



KALLAM SPINNING MILLS LIMITED

CIN : L18100AP1992PLC013860 & GST No.37AAACK9363M1ZY

Chowdavaram, GUNTUR - 522 019. A.P., INDIA.

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STATEMENT OF UNAUDITED FINANCIAL RESULTS FOR THE QUARTER ENDED 30th JUNE, 2017

(Rs. In Lakhs, except per share data)

S.NO	PARTICULARS	QUARTER ENDED	
		30.06.2017 Unaudited	30.06.2016 Unaudited
1	Revenue from operations		
	(a) Net Sales / Income from Operations	7427.63	6431.12
	(b) Other Operating Income	3.19	1.65
	Total Revenue from operations	7430.82	6432.77
2	Other Income	181.86	178.94
	Total Income (1+2)	7612.68	6611.71
3	Expenses		
	a) Cost of Material Consumed	4095.98	3621.02
	b) Purchase of Stock-in-trade	0.00	0.00
	c) Changes in inventories of Finished goods, Work-in-Progress and Stock-in-trade	-130.53	-728.93
	d) Employee benefits expenses	413.03	430.48
	e) Depreciation and amortisation expenses	342.76	328.09
	f) Finance costs (Refer note no.2)	525.20	704.15
	g) Other expenses	1886.56	1787.14
	Total expenses	7133.00	6141.95
4	Profit before Tax and exceptional items (1+2-3)	479.68	469.76
5	Add/Less: Exceptional items	0.00	0.00
6	Profit before tax and after exceptional items (4+5)	479.68	469.76
7	Tax expenses		
	a) Current Tax (Net of MAT credit)	0.27	3.02
	b) Deferred Tax	167.36	160.67
8	Net Profit for the period after tax (6-7)	312.05	306.07
9	Other comprehensive Income	0.00	0.00
10	Total comprehensive income (8+9)	312.05	306.07
11	Paid - up Equity Share Capital (Face Value of the Share ` 2/-)	685.11	685.11
12	Earning per equity Share (face value ` 2/- each)		
	- Basic	0.91	0.89
	- Diluted	0.91	0.89



Segment Results for the Quarter ended 30th June, 2017

Rs.in Lakhs

S.No.	Particulars	Quarter ended	
		30-06-2017 Unaudited	30.06.2016 Unaudited
1	Segment Revenue:		
	a) Spinning	5949.89	5682.20
	b) Weaving	4635.21	3711.80
	c) Dyeing	620.12	89.05
	d) Power	9.36	1.46
	Total	11214.58	9484.51
	Less: Inter Segment Revenue	3783.76	3051.74
	Net sales /Income from operations	7430.82	6432.77
2	Segment Results:		
	Before tax and interest		
	a) Spinning	683.58	687.45
	b) Weaving	329.12	489.06
	c) Dyeing	8.51	23.20
	c) Power	-16.33	-25.80
	Total	1,004.88	1,173.91
	Less: Finance costs (Net of subsidy)	525.20	704.15
	Total Profit before Tax	479.68	469.76
3	Capital Employed (Segment Assets - Segment Liabilities)		
	a) Spinning	23247.90	15357.12
	b) Weaving	12700.52	11546.96
	c) Dyeing	844.80	922.02
	b) Power	1615.31	1545.44
	Total	38408.53	29371.54

Notes:

- The above Financial Results have been reviewed by the Audit Committee and approved by the Board of Directors of the Company at their respective meeting held on 26th August, 2017.
- The finance costs for the Quarter ended 30.06.2017 is net after adjusting subsidy received under TUF scheme and interest subsidy claimed from AP government under IDP scheme 2015-20 aggregating to Rs. 4.08 crores (Previous Q.E 30.6.2016 RS.1.89 cr).
- The figures for the previous quarter have been regrouped/rearranged wherever necessary in conformity with revised schedule III of Companies Act, 2013.
- This statement is as per the Regulation 33 of the SEBI (Listing obligations and disclosure requirements) Regulations, 2015.
- The company had adopted Ind AS notified by MCA w.e.f 01.04.2017 and accordingly the financial results for the Q.E 30.06.2017 and for the preceding Q.E 30.6.2016 has been prepared in compliance with Ind As prescribed under section 133 of the companies Act, 2013 and other recognised accounting practices and policies to the extent applicable. Beginning from 1st April, 2017, the company has adopted first Ind AS with a transition date 1st April, 2016.
- The statement does not include Ind As compliant results for the immediately preceding Q.E 31.03.2017 and previous year ended 31st March, 2017 as the same are not mandatory as per SEBI's circular dt.5th July,2016.
- The results for the Q.E 30.06.2017 have been subjected to limited review by the statutory auditors. The Ind AS compliant corresponding figures in previous year Q.E 30.06.2016 have not been subjected to review. However, the company's management has exercised necessary due diligence to ensure that such financial results provide a true and fair view of its affairs.
- The reconciliation of net profit for the Q.E 30.06.2016 reported under previous Ind GAAP to the total comprehensive income as prepared in accordance with Ind AS is given below.

The reconciliation of net profit reported under Indian GAAP for the quarter ended 30th June 2016 with Ind AS is given below

Particulars	Q.E 30.6.2016 (Rs. In lakhs)
Net Profit as reported as per Indian GAAP	304.08
Add: Effect of change in method of recognition of government grants	2.58
	306.66
Less: Depreciation charge to statement of P&L	0.88
	305.78
Add: Deferred tax (Credit)	0.29
Net Profit as reported under Ind AS	306.07
Add/Less: Other Comprehensive Income (net of tax)	0
Total comprehensive Income for the quarter as reported under Ind AS	306.07

For Kallam Spinning Mills Limited

Place : Chowdavaram

Date : 26.08.2017

P.Venkateswara Reddy
Managing Director
DIN : 00018677



Limited Review Report

Review Report to
The Board of Directors
KALLAM SPINNING MILLS LIMITED

We have reviewed the accompanying statement of unaudited financial results of **KALLAM SPINNING MILLS LIMITED** ('the company') for the quarter ended 30th June, 2017 (the 'Statement') being submitted by the company pursuant to the requirements of Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, read with SEBI circular No.CIR/CFD/FAC/62/2016 dt.5th July, 2016. This statement is the responsibility of the Company's Management and has been approved by the Board of Directors at their meeting held on 26th August, 2017. This statement has been prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standard 34 "Interim Financial Reporting" 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 issue a report on the Statement 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. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the financial statements are 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 of unaudited financial results prepared in accordance with recognition and measurement principles laid down in the applicable Indian Accounting Standards prescribed under Section 133 of the Companies Act, 2013, read with relevant rules issued thereunder and other recognized accounting practices and policies has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with SEBI circular No.CIR/CFD/FAC/62/2016 dt.5th July, 2016 including the manner in which it is to be disclosed, or that it contains any material misstatement.

We have not reviewed the comparative figures and other financial information for q.e 30th June, 2016 and reconciliation of Ind GAAP figures with Ind AS figures for the said quarter. These figures in the statement have been presented based on the financial information compiled by the management.



For Brahmayya & Co.
Chartered Accountants
Firm Regn. No. 000513S

Karumanchi Rajaj
Partner

Membership Number: 202309

Place: Guntur
Date: August 26, 2017