, lakhs

Assets and liabilities	Year	Previous
	ended	year ended
	(Audited)	(Audited)
	31.03.11	31.03.10
<b>1. Sources of funds</b>		
<b>Shareholders' funds</b>		
Capital	386	386
Reserves and surplus	5043	4334
	5430	4720
<b>Loan funds</b>		
Secured loans	12240	10874
Unsecured loans	644	611
	12884	11485
<b>Deferred tax liability-net</b>	1891	1413
	20205	17619
<b>2. Application of funds</b>		
Fixed assets less depreciation (including capital work in progress)	12570	13201
Investments	245	245
<b>Current assets, loans and advances</b>		
Inventories	6222	3327
Sundry debtors	1913	1088
Cash and bank balances	110	149
Other current assets	206	261
Loans and advances	1006	674
	9458	5500
Less Current liabilities and provisions		
Liabilities	1858	1221
Provisions	217	122
	2075	1343
Net current assets	7382	4157
<b>Miscellaneous expenditure</b>	8	16
	20205	17619

8. The above financial results reviewed by the Audit Committee, were approved by the Board of Directors at their meeting held on May 23, 2011

On behalf of the Board of Directors

R. Selvarajan

Chairman and Managing Director

Place : Salem

Dated: May 23, 2011

