



# Kandagiri Spinning Mills Ltd.

Ref.: KSML/CS/036/2022-23

Date: 10.02.2023

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

Dear Sir,

**Sub.: Enclosure of Unaudited Financial Results (Consolidated and Standalone) of the Company for the third quarter and nine months ended 31.12.2022 along with Independent Auditor's Limited Review Report**

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Pursuant to regulation 33 of SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015 we herewith enclosed Unaudited Financial Results (Consolidated and Standalone) for the third quarter and nine months ended 31.12.2022 [which have duly reviewed by the Audit Committee and duly approved by the Board of Directors at their meeting held on today 10.02.2023], along with Independent Auditor's Limited Review Report.

Please take the same for your records

Thanking you,

Yours faithfully,

**For Kandagiri Spinning Mills Limited**

  
**J. Asifa**  
Company Secretary

Encl.: As above



**CIN : L17111TZ1976PLC000762**



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

**GSTIN: 33AABCK2694Q1Z1**



**Independent Auditor's Limited Review Report on Consolidated quarterly and nine months ended unaudited Financial Results of the Company pursuant to Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended**

The Board Directors of **KANDAGIRI SPINNING MILLS LIMITED**

1. We have reviewed the accompanying "Statement of Consolidated Unaudited Financial Results of **KANDAGIRI SPINNING MILLS LIMITED** ('the Company') and its share of net profit after tax and total comprehensive income of its associate, for the quarter and nine months ended December 31, 2022 (the "financial results") which are included in the accompanying "Statement of Consolidated Unaudited Financial Results for the quarter and nine months ended December 31, 2022" (the "Statement"). The Statement has been prepared by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time. ('the Listing Regulations'), which has been initialled by us for identification purposes.
2. 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 Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (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. We also performed procedures in accordance with the circular issued by the SEBI under Regulation 33 (8) of the Listing Regulations, to the extent applicable.
4. The Statement Includes the results of the following Associate:
  - a. SPMM Health Care Services Private Limited



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**5. Basis of Qualified Opinion**

Though the company has earned profit of Rs.91.76 lakhs, still there has been an erosion of net worth. The profit of Rs.91.76 lakhs came because of forfeiture of advances received and failed to fulfill the commitment. The company has not carried out any business during the quarter and still the company is incurring losses, we are of the opinion that these factors indicate existence of material uncertainty in the Company's ability to continue as a going concern. The attached financial statements do not include any adjustments that might result had the above uncertainties been known. Management has represented in this regard that there is no further adjustments to be made in the carrying values/financial statements even if the Going Concern Concept is not adopted

**6. Qualified Conclusion**

Based on our review conducted as in clause 3 above, except for the effect of matters as mentioned in para 5 above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standards ('Ind AS') specified under Section 133 of the Companies Act, 2013 as amended, read with relevant rules issued there under and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 of the Listing Regulations, as amended from time to time, including the manner in which it is to be disclosed, or that it contains any material misstatement.

For Krishnen & Associates  
Chartered Accountants  
Firm Registration no.018163S



R. Krishnen - Partner  
Membership no.201133  
UDIN : 23201133BGYWJV5828  
Place : Salem  
Dated:10<sup>th</sup>February2023



KANDAGIRI SPINNING MILLS LIMITED (CIN : L17111TZ1976PLC000762)							
Regd. Office : Mill Premises, Udayapatti (P.O.), Salem 636 140							
e-mail : sales@kandagirimills.com; website : www.kandagirimills.com							
STATEMENT OF CONSOLIDATED UNAUDITED FINANCIAL RESULTS FOR THE PERIOD ENDED DECEMBER 31, 2022							
							Rs. lakhs
S.No.	Particulars	Three months ended			Nine months ended		Year ended
		31.12.2022 Unaudited	30.09.2022 Unaudited	31.12.2021 Unaudited	31.12.2022 Unaudited	31.12.2021 Unaudited	31.03.2022 Audited
I	Revenue from Operations	-	-	141.52	-	287.62	318.76
II	Other Income	139.32	47.13	58.57	233.04	182.89	258.94
III	<b>Total Income (I+II)</b>	<b>139.32</b>	<b>47.13</b>	<b>200.09</b>	<b>233.04</b>	<b>470.51</b>	<b>577.70</b>
IV	<b>EXPENSES</b>						
	Cost of materials consumed	-	-	138.22	-	279.99	310.47
	Changes in inventories of finished goods and work-in-progress	-	-	-	-	-	-
	Employee benefits expenses	2.25	2.25	2.25	6.75	5.75	8.00
	Finance costs	35.03	32.70	39.97	100.08	120.36	159.46
	Depreciation	7.29	7.29	7.29	21.87	21.87	29.17
	Other expenses	3.44	2.95	6.26	12.58	19.66	28.08
	<b>Total Expenses</b>	<b>48.01</b>	<b>45.19</b>	<b>193.99</b>	<b>141.28</b>	<b>447.63</b>	<b>535.18</b>
V	Profit/(loss) before share of profit of associates (III-IV)	<b>91.31</b>	<b>1.94</b>	<b>6.10</b>	<b>91.76</b>	<b>22.88</b>	<b>42.52</b>
VI	Share of profit of associate	2.10	2.26	5.65	5.65	60.41	63.35
VII	Profit/(loss) after share of profit of associates (V-VI)	<b>93.41</b>	<b>4.20</b>	<b>11.75</b>	<b>97.41</b>	<b>83.29</b>	<b>105.87</b>
VIII	Exceptional items						
IX	Profit/(loss) before tax (VII-VIII)	<b>93.41</b>	<b>4.20</b>	<b>11.75</b>	<b>97.41</b>	<b>83.29</b>	<b>105.87</b>
X	Tax expense:						
	(1) Current tax - for the year	15.00	-	-	15.00	-	15.00
	- prior year withdrawal	0.00	-13.58	-	-13.58	-	-
	(2) Deferred tax	-	-	-	-	-	-
XI	Profit/ (Loss) for the period from continuing operations (IX-X)	<b>78.41</b>	<b>17.78</b>	<b>11.75</b>	<b>95.99</b>	<b>83.29</b>	<b>90.87</b>
XII	Other Comprehensive Income						
A	(i) Items that will not be reclassified to profit and loss						
	Remeasurement of Defined benefits plan						
	(ii) income tax relating to items that will not be reclassified to profit and loss						
B	(i) Items that will be reclassified to profit and loss						
	(ii) Income tax relating to items that will be reclassified to profit and loss						
XIII	<b>Total Other Comprehensive Income</b>	-	-	-	-	-	-
	<b>Total Comprehensive Income for the period (IX+X)</b>						
	<b>(Comprising Profit (Loss) and Other Comprehensive Income for the period)</b>	<b>78.41</b>	<b>17.78</b>	<b>11.75</b>	<b>95.99</b>	<b>83.29</b>	<b>90.87</b>
XIV	Earnings per equity share of Rs.10/- each: (not annualised)						
	Basic and Diluted	<b>2.03</b>	<b>0.46</b>	<b>0.30</b>	<b>2.49</b>	<b>2.16</b>	<b>2.36</b>
XV	Paid Up Equity Share Capital ( Face Value Rs. 10/- each)	385.75	385.75	385.75	385.75	385.75	385.75
XVI	Other equity						(965.06)

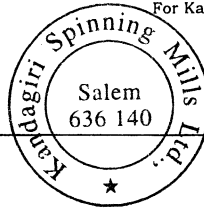
#There are no discontinued operations during the period




Notes

- 1 The above unaudited consolidated financial results were reviewed by the Audit Committee and then approved by the Board of Directors at its meeting held on February 10, 2023. The limited review as required under Regulation 33 of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, has been completed by the Statutory Auditors.
- 2 Though the company is earned profit of Rs.91.76 lakhs, still there has been an erosion of net worth. The profit of Rs.91.76 lakhs came because of forfeiture of advances received and failed to fulfill the commitment. The Company continued to lease out its immovable property and earned lease rental income. Due to poor market condition, the company could not carrying on yarn trading business. In the coming quarters, your directors will continue the yarn trading business taking in to advantage of earlier performance. The promoters have given assurance of infusion of funds as and when deemed necessary. Considering the above, the Board of directors deem it fit to continue adoption of Going concern concept in preparation of the financial statements although the Statutory Auditors have qualified their opinion wrt the same.
- 3 The Company is principally engaged in a single business segment viz. yarn based on nature of products, risks, returns and the internal business reporting system and accordingly there is no other reportable segment in terms of Ind AS 108 'Operating Segments'.
- 4 The consolidated financial results have been prepared in accordance with Ind As 110 read with Ind As28. The consolidated results include the standalone results of the parent company, its associate viz. SPMM Healthcare Services Private Limited.
- 5 The previous period figures have been regrouped/reclassified wherever necessary to conform to current period classification.

Salem  
February 10, 2023




For Kandagiri Spinning Mills Limited

  
R. Selvarajan  
Managing Director  
DIN : 00001703



For: Krishnen & Associates  
Chartered Accountants  
Firm Registration No:0181635

  
R. Krishnen - Partner  
Membership No: 201133

UDIN: 23201133 B67WJV5828



**Independent Auditor's Limited Review Report on Standalone quarterly and nine months ended unaudited Financial Results of the Company Pursuant to Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended**

**Review Report to The Board of Directors of KANDAGIRI SPINNING MILLS LIMITED**

1. We have reviewed the accompanying "Statement of Standalone Unaudited Financial Results of **KANDAGIRI SPINNING MILLS LIMITED** (the Company) for the quarter and nine months ended December 31, 2022 (the "financial results") which are included in the accompanying "Statement of Unaudited Financial Results for the quarter and nine months ended December 31, 2022" (the "Statement"). The Statement has been prepared by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time. (the Listing Regulations), which has been initialled by us for identification purposes.
2. 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 Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (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.
4. **Basis of Qualified Opinion**

Though the company has earned profit of Rs.91.76 lakhs, still there has been an erosion of net worth. The profit of Rs.91.76 lakhs came because of forfeiture of advances received and failed to fulfill the commitment. The company has not carried out any business during the quarter and still the company is incurring losses, we are of the opinion that these factors indicate existence of material uncertainty in the Company's ability to continue as a going concern. The attached financial statements do not include any adjustments that might result had the above uncertainties been known. Management has represented in this regard that there is no further adjustments to be made in the carrying values/financial statements even if the Going Concern Concept is not adopted.

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#### 5. Qualified Conclusion

Based on our review conducted as in clause 3 above, except for the effect of matters as mentioned in para 4 above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standards ('Ind AS') specified under Section 133 of the Companies Act, 2013 as amended, read with relevant rules issued there under and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 of the Listing Regulations, as amended from time to time, including the manner in which it is to be disclosed, or that it contains any material misstatement.

For Krishnen & Associates  
Chartered Accountants  
Firm Registration no.018163S

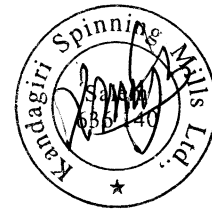
  
R. Krishnen - Partner  
Membership no.201133  
UDIN :23201133BGYWJU4607

Place : Salem  
Dated:10<sup>th</sup> February, 2023



KANDAGIRI SPINNING MILLS LIMITED (CIN : L17111TZ1976PLC000762)							
Regd. Office : Mill Premises, Udayapatti (P.O.), Salem 636 140							
e-mail : sales@kandagirimills.com; website : www.kandagirimills.com							
STATEMENT OF STANDALONE UNAUDITED FINANCIAL RESULTS FOR THE PERIOD ENDED DECEMBER 31, 2022							
Rs. lakhs							
S.No.	Particulars	Three months ended			Nine months ended		Year ended
		31.12.2022 Unaudited	30.09.2022 Unaudited	31.12.2021 Unaudited	31.12.2022 Unaudited	31.12.2021 Unaudited	31.03.2022 Audited
I	Revenue from Operations			141.52	-	287.62	318.76
II	Other Income	139.32	47.13	58.57	233.04	182.89	258.94
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IV	<b>EXPENSES</b>						
	Cost of materials consumed			138.22	-	279.99	310.47
	Changes in inventories of finished goods and work-in-progress						
	Employee benefits expenses	2.25	2.25	2.25	6.75	5.75	8.00
	Finance costs	35.03	32.70	39.97	100.08	120.36	159.46
	Depreciation	7.29	7.29	7.29	21.87	21.87	29.17
	Other expenses	3.44	2.95	6.26	12.58	19.66	28.08
	<b>Total Expenses</b>	<b>48.01</b>	<b>45.19</b>	<b>193.99</b>	<b>141.28</b>	<b>447.63</b>	<b>535.18</b>
	Profit/(loss) before exceptional items and tax (III-IV)	<b>91.31</b>	<b>1.94</b>	<b>6.10</b>	<b>91.76</b>	<b>22.88</b>	<b>42.52</b>
VI	Exceptional items						
VII	Profit/(loss) before tax (V-VI)	91.31	1.94	6.10	91.76	22.88	42.52
VIII	Tax expense						
	(1) Current tax - for the year	15.00			15.00		15.00
	- prior year withdrawal	0.00	-13.58		-13.58		
	(2) Deferred tax						
IX	Profit/ (Loss) for the period from continuing operations (VII-VIII)	76.31	15.52	6.10	90.34	22.88	27.52
X	Other Comprehensive Income						
	(i) Items that will not be reclassified to profit and loss						
A	Remeasurement of Defined benefits plan						
	(ii) Income tax relating to items that will not be reclassified to profit and loss						
B	(i) Items that will be reclassified to profit and loss						
	(ii) Income tax relating to items that will be reclassified to profit and loss						
	<b>Total Other Comprehensive Income</b>	-	-	-	-	-	-
XI	<b>Total Comprehensive Income for the period (IX+X) (Comprising Profit (Loss) and Other Comprehensive Income for the period)</b>	<b>76.31</b>	<b>15.52</b>	<b>6.10</b>	<b>90.34</b>	<b>22.88</b>	<b>27.52</b>
XII	Earnings per equity share of Rs.10/- each: (not annualised)						
	Basic and Diluted	<b>1.98</b>	<b>0.40</b>	<b>0.16</b>	<b>2.34</b>	<b>0.59</b>	<b>0.71</b>
XIII	Paid Up Equity Share Capital ( Face Value Rs. 10/- each)	385.75	385.75	385.75	385.75	385.75	385.75
XIV	Other equity						(1,008.01)

#There are no discontinued operations during the period



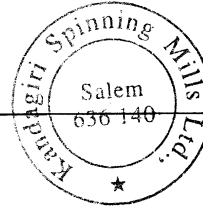


Notes

- 1 The above unaudited standalone financial results were reviewed by the Audit Committee and then approved by the Board of Directors at its meeting held on February 10, 2023. The limited review as required under Regulation 33 of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, has been completed by the Statutory Auditors.
- 2 Though the company is earned profit of Rs.91.76 lakhs, still there has been an erosion of net worth. The profit of Rs.91.76 lakhs came because of forfeiture of advances received and failed to fulfill the commitment. The Company continued to lease out its immovable property and earned lease rental income. Due to poor market condition, the company could not carrying on yarn trading business. In the coming quarters, your directors will continue the yarn trading business taking in to advantage of earlier performance. The promoters have given assurance of infusion of funds as and when deemed necessary. Considering the above, the Board of directors deem it fit to continue adoption of Going concern concept in preparation of the financial statements although the Statutory Auditors have qualified their opinion wrt the same.
- 3 The Company is principally engaged in a single business segment viz. yarn based on nature of products, risks, returns and the internal business reporting system and accordingly there is no other reportable segment in terms of Ind AS 108 'Operating Segments'.
- 4 The previous period figures have been regrouped/reclassified wherever necessary to conform to current period classification.

Salem  
February 10, 2023

For Kandagiri Spinning Mills Limited



*R. Sivarajan*  
R. Sivarajan  
Managing Director  
DIN : 00001703



For Krishnen & Associates  
Chartered Accountants  
Firm Registration No:0181635

*R. Krishnen*  
R. Krishnen Partner  
Membership No: 201133

UDIN - 23201133 BLYNJU 4607