

<b>KANDAGIRI SPINNING MILLS LIMITED</b>							
Regd. Office : Mill Premises, Udayapatti (P.O.), Salem 636 140							
UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND NINE MONTHS ENDED DECEMBER 31, 2012							
Rs. Lakhs							
		Quarter ended			Nine months ended		Year ended
		31.12.2012	30.09.2012	31.12.2011	31.12.2012	31.12.2011	31.03.2012
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
	<b>Part-I</b>						
1.	<b>Income from Operations</b>						
a.	Net Sales / Income from operations	3,925.62	3,834.46	2,527.19	11,504.67	9,246.21	12,634.02
b.	Other Operating Income	1.53	1.05	0.96	3.97	2.88	3.96
	<b>Total Income from Operations</b>	<b>3,927.15</b>	<b>3,835.51</b>	<b>2,528.15</b>	<b>11,508.64</b>	<b>9,249.09</b>	<b>12,637.98</b>
2.	<b>Expenses</b>						
a.	Consumption of materials	1,790.91	2,443.43	1,838.75	6,210.67	6,777.22	8,646.61
b.	Purchase of trading goods	--	--	--	--	--	--
c.	Changes in inventories of finished goods, work in progress and stock in trade	198.11	(429.38)	45.04	(200.43)	604.77	611.52
d.	Employee benefits expense	417.33	376.56	225.94	1,164.42	888.37	1,226.95
e.	Depreciation and amortisation expense	194.27	197.58	197.46	589.25	598.81	802.72
f.	Other expenses	969.66	434.33	343.22	2,010.22	1,284.31	1,987.12
	<b>Total Expenses</b>	<b>3,570.28</b>	<b>3,022.52</b>	<b>2,650.41</b>	<b>9,774.13</b>	<b>10,153.48</b>	<b>13,274.92</b>
3.	<b>Profit / (Loss) from operations before other income, finance costs and exceptional item (1-2)</b>	<b>356.87</b>	<b>812.99</b>	<b>(122.26)</b>	<b>1,734.51</b>	<b>(904.39)</b>	<b>(636.94)</b>
4.	Other income	2.40	5.45	8.32	14.74	24.33	27.91
5.	<b>Profit / (Loss) from ordinary activities before finance costs and exceptional item (3+4)</b>	<b>359.27</b>	<b>818.44</b>	<b>(113.94)</b>	<b>1,749.25</b>	<b>(880.06)</b>	<b>(609.03)</b>
6.	Finance costs	311.12	325.23	333.45	960.50	1,064.55	1,398.86
7.	<b>Profit / (Loss) from ordinary activities after finance costs but before exceptional item (5-6)</b>	<b>48.15</b>	<b>493.21</b>	<b>(447.39)</b>	<b>788.75</b>	<b>(1,944.61)</b>	<b>(2,007.89)</b>
8.	Exceptional item	-	-	-	-	-	-
9.	<b>Profit/(Loss) from ordinary activities before tax (7-8)</b>	<b>48.15</b>	<b>493.21</b>	<b>(447.39)</b>	<b>788.75</b>	<b>(1,944.61)</b>	<b>(2,007.89)</b>
10.	Tax expense - Income Tax						
	- Current Tax	-	-	-	-	-	-
	- Deferred Tax	18.00	134.00	(370.00)	233.00	(670.00)	(710.00)
11.	<b>Net Profit/(Loss) from ordinary activities after tax (9-10)</b>	<b>30.15</b>	<b>359.21</b>	<b>(77.39)</b>	<b>555.75</b>	<b>(1,274.61)</b>	<b>(1,297.89)</b>
12.	Extraordinary item (net of tax)	-	-	-	-	-	-
13.	<b>Net profit/(Loss) for the period (11-12)</b>	<b>30.15</b>	<b>359.21</b>	<b>(77.39)</b>	<b>555.75</b>	<b>(1,274.61)</b>	<b>(1,297.89)</b>
14.	Paid-up equity share capital (Face value per share Rs. 10)						385.75
15.	Reserves excluding Revaluation Reserve						1,494.52
16.	Basic/diluted Earnings Per Share (EPS) (Rs.)	0.78	9.33	(2.01)	14.44	(33.12)	(33.72)
17.	Dividend Per Share (Rs.)						--



		Quarter ended			Half year ended		Year ended
		31.12.2012	30.09.2012	31.12.2011	31.12.2012	31.12.2011	31.03.2012
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
<b>Part-II</b>							
<b>A. Particulars of Share Holding</b>							
<b>1. Public shareholding</b>							
	- Number of shares	11,56,878	11,56,878	11,56,878	11,56,878	11,56,878	11,56,878
	- Percentage of share holding	30.05	30.05	30.05	30.05	30.05	30.05
<b>2. Promoter shareholding</b>							
<b>a. Pledged / Encumbered</b>							
	- Number of shares	--	--	--	--	--	--
	- Percentage of promoter shareholding	--	--	--	--	--	--
	- Percentage of total share capital	--	--	--	--	--	--
<b>b. Non-encumbered</b>							
	- Number of shares	2,692,372	2,692,372	2,692,372	2,692,372	2,692,372	2,692,372
	- Percentage of promoter shareholding	100.00	100.00	100.00	100.00	100.00	100.00
	- Percentage of total share capital	69.95	69.95	69.95	69.95	69.95	69.95

	Particulars	Three months
		ended December 31, 2012
<b>B.</b>	<b>Investor Complaints</b>	
	Pending at the beginning of the quarter	Nil
	Received during the quarter	Nil
	Disposed during the quarter	Nil
	Remaining unresolved at the end of the quarter	Nil

1. The above financial results were reviewed by the Audit Committee and then approved by the Board of Directors at the meeting held on February 13, 2013. Statutory Auditors have conducted a limited review of the above results.

2. Increase in other expenses for the quarter ended December 31, 2012 represented mainly by increased cost of generated power.

3. The company's primary segment is identified as business segment based on nature of products, risks, return and the internal business reporting system (ie. cotton yarn) and operates in a single geographical segment as per Accounting Standard 17.

4. Figures for the previous periods have been regrouped and/or reclassified wherever necessary to conform with the revised Schedules VI of the Companies Act, 1956.

For and on behalf of the Board

  
R. Selvarajan

Chairman and Managing Director

Salem  
February 13, 2013



**LIMITED REVIEW REPORT**

To

The Board of Directors  
Kandagiri Spinning Mills Limited  
P.O.No.3, Udayapatti,  
Salem - 636 140

We have reviewed the accompanying statement of unaudited financial results of ('the statement') of **Kandagiri Spinning Mills Limited** ('the Company') for the quarter and nine months ended 31<sup>st</sup> December 2012. This statement (initialed by us for identification), prepared pursuant to Clause 41 of the Listing Agreement with the stock exchanges in India, is the responsibility of the Company's Management and has been approved by the Board of Directors. Our responsibility is to issue a report on these financial results based on our review.


We conducted our review in accordance with the Standard on Review Engagement (SRE) 2410, 'Review of Interim Financial Information performed by the Independent Auditor of the Entity', issued by the Institute of Chartered Accountants of India. A review of interim financial information consists of making inquiries, primarily of persons 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 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.

Based on our review, nothing has come to our attention that causes us to believe that the accompanying statement, prepared in all material aspects in accordance with the applicable accounting standards notified pursuant to the Companies (Accounting Standards) Rules, 2006 as per section 211 (3C) of the Companies Act, 1956, and other recognised accounting practices and policies has not disclosed the information required to be disclosed in terms of Clause 41 of the Listing Agreements with stock exchanges including the manner in which it is to be disclosed, or that it contains any material misstatement.

Further, we also report that the particulars relating to the number of shares as well as the percentage of shareholdings in respect of aggregate amount of Public shareholding, pledged/encumbered shares and non-encumbered share of promoters and promoter group shareholding (in terms of Clause 35 of the Listing Agreement) and the particulars relating to the investors complaints are as per the details furnished by the Company / Registrar and are, therefore, not expressing a review opinion thereon.

For M.S.KRISHNASWAMI & RAJAN  
Chartered Accountants  
Firm Registration No.01554S



  
R. Krishnen - Partner  
Membership No.201133

Salem  
February 13, 2013