



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 AND HALF YEAR ENDED 30th SEPTEMBER, 2017

(Rs. In Lakhs, except per share data)

S.NO	PARTICULARS	QUARTER ENDED			HALF YEAR ENDED	
		30.09.2017 Unaudited	30.06-2017 Unaudited	30.09-2016 Unaudited	30.09-2017 Unaudited	30.09-2016 Unaudited
1	Revenue from operations					
	(a) Net Sales / Income from Operations	6526.40	7427.63	6645.51	13954.03	13076.63
	(b) Other Operating Income	0.00	3.19	0.00	3.19	1.65
	Total Revenue from operations	6526.40	7430.82	6645.51	13957.22	13078.28
2	Other Income	242.81	181.86	233.16	424.67	412.10
	Total Income (1+2)	6769.21	7612.68	6878.67	14381.89	13490.38
3	Expenses					
	a) Cost of Material Consumed	4350.75	4095.98	3680.19	8446.73	7301.21
	b) Purchase of Stock-in-trade	0.00	0.00	0.00	0.00	0.00
	c) Changes in inventories of Finished goods, Work-in-Progress and Stock-in-trade	-892.99	-130.53	-537.39	-1023.52	-1266.33
	d) Employee benefits expenses	609.01	413.03	441.79	1022.04	872.27
	e) Depreciation and amortisation expenses	364.12	342.76	346.07	706.88	674.16
	f) Finance costs (Refer note no.2)	510.18	525.20	712.39	1035.38	1416.54
	g) Other expenses	1723.28	1886.56	1861.37	3609.84	3648.51
	Total expenses	6664.35	7133.00	6504.42	13797.35	12646.36
4	Profit before Tax and exceptional items (1+2-3)	104.86	479.68	374.25	584.54	844.02
5	Add/Less: Exceptional items	0.00	0.00	0.00	0.00	0.00
6	Profit before tax and after exceptional items (4+5)	104.86	479.68	374.25	584.54	844.02
7	Tax expenses					
	a) Current Tax (Net of MAT credit)	0.00	0.27	16.47	0.27	19.48
	b) Deferred Tax	68.66	167.36	25.77	236.02	186.45
8	Net Profit for the period after tax (6-7)	36.20	312.05	332.01	348.25	638.09
9	Other comprehensive Income	0.00	0.00	0.00	0.00	0.00
10	Total comprehensive income (8+9)	36.20	312.05	332.01	348.25	638.09
11	Paid - up Equity Share Capital (Face Value of the Share ` 2/-)	685.11	685.11	685.11	685.11	685.11
12	Earning per equity Share (face value ` 2/- each)					
	- Basic	0.11	0.91	0.97	1.02	1.86
	- Diluted	0.11	0.91	0.97	1.02	1.86

For Kallam Spinning Mills Limited

(P. VENKATESWARA REDDY)
Managing Director



Segment Results for the Quarter and Half year ended 30th September, 2017

Rs.in Lakhs

S.No.	Particulars	Quarter ended			Half Year ended	
		30.09.2017 Unaudited	30.06.2017 Unaudited	30.09.2016 Unaudited	30.09.2017 Unaudited	30.09.2016 Unaudited
1	Segment Revenue:					
	a) Spinning	5939.82	5949.89	5330.17	11889.71	11012.37
	b) Weaving	3977.59	4635.21	4263.02	8612.80	7974.82
	c) Dyeing	618.24	620.12	105.25	1238.36	194.30
	d) Power	2.55	9.36	0.00	11.91	1.46
	Total	10538.20	11214.58	9698.44	21752.78	19182.95
	Less: Inter Segment Revenue	4011.80	3783.76	3052.93	7795.56	6104.67
	Net sales /Income from operations	6526.40	7430.82	6645.51	13957.22	13078.28
2	Segment Results:					
	Before tax and interest					
	a) Spinning	455.58	683.58	644.16	1137.44	1329.91
	b) Weaving	183.03	329.12	486.73	512.15	975.79
	c) Dyeing	-2.42	8.51	-21.24	6.09	1.96
	c) Power	-21.15	-16.33	-23.01	-35.76	-47.10
	Total	615.04	1,004.88	1,086.64	1,619.92	2,260.56
	Less: Finance costs (Net of subsidy)	510.18	525.20	712.39	1,035.38	1,416.54
	Total Profit before Tax	104.86	479.68	374.25	584.54	844.02
3	Capital Employed (Segment Assets - Segment Liabilities)					
	a) Spinning	22883.66	23247.90	15823.32	22883.66	15823.32
	b) Weaving	12142.86	12700.52	11755.62	12142.86	11755.62
	c) Dyeing	819.33	844.80	881.19	819.33	881.19
	b) Power	1485.56	1615.31	1496.35	1485.56	1496.35
	Total	37331.41	38408.53	29956.48	37331.41	29956.48

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 14th December, 2017.
- The finance costs for the Quarter ended 30.09.2017 is net after adjusting subsidy received under TUF scheme and interest subsidy claimed from AP government under IDP scheme 2015-20 aggregating to Rs. 4.05 crores (Previous Quarter ended 30.9.2016 Rs.1.89 crores).
- 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 30.09.2017 and for the preceding Q.E 30.9.2016 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 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 30.09.2017 have been subjected to limited review by the statutory auditors. The Ind AS compliant corresponding figures in previous year Q.E 30.09.2016 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 quarter and half year ended 30.09.2016 reported under previous Ind GAAP to the total comprehensive income as prepared in accordance with Ind AS is given below.

(Rs. In lakhs)

Particulars	Q.E 30.9.2016	Half Year 30.09.2016
Net Profit as reported as per Indian GAAP	330.02	634.10
Add: Effect of change in method of recognition of government grant	2.58	5.16
	332.6	639.26
Less: Depreciation charge to statement of P&L	0.88	1.75
	331.72	637.51
Add: Deferred tax (Credit)	0.29	0.58
Net Profit as reported under Ind AS	332.01	638.09
Add/Less: Other Comprehensive Income (net of tax)	0	0
Total comprehensive Income for the quarter as reported under Ind AS	332.01	638.09

- The company at its Annual general meeting held on 29th September, 2017, approved the issue of Bonus shares in the ratio of 1 (One) new equity share for every 4 (Four) existing shares held in the company and fixed 13th October, 2017 as record date for allotment.
- The figures for the previous quarters have been regrouped/rearranged wherever necessary in conformity with current quarters classification.

Place : Chowdavaram
Date : 14.12.2017

For Kallam Spinning Mills Limited

(P. VENKATESWARA REDDY)
Managing Director

KALLAM SPINNING MILLS LIMITED

Statement of assets and Liabilities as at 30th September, 2017

	Particulars	As at 30th Sept. 2017
	ASSETS	
1	Non-Current Assets	
(a)	Property, Plant and Equipment	35,562
(b)	Capital Work-in-progress	745
(c)	Financial Assets	
(i)	Loans	645
(ii)	Other financial assets	-
(d)	Other Non-current Assets	21
	Total Non-Current assets	36,973
2	Current Assets	
(a)	Inventories	7,781
(b)	Financial Assets	
(i)	Trade Receivables	2,412
(ii)	Cash and cash equivalents	61
(iii)	Other Bank balances	100
(iv)	Loans	23
(v)	Other financial assets	3,595
(c)	Other Current assets	1,329
	Total Current assets	15,301
	Total Assets	52,274
	EQUITY AND LIABILITIES	
1	Equity	
(a)	Equity Share Capital	685
(b)	Other Equity	14,281
		14,966
	Liabilities	
2	Non-current liabilities	
(a)	Financial Liabilities	
(i)	Long-term borrowings	18,508
(ii)	Other financial liabilities	-
(b)	Provisions	120
(c)	Deferred Tax Liabilities (Net)	2,832
(d)	Other non-current liabilities	-
	Total Non-current liabilities	21,460
3	Current liabilities	
(a)	Financial Liabilities	
(i)	Short-term borrowings	10,234
(ii)	Trade payables	738
(iii)	Other financial liabilities	3,234
(b)	Other current liabilities	1,050
(c)	Provisions	82
(d)	Current tax Liabilities (Net)	510
	Total Current liabilities	15,848
	Total Liabilities	37,308
	Total Equity and Liabilities	52,274

For Kallam Spinning Mills Limited

(P. VENKATESWARA REDDY)
Managing Director



INDEPENDENT AUDITORS' REVIEW REPORT ON REVIEW OF INTERIM FINANCIAL RESULTS

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 September, 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 14th December, 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.

Our review of the Statement of Unaudited financial results has been restricted to the figures shown in the columns headed "Quarter ended 30.9.2017", "Half year ended 30.9.2017" and in the column headed "As at 30.9.2017" of the Statement of Assets and Liabilities. The figures shown in the other columns have been traced from the respective results reviewed/audited by the other auditors.

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

Place: Camp: Guntur
Date: 14.12.2017



For Chevuturi Associates
Chartered Accountants
Firm Regn. No. 000632S
B. Raghunadha Rao
Raghunadha Rao Balineni
Partner
Membership Number:028105