



KALLAM SPINNING MILLS LIMITED

CIN -L18100AP1992PLC013860
Chowdavaram, GUNTUR - 522 019. A.P., INDIA.
Ph: 0863-2344010,16 (2 Lines) Fax:0863-2344000
E-mail: corp@ksml.in
GSTIN : 37AAACK9363M1ZY



Ref: KSML/CS/FIN-RESULTS/2017-18/Q-3

Date: 12-02-2018

The Corporate Relationship Department
Bombay Stock Exchange Limited,
Phiroze Jeejeeboy Towers,
Dalal Street,
MUMBAI - 400 001.
PH : 022-22721233-34

Scrip Code : 530201

Dear Sir/Madam,

Sub: Outcome of Board Meeting pursuant to Regulation 30 of the SEBI (LODR) Regulations, 2015 and Submission of Un-Audited financial results for the Quarter and Nine Months ended 31st December, 2017 under Regulation 33 of the SEBI (LODR) Regulations, 2015.

- **Un-Audited Financial Results for the Quarter and Nine Months ended 31st December, 2017:**

We are herewith sending the approved Un-Audited financial results for the Quarter and Nine Months ended 31st December, 2017 along with the Limited Review Report given by the Statutory Auditors of the Company, which are taken on record by the Board of Directors at its Meeting held on 12th February, 2018 at Registered Office of the Company situated at Chowdavaram, Guntur - 522019.

The Board Meeting Commenced at 03.00 P.M and Concluded at 09:00 P.M

This is for your kind information and records.

Thanking you,

Yours Sincerely,
For Kallam Spinning Mills Limited.,

P.Venkateswara Reddy
Managing Director
DIN : 00018677



Encl: - 1) Un-Audited Financial Results for the Quarter and Nine Months ended 31st December, 2017
2) Limited Review Report for the Quarter and Nine Months ended 31st December, 2017



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 NINE MONTHS ENDED 31ST December, 2017

(Rs. In Lakhs, except per share data)

S.NO	PARTICULARS	QUARTER ENDED			NINE MONTHS ENDED	
		31.12.2017 Unaudited	30.09.2017 Unaudited	31.12.2016 Unaudited	31.12.2017 Unaudited	31.12.2016 Unaudited
1	Revenue from operations					
	(a) Net Sales / Income from Operations	8684.60	6526.40	6950.25	22638.63	20026.87
	(b) Other Operating Income	0.00	0.00	0.00	3.19	1.65
	Total Revenue from operations	8684.60	6526.40	6950.25	22641.82	20028.52
2	Other Income	266.59	242.81	214.74	691.26	626.84
	Total Income (1+2)	8951.19	6769.21	7164.99	23333.08	20655.36
3	Expenses					
	a) Cost of Material Consumed	4434.29	4350.75	4163.75	12881.03	11464.96
	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	534.70	-892.99	-754.37	-488.83	-2020.70
	d) Employee benefits expenses	547.96	609.01	465.21	1570.00	1337.48
	e) Depreciation and amortisation expenses	356.71	364.12	345.38	1063.59	1019.54
	f) Finance costs (Refer note no.2)	509.89	510.18	758.48	1545.27	2175.02
	g) Other expenses	1855.20	1723.28	1925.49	5465.03	5574.00
	Total expenses	8238.75	6664.35	6903.94	22036.09	19550.30
4	Profit before Tax and exceptional items (1+2-3)	712.44	104.86	261.05	1296.99	1105.06
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)	712.44	104.86	261.05	1296.99	1105.06
7	Tax expenses					
	a) Current Tax (Net of MAT credit)	0.00	0.00	11.73	0.27	31.22
	b) Deferred Tax	200.80	68.66	202.08	436.82	388.52
8	Net Profit for the period after tax (6-7)	511.64	36.20	47.24	859.90	685.32
9	Other comprehensive Income	0.00	0.00	0.00	0.00	0.00
10	Total comprehensive income (8+9)	511.64	36.20	47.24	859.90	685.32
11	Paid - up Equity Share Capital (Face Value of the Share ` 2/-)	856.38	685.11	685.11	856.38	685.11
12	Earning per equity Share (Face value ` 2/- each) - Basic & Diluted (Adjusted EPS on enhanced equity for all periods considering bonus issue)	1.19	0.08	0.11	2.01	1.60



Segment Results for the Quarter and Nine Months Ended 31st December, 2017

S.No.	Particulars	Quarter ended			Nine Months Ended	
		31.12.2017 Unaudited	30.09.2017 Unaudited	31.12.2016 Unaudited	31.12.2017 Unaudited	31.12.2016 Unaudited
1	Segment Revenue:					
	a) Spinning	6297.64	5939.82	5136.27	18187.35	16148.64
	b) Weaving	5280.74	3977.59	4457.28	13893.54	12432.10
	c) Dyeing	1028.89	618.24	308.79	2267.26	503.10
	d) Power	42.50	2.55	13.88	54.41	15.34
	Total	12649.77	10538.20	9916.22	34402.56	29099.18
	Less: Inter Segment Revenue	3965.17	4011.80	2965.97	11760.74	9070.66
	Net sales /Income from operations	8684.60	6526.40	6950.25	22641.82	20028.52
2	Segment Results Profit:					
	Before tax and interest from Each segment					
	a) Spinning	654.90	455.58	631.52	1795.76	1964.84
	b) Weaving	555.32	183.03	393.09	1067.48	1368.88
	c) Dyeing	6.81	-2.42	3.89	12.92	5.85
	d) Power	5.30	-21.15	-8.97	-33.90	-59.49
	Total	1,222.33	615.04	1,019.53	2,842.26	3,280.08
	Less : Finance costs	509.89	510.18	758.48	1,545.27	2,175.02
	Total Profit Before Tax	712.44	104.86	261.05	1,296.99	1,105.06
3	Capital Employed (Segment Assets - Segment Liabilities)					
	a) Spinning	23165.94	22883.66	23053.49	23165.94	23053.49
	b) Weaving	12139.37	12142.86	12423.96	12139.37	12423.96
	c) Dyeing	795.83	819.33	866.02	795.83	866.02
	d) Power	1543.74	1485.56	1494.46	1543.74	1494.46
	Total	37644.88	37331.41	37837.93	37644.88	37837.93

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 12th February 2018.
- The finance costs for the Quarter ended 31.12.2017 is net after adjusting subsidy received under TUF scheme and interest subsidy claimed from AP government under IDP scheme 2015-20 aggregating to Rs.3.99 crores (Previous Quarter ended 31.12.2016 Rs.1.85 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 31.12.2017 and for the preceding Q.E 31.12.2016 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 SEB's circular dt.5th July,2016.
- The results for the Q.E 31.12.2017 have been subjected to limited review by the statutory auditors. The Ind AS compliant corresponding figures in previous year Q.E 31.12.2016 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 nine months ended 31.12.2016 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 31.12.2016	Nine months ended 31.12.2016
Net Profit as reported as per Indian GAAP	45.24	679.34
Add: Effect of change in method of recognition of government grants	2.69	7.84
	47.93	687.18
Less: Depreciation charge to statement of P&L	0.98	2.73
	46.95	684.45
Add: Deferred tax (Credit)	0.29	0.87
Net Profit as reported under Ind AS	47.24	685.32
Add/Less: Other Comprehensive Income (net of tax)	0	0
Total comprehensive Income for the quarter as reported under Ind AS	47.24	685.32

For and on behalf of the Board of Directors

(P. VENKATESWARA REDDY)

MANAGING DIRECTOR.

DIN: 00018677

Place :Chowdavaram

Date :12.02.2018



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 31st December, 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 12th February, 2018. 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 31.12.2017" and "Nine months ended 31.12.2017". The figures shown in the other columns (Except for the q.e 30.9.2017), 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 nine months 31st December, 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: 12.2.2018



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