KANDAGIRI SPINNING MILLS LIMITED (CIN: L17111TZ1976PLC000762)

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

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e-mail: sales@kandagirimills.com Phone 0427 2244400 Fax 0427 2244422 Web site: www.kandagirimills.com STATEMENT OF UNAUDITED FINANCIAL RESULTS (STANDALONE) FOR THE NINE MONTHS/QUARTER ENDED DECEMBER 31, 2016

Rs. lakhs

Simple Particulars 31 12 2016 30 30 2016 31 12 2015 31 12 2016 31 10 2016 31 10 2016 31 10 2016 31 10 2016 31 10 2016 31 10 2016 31 10 2016 31 2016	F	Sl No.		Particulars	Quarter ended			Nine months ended		Year ended
Part						30.09.2016	31.12.2015	31.12.2016	31.12.2015	31.03.2016
1. a. Net State / Income from operations 1,400.41 1,782.95 3,586.82 6,579.00 11,662.18 14,463.21 14,463.21 12,70 11.27 1.00.41 1.782.95 3,586.82 6,579.00 11,662.18 14,463.21 14,463.21 14,463.21 12,70 11.27 1.00.41 1.794.22 3,590.92 6,566.85 11,668.80 14,473.07 14,73.07 12,20.85 1.00.85					Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
Lab Not State / Hosome from operations 1,400.41 1,782.95 3,586.82 6,529.00 11,662.18 14,463.21 12,70 11.27 4.10 37.85 6.62 9.87 12,70				Part-I]			
Description	1	l.		<u> </u>						
Total Income from Operations				Net Sales / Income from operations	1,400.41	1,782.95	3,586.82	6,529.00	11,662.18	14,463.21
Expenses			b.	Other Operating Income	15.76	11.27	4.10	37.85	6,62	9.87
Expenses			ļ							
n. Cost of Malerials consumed 730.49 1,215.83 2,265.66 3,974.20 7,278.92 9,327.27 1,278.92	-			Total Income from Operations	1,416,17	1,794.22	3,590.92	6,566.85	11,668.80	14,473.07
n. Cost of Malerials consumed 730.49 1,215.83 2,265.66 3,974.20 7,278.92 9,327.27 1,278.92	ı									
D. Purchase of stock-in-trade C. Changes in inventories of finished goods, work in progress and stock in trade C. Changes in inventories of finished goods, work in progress and stock in trade Employee benefits expense 190.07 190.71 188.62 572.10 565.59 778.67 1.910.35 1.900.45 1.90	2	2.		Expenses						
C Changes in inventories of finished goods, work in progress and stock in trade d. Employee benefits expense 226.23 370.56 416.54 1,025.55 1,475.30 1,910.35 E. Depreciation and amortisation expense 190.70 190.71 188.62 272.10 565.92 738.67 f. Power cost (net) 315.46 (106.00) 516.19 544.17 1,500.64 1,961.63 g. Other expenses 176.40 185.21 222.03 664.78 874.51 1,108.76 Total Expenses 2,210.37 1,897.23 3,834.19 7,560.53 11,494.70 14,389.91 (Loss) from operations before other income, finance costs and exceptional item (1-2) (103.01) (243.27) (993.68) 174.10 83.16 (Loss) from ordinary activities before finance costs and exceptional item (3+4) (103.01) (236.52) (973.10) 197.21 109.90 (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) (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) (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) (Loss) from ordinary activities after tax (9-10) (1,125.22) (429.70) (585.58) (1,972.91) (754.55) (1,133.76) (Loss) from ordinary activities after tax (9-10) (1,125.22) (429.70) (585.58) (1,972.91) (754.55) (1,133.76) (Loss) from ordinary activities after tax (9-10) (1,125.22) (429.70) (585.58) (1,972.91) (754.55) (1,133.76) (Loss) from ordinary activities after tax (9-10) (1,125.22) (429.70) (585.58) (1,972.91) (754.55) (1,133.76) (Loss) from ordinary activities after tax (9-10) (1,125.22) (429.70) (585.58) (1,972.91) (754.55) (1,133.76) (Loss) from ordinary activities after tax (9-10) (1,125.22) (429.70) (585.58) (1,972.91) (754.55) (1,133.76) (Cost of Materials consumed	730.49	1,215.83	2,265.66	3,974.20	7,278.92	9,327.27
Stock in trade Employee benefits expense 226.23 370.56 416.54 1,025.55 1,475.30 1,910.35			Ł			·				
d. Employee benefits expense 226.23 370.56 416.54 1,025.55 1,475.30 1,910.35 e. Depreciation and amortisation expense 190.70 190.71 188.8c2 572.10 565.92 758.67 f. Power cost (net) 315.46 (106.00) 51.61.9 544.17 1,500.64 1,961.63 176.40 185.21 222.63 664.78 874.51 1,108.76 176.40 185.21 222.63 664.78 874.51 1,108.76 176.40 185.21 222.63 664.78 1874.51 1,108.76 176.40 185.21 222.63 664.78 1874.51 1,108.76 176.40 185.21 222.63 664.78 1874.51 1,108.76 176.40 185.21 222.63 664.78 1874.51 1,108.76 176.40 185.21 222.63 664.78 1874.51 1,108.76 176.40 185.21 1,108.76 1,108.7			c.		571.08	40.92	224.55	779,72	(200.59)	(676,77)
e. Depreciation and amortisation expense f. Power cost (net) g. Other expenses 176.40 188.62 176.40 188.62 176.40 185.21 18.62 176.40 185.21 18.62 176.40 185.21 18.62 186.47.8 187.45 11,00.64 1,961.63 176.40 185.21 18.62 186.47.8 187.45 11,00.64 1,961.63 11,697.23 18.87 184.17 18.00.64 1,961.63 186.26 186.47 187.45 11,00.64 1,961.63 11,494.70 11,498.991 1.00.83 1.00.80 1.			İ.	stock in trade		İ				
f. Power cost (net) 315.46 (106.00) 516.19 (106.00) 544.17 (106.00) 1,500.64 (106.00) 1,500.64 (106.00) 1,500.64 (106.00) 1,108.76 (64.78) 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 (3-6) (1,125.22) (429.70) (585.58) (1,972.91) (754.55) (1,133.76) 8. Exceptional item (3-6) (1,125.22) (429.70) (585.58) (1,972.91) (754.55) <td>- 1</td> <td></td> <td>d.</td> <td>Employee benefits expense</td> <td>226.23</td> <td>370.56</td> <td>416,54</td> <td>1,025.55</td> <td>1,475.30</td> <td>1,910.35</td>	- 1		d.	Employee benefits expense	226.23	370.56	416,54	1,025.55	1,475.30	1,910.35
Comparison Com	- [Depreciation and amortisation expense	190,70	190.71	188.62	572.10	565.92	758,67
Total Expenses 2,210.37 1,897.23 3,834.19 7,560.53 11,494.70 14,389.91			f.	Power cost (net)	315.46	(106.00)	516.19	544.17	1,500.64	1,961.63
Class) from operations before other income, finance costs and exceptional item (1-2) (103.01) (243.27) (993.68) 174.10 83.16			g.	Other expenses	176.40	185.21	222,63	664.78	874,51	1,108.76
Exceptional item (1-2) Class) from ordinary activities after finance costs and exceptional item (3+4) Class) from ordinary activities after finance costs but before exceptional item (5-6) Class) from ordinary activities after finance costs but before exceptional item (5-6) Class) from ordinary activities after finance costs but before exceptional item (5-6) Class) from ordinary activities after finance costs but before exceptional item (5-6) Class) from ordinary activities before tax (7-8) Class) from ordinary activities after tax (9-10) Class) for the period (11-12) C				Total Expenses	2,210.37	1,897.23	3,834.19	7,560.53	11,494,70	14,389.91
Exceptional item (1-2) Class) from ordinary activities after finance costs and exceptional item (3+4) Class) from ordinary activities after finance costs but before exceptional item (5-6) Class) from ordinary activities after finance costs but before exceptional item (5-6) Class) from ordinary activities after finance costs but before exceptional item (5-6) Class) from ordinary activities after finance costs but before exceptional item (5-6) Class) from ordinary activities before tax (7-8) Class) from ordinary activities after tax (9-10) Class) for the period (11-12) C										
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) 6. Finance costs 337.93 333.33 349.06 99.81 951.76 1,243.66 7. (Loss) from ordinary activities after finance costs but before exceptional item (5-6) 8. Exceptional item (5-6) 8. Exceptional item (5-6) 10. Tax expense - Income Tax	3				(794.20)	(103.01)	(243,27)	(993.68)	174.10	83.16
5. (Loss) from ordinary activities before finance costs and exceptional item (3+4) 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) 8. Exceptional item 9. (Loss) from ordinary activities before tax (7-8) 10. Tax expense - Income Tax				exceptional item (1-2)		·				
5. (Loss) from ordinary activities before finance costs and exceptional item (3+4) 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) 8. Exceptional item 9. (Loss) from ordinary activities before tax (7-8) 10. Tax expense - Income Tax	1			•						
Exceptional item (3+4)	4			Other income	6.91	5.64	6.75	20.58	23.11	26.74
Exceptional item (3+4)										
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	5				(787.29)	(96.37)	(236.52)	(973.10)	197,21	109,90
7. (Loss) from ordinary activities after finance costs but before exceptional item (5-6) 8. Exceptional item 9. (Loss) from ordinary activities before tax (7-8) 10. Tax expense - Income Tax				exceptional item (3+4)						
7. (Loss) from ordinary activities after finance costs but before exceptional item (5-6) 8. Exceptional item 9. (Loss) from ordinary activities before tax (7-8) 10. Tax expense - Income Tax	-				·					
Exceptional item (5-6)	6			Finance costs	337.93	333.33	349.06	999.81	951.76	1,243.66
Exceptional item (5-6)										
8. Exceptional item 9. (Loss) from ordinary activities before tax (7-8) 10. Tax expense - Income Tax	7				(1,125.22)	(429.70)	(585.58)	(1,972,91)	(754.55)	(1,133.76)
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				exceptional item (5-6)						
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10. Tax expense - Income Tax	8			Exceptional item	-	-	-	-	_	_
10. Tax expense - Income Tax	1									
10. Tax expense - Income Tax	9		H	(Loss) from ordinary activities before tax (7-8)	(1,125.22)	(429.70)	(585.58)	(1,972.91)	(754.55)	(1,133,76)
- 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) (1,125.22) (429.70) (585.58) (1,972.91) (754.55) (1,133.76) 15. Reserves excluding Revaluation Reserve (1,519.03) (1,125.22) (1,125.22) (1,125.22) (1,125.22) (1,125.22) (1,125.22) (1,125.22) (1,125.22) (1,125.22) (1,125.22) (1,125.22) (1,125.22) (1,125.22) (1,125.22) (1,125.22) (1,125.22) (1,125.23	ľ			(,,,		, ,	` <u>[</u>	`	` ′	(-,,
- 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) (1,125.22) (429.70) (585.58) (1,972.91) (754.55) (1,133.76) 15. Reserves excluding Revaluation Reserve (1,519.03) (1,125.22) (1,125.22) (1,125.22) (1,125.22) (1,125.22) (1,125.22) (1,125.22) (1,125.22) (1,125.22) (1,125.22) (1,125.22) (1,125.22) (1,125.22) (1,125.22) (1,125.22) (1,125.22) (1,125.23	I,	Λ		Tay eynense - Income Tay						1
- Deferred Tax	ľ	٧.		•		_				I
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) -					_	-	-]	-	-	
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 15. Reserves excluding Revaluation Reserve 16. Basic/diluted Earnings Per Share (EPS) (Rs.) (29.23) (11.16) (15.21) (51.26) (19.60) (29.45)	-			- Defende Tax	-	-	-	•	- 1	-
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 15. Reserves excluding Revaluation Reserve 16. Basic/diluted Earnings Per Share (EPS) (Rs.) (29.23) (11.16) (15.21) (51.26) (19.60) (29.45)	I,	.]		(Table 6-1-1)	(1.105.00)	(430.70)	(FOF FO	(1.072.04)	(55.4.55)	
13. (Loss) for the period (11-12) (1,125.22) (429.70) (585.58) (1,972.91) (754.55) (1,133.76)	ľ	1.		(Loss) from ordinary activities after tax (9-10)	(1,125.22)	(429.70)	(565,58)	(1,9/2.91)	(754.55)	(1,133.76)
13. (Loss) for the period (11-12) (1,125.22) (429.70) (585.58) (1,972.91) (754.55) (1,133.76)										İ
14. Paid-up equity share capital (Face value per share Re.10) 15. Reserves excluding Revaluation Reserve 16. Basic/diluted Earnings Per Share (EPS) (Rs.) 17. Dividend Per Share (Ps.) 18. (29.23) 19. (11.16) (15.21) (17. (15.24) (19.60) (19.60) (19.60)	11	2.		Extraordinary item (net of tax)	-	-	-	-	-	-
14. Paid-up equity share capital (Face value per share Re.10) 15. Reserves excluding Revaluation Reserve 16. Basic/diluted Earnings Per Share (EPS) (Rs.) 17. Dividend Per Share (Ps.) 18. (29.23) 19. (11.16) (15.21) (17. (15.24) (19.60) (19.60) (19.60)	L									ļ
15. Reserves excluding Revaluation Reserve 1,519.03 16. Basic/diluted Earnings Per Share (EPS) (Rs.) 17. Dividend Per Share (Rs.) 18. (29.23) (11.16) (15.21) (51.26) (19.60) (29.45)	-1^{1}	3.	\dashv	(Loss) for the period (11-12)	(1,125,22)	(429,70)	(585,58)	(1,972.91)	(754.55)	(1,133.76)
15. Reserves excluding Revaluation Reserve 1,519.03 16. Basic/diluted Earnings Per Share (EPS) (Rs.) 17. Dividend Per Share (Rs.) 18. (29.23) (11.16) (15.21) (51.26) (19.60) (29.45)	- [.									l
16. Basic/diluted Earnings Per Share (EPS) (Rs.) (29.23) (11.16) (15.21) (51.26) (19.60) (29.45)					385.75	385.75	385.75	385.75	385.75	385.75
17 Dividend Par Share (Pa.)		- 1								1,519.03
117 Dividend Per Share (Pa)		- 1	- 1	* ' ' ' '	(29.23)	(11.16)	(15.21)	(51.26)	(19.60)	(29.45)
	1	7.		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.
- 2. 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.
- 3. 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.
- 4. The company's primary segment is identified as business segment based on nature of products, risks, return and the internal business are porting system (ie. cotton yarn) and operates in a single geographical segment as per Accounting Standard 17.
- 5. The Company would be consolidating and presenting the Consolidated Financial Statements at the end of the year ie. March 31, 2017

5. Figures for the previous periods have been regrouped/reclassified/amended, whereever necessary.

Salem February

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For Kandagiri Spinning Mills Limited

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.

12, Maravaneri Vth Cross Selam-636 007 For M.S.KRISHNASWAMI & RAJAN

Chartered Accountants
Firm Registration No.01554S

R.Krishnen – Partne Membership No.201133

Salem February 11, 2017