



Kandagiri Spinning Mills Ltd.

Ref.: KSML/CS/041/2016-17

Date: 12-08-2017

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

Dear Sir,

Unaudited Financial Results for the first quarter ended 30-06-2017.

In accordance with regulation 33 of SEBI (Listing obligations and disclosure requirements) Regulations, 2015, we enclosed herewith a copy of Unaudited Financial Results of the Company for the first quarter ended 30.06.2017 along with Limited Review Report as approved by the Board of Directors of the Company at their meeting held today on 12.08.2017.

This is for your information and records

Thanking you,
Yours faithfully,

for KANDAGIRI SPINNING MILLS LTD,


(J. ASIFA)
Company Secretary

Encl: As above



CIN : L1111TZ1976PLC000762

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



KANDAGIRI SPINNING MILLS LIMITED (CIN : L17111TZ1976PLC000762)

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

e-mail : sales@kandagirimills.com

STATEMENT OF STANDALONE UNAUDITED FINANCIAL RESULTS FOR THE QUARTER ENDED 30.06.2017

Rs. lakhs

		Three months ended	
		30.06.2017	30.06.2016
		Unaudited	Unaudited
1.	Income from Operations		
a.	Net Sales/Income from Operations	1,411.50	3,345.64
b.	Other Operating Income	91.47	10.82
2.	Other income	7.43	7.03
3.	Total Income from Operations (1+2)	1,510.40	3,363.49
4.	Expenses		
a.	Cost of Materials consumed	981.11	2,027.88
b.	Purchase of stock-in-trade	-	-
c.	Changes in inventories of finished goods, work in progress and stock in trade	(38.88)	167.72
d.	Employee benefits expense	194.51	412.25
e.	Finance costs	216.26	328.55
f.	Depreciation and amortisation expense	89.21	190.70
g.	Other expenses	427.87	637.88
	Total Expenses	1,870.08	3,764.97
5.	(Loss) before exceptional and extraordinary items and tax (3-4)	(359.69)	(401.48)
6.	Exceptional item		
7.	(Loss) before tax (5+6)	(359.69)	(401.48)
8.	Tax expense - Income Tax		
	- Current Tax	-	-
	- Deferred Tax	(0.51)	5.45
9.	(Loss) from ordinary activities after tax (7-8)	(359.18)	(406.93)
10.	Other Comprehensive income (net of tax)	1.02	(11.06)
11.	Total Comprehensive income (9+10)	(358.16)	(417.99)
12.	Paid-up equity share capital (Face value per share Re. 10)	385.75	385.75
13.	Earnings Per Share (Basic and Diluted) (Rs.) (of Rs. 10 each) Not annualised	(9.31)	(10.55)

Notes:

- The above financial results were reviewed by the Audit Committee and then approved by the Board of Directors at its meeting held on August 12, 2017. The Statutory auditors have conducted a limited review of the above standalone financial results.
- The company's profitability continues to be affected during the quarter also. The production volume was below 50%. The production is expected to increase gradually on receipt of sale proceeds of Unit III.
- The Company adopted Indian Accounting Standards ("Ind AS") from April 1, 2017 and accordingly above standalone financial results have been prepared in accordance with the recognition and measurement principles laid down in the Ind AS 34 "Interim Financial Reporting" prescribed under section 133 of the Companies Act, 2013 read with the relevant rules issued thereunder and the other accounting principles generally accepted in India. The Ind AS compliant standalone financial results for the corresponding quarter ended June 30, 2016 have been stated in terms of SEBI circular CIR/CFD/FAC/62/2016 dated July 5, 2016.

Reconciliation of net profit for the corresponding quarter ended June 30, 2016 between previous Indian GAAP and Ind AS is as under:

	Rs. lakhs
Net profit as per previous Indian GAAP	30.06.2016
Actuarial loss on employee defined benefit funds recognised in Other Comprehensive Income	(417.99)
Deferred tax	-16.51
Net profit as per Ind AS	-5.48
Other Comprehensive Income (net of tax)	(406.93)
Total Comprehensive Income	-11.06
	(417.99)

- The company's primary segment is identified as business segment based on nature of products, risks, return and the internal business reporting system (i.e. cotton yarn) and operates in a single geographical segment.
- The Company would be consolidating and presenting its Consolidated Financial Statements at the end of the year i.e. March 31, 2018.
- Figures for the previous periods have been regrouped/reclassified/amended, wherever necessary.

Salem

August 12, 2017



For and on behalf of the Board

S. D. Varajan
S. D. Varajan
Chairman

Independent Auditor's Review Report on Review of Interim Financial Results

To The Board of Directors, M/s Kandagiri Spinning Mills Limited, Post Box No.3, Udayapatti, Salem 636 140.

We have reviewed the accompanying Statement of Standalone Unaudited Financial Results of M/s **Kandagiri Spinning Mills Limited** ("the Company") for the Quarter ended June 30, 2017 ("the Statement"), being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulation 2015, as modified by Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016. 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 Accounting Standard prescribed under Section 133 of the Companies Act, 2013, read with relevant rules issued there under and other accounting principles generally accepted in India. Our responsibility is to issue a report on the Statement based on our review.

We conducted our review of the Statement 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. 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.

Based on our review conducted as above nothing has come to our attention that causes us to believe that the accompanying Statement prepared in accordance with the aforesaid Accounting Standards and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulation 2015, as modified by Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016 including the manner in which it is to be disclosed, or that it contains any material misstatement.



Salem
August 12, 2017

For M.S.Krishnaswami & Rajan
Chartered Accountants
Firm Registration No.01554S

R.Krishnen Partner
Membership No.201133