

KANDAGIRI SPINNING MILLS LIMITED (CIN : L17111TZ1976PLC000762)

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STATEMENT OF UNAUDITED FINANCIAL RESULTS (STANDALONE) FOR THE NINE MONTHS/QUARTER ENDED DECEMBER 31, 2016

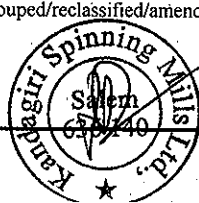
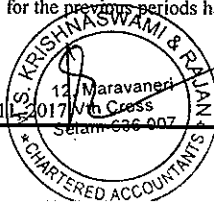
Rs. lakhs

Sl No.	Particulars	Quarter ended			Nine months ended		Year ended
		31.12.2016	30.09.2016	31.12.2015	31.12.2016	31.12.2015	31.03.2016
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
	Part-I						
1.	Income from Operations						
a.	Net Sales / Income from operations	1,400.41	1,782.95	3,586.82	6,529.00	11,662.18	14,463.21
b.	Other Operating Income	15.76	11.27	4.10	37.85	6.62	9.87
	Total Income from Operations	1,416.17	1,794.22	3,590.92	6,566.85	11,668.80	14,473.07
2.	Expenses						
a.	Cost of Materials consumed	730.49	1,215.83	2,265.66	3,974.20	7,278.92	9,327.27
b.	Purchase of stock-in-trade	--	--	--	--	--	--
c.	Changes in inventories of finished goods, work in progress and stock in trade	571.08	40.92	224.55	779.72	(200.59)	(676.77)
d.	Employee benefits expense	226.23	370.56	416.54	1,025.55	1,475.30	1,910.35
e.	Depreciation and amortisation expense	190.70	190.71	188.62	572.10	565.92	758.67
f.	Power cost (net)	315.46	(106.00)	516.19	544.17	1,500.64	1,961.63
g.	Other expenses	176.40	185.21	222.63	664.78	874.51	1,108.76
	Total Expenses	2,210.37	1,897.23	3,834.19	7,560.53	11,494.70	14,389.91
3.	(Loss) from operations before other income, finance costs and exceptional item (1-2)	(794.20)	(103.01)	(243.27)	(993.68)	174.10	83.16
4.	Other income	6.91	6.64	6.75	20.58	23.11	26.74
5.	(Loss) from ordinary activities before finance costs and exceptional item (3+4)	(787.29)	(96.37)	(236.52)	(973.10)	197.21	109.90
6.	Finance costs	337.93	333.33	349.06	999.81	951.76	1,243.66
7.	(Loss) from ordinary activities after finance costs but before exceptional item (5-6)	(1,125.22)	(429.70)	(585.58)	(1,972.91)	(754.55)	(1,133.76)
8.	Exceptional item	-	-	-	-	-	-
9.	(Loss) from ordinary activities before tax (7-8)	(1,125.22)	(429.70)	(585.58)	(1,972.91)	(754.55)	(1,133.76)
10.	Tax expense - Income Tax						
	- Current Tax	-	-	-	-	-	-
	- Deferred Tax	-	-	-	-	-	-
11.	(Loss) from ordinary activities after tax (9-10)	(1,125.22)	(429.70)	(585.58)	(1,972.91)	(754.55)	(1,133.76)
12.	Extraordinary item (net of tax)	-	-	-	-	-	-
13.	(Loss) for the period (11-12)	(1,125.22)	(429.70)	(585.58)	(1,972.91)	(754.55)	(1,133.76)
14.	Paid-up equity share capital (Face value per share Re.10)	385.75	385.75	385.75	385.75	385.75	385.75
15.	Reserves excluding Revaluation Reserve						1,519.03
16.	Basic/diluted Earnings Per Share (EPS) (Rs.)	(29.23)	(11.16)	(15.21)	(51.26)	(19.60)	(29.45)
17.	Dividend Per Share (Rs.)	--	--	--	--	--	--

NOTES:

- The above standalone financial results were reviewed by the Audit Committee and then approved by the Board of Directors at its meeting held on February 11, 2017. The Statutory auditors have conducted a limited review of the above standalone financial results.
- The company's profitability for the quarter/nine months ended December 31, 2016 was adversely affected due to lower capacity utilisation. Further the fall in selling prices of yarn also affected the profitability. In view of continued losses, repayment of term loans to banks severely affected and had to be met out of sale of fixed assets.
- As on December 31, 2016, the company has banking of 65.09 lakhs units of windmill electricity. Due to lower capacity utilisation of the spinning units, the banking units were not consumed fully till December 31, 2016. Also, as the capacity utilisation of the last quarter of 2016-17 is also planned at a lower level, the entire banking units may not be consumed fully by the spinning units. Hence the estimated loss of Rs.201 lakhs, being the difference in the value of units consumed against the value to be received from TNEB by surrendering the units is charged to Statement of Profit and Loss.
- 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.
- The Company would be consolidating and presenting the Consolidated Financial Statements at the end of the year ie. March 31, 2017
- Figures for the previous periods have been regrouped/reclassified/amended, wherever necessary.

Salem
February 11, 2017



For Kandagiri Spinning Mills Limited

R. Selvarajan

Chairman and Managing Director

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.

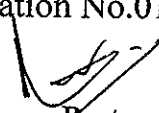
We have reviewed the accompanying Statement of Standalone Unaudited Financial Results of **M/s Kandagiri Spinning Mills Limited** ("the Company") for the nine months / Quarter ended December 31, 2016 ("the Statement"), being submitted by the Company pursuant to the requirement of Regulation 33 of the 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 any 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.

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




R.Krishnen – Partne
Membership No.201133

Salem
February 11, 2017