

Sambandam Spinning Mills Limited (CIN L17111TZ1973PLC000675)

Regd. Office : Mill Premises, Kamaraj Nagar Colony, Salem 636 014

e-mail : corporate@sambandam.com Phone 0427 2240790 Website : www.sambandam.com

STATEMENT OF STANDALONE AUDITED FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED MARCH 31, 2023

(Rupees in Lakhs)

| S.No. | Particulars   | Three months ended |                 |                 | Year Ended        |                  |
|-------|---|--------------------|-----------------|-----------------|-------------------|------------------|
|       |   | 31.03.2023         | 31.12.2022      | 31.03.2022      | 31.03.2023        | 31.03.2022       |
|       |   | Audited            | Unaudited       | Audited         | Audited           | Audited          |
|       | <b>INCOME</b>   |                    |                 |                 |                   |                  |
| I     | Revenue from Operations   | 4,997.92           | 5,651.68        | 9,683.64        | 26,325.14         | 35,493.93        |
| II    | Other Income  | 333.05             | 3.44            | 6.71            | 419.98            | 42.89            |
| III   | <b>Total Income (I+II)</b>  | <b>5,330.97</b>    | <b>5,655.12</b> | <b>9,690.35</b> | <b>26,745.12</b>  | <b>35,536.82</b> |
|       | <b>EXPENSES</b>   |                    |                 |                 |                   |                  |
| IV    | Cost of Materials Consumed  | 3,398.72           | 2,944.65        | 7,110.19        | 17,338.41         | 23,863.66        |
|       | Changes in Inventories of Finished Goods and Work-in-Progress                     | (225.51)           | 1,669.99        | (1,374.23)      | 1,848.57          | (2,768.82)       |
|       | Employee Benefits Expense   | 603.45             | 698.16          | 1,372.46        | 3,081.94          | 4,051.03         |
|       | Power and Fuel-Net  | 376.80             | 154.41          | 830.63          | 911.07            | 2,684.36         |
|       | Finance Costs   | 315.84             | 318.09          | 496.23          | 1,253.71          | 1,204.78         |
|       | Depreciation and Amortisation Expense   | 387.53             | 384.07          | 353.60          | 1,517.50          | 1,334.17         |
|       | Other Expenses  | 586.88             | 464.06          | 1,039.32        | 2,303.73          | 3,018.55         |
|       | <b>Total Expenses</b>   | <b>5,443.71</b>    | <b>6,633.43</b> | <b>9,828.20</b> | <b>28,254.93</b>  | <b>33,387.73</b> |
| V     | <b>Profit/(Loss) before Exceptional Item and Tax (III-IV)</b>                     | <b>(112.74)</b>    | <b>(978.31)</b> | <b>(137.85)</b> | <b>(1,509.81)</b> | <b>2,149.09</b>  |
| VI    | Exceptional Items   | -                  | -               | -               | -                 | -                |
| VII   | <b>Profit/(Loss) Before Tax (V-VI)</b>  | <b>(112.74)</b>    | <b>(978.31)</b> | <b>(137.85)</b> | <b>(1,509.81)</b> | <b>2,149.09</b>  |
| VIII  | Tax Expense:  |                    |                 |                 |                   |                  |
|       | (1) Current Tax   | -                  | -               | 103.08          | -                 | 512.36           |
|       | (2) Deferred Tax Expenses / (Income)  | (51.95)            | (249.23)        | 279.00          | (331.84)          | 185.00           |
| IX    | <b>Profit/(Loss) for the Period from continuing operations (VII-VIII)</b>         | <b>(60.79)</b>     | <b>(729.08)</b> | <b>(519.93)</b> | <b>(1,177.97)</b> | <b>1,451.73</b>  |
| X     | Other Comprehensive Income  |                    |                 |                 |                   |                  |
|       | Items that will not be reclassified to profit or loss                             |                    |                 |                 |                   |                  |
|       | (i) Remeasurement of Defined benefits plan  | (222.11)           | 9.50            | 231.49          | (193.61)          | 197.95           |
|       | (ii) Income tax relating to items that will not be reclassified to profit or loss | (57.51)            | 2.39            | 66.92           | (50.34)           | 57.64            |
|       | <b>Other Comprehensive Income for the Period</b>                                  | <b>(164.60)</b>    | <b>7.11</b>     | <b>164.57</b>   | <b>(143.27)</b>   | <b>140.31</b>    |
| XI    | <b>Total Comprehensive Income for the Period (IX+X)</b>                           | <b>(225.39)</b>    | <b>(721.97)</b> | <b>(355.36)</b> | <b>(1,321.24)</b> | <b>1,592.04</b>  |
| XII   | Paid Up Equity Share Capital ( Face Value Rs. 10/- each)                          | 427.55             | 427.55          | 427.55          | 427.55            | 427.55           |
| XIII  | Other equity  |                    |                 |                 | 9,564.29          | 11,098.76        |
| XIV   | <b>Earnings per Equity Share of Rs.10/- each:</b>                                 |                    |                 |                 |                   |                  |
|       | <b>(for Continuing Operations)</b>  |                    |                 |                 |                   |                  |
|       | Basic and Diluted (in Rupees)   | <b>(1.43)</b>      | <b>(17.10)</b>  | <b>(12.19)</b>  | <b>(27.62)</b>    | <b>34.04</b>     |



Notes

- 1 The above standalone audited financial results were reviewed by the Audit Committee and then approved by the Board of Directors at its meeting held on May 27, 2023.
- 2 Segment Information:  
The Company is primarily engaged in the business of manufacturing and sale of yarn and related products, which is considered as single business segment based on nature of products, risks, returns and the internal business reporting system. Accordingly, there are no other reportable segments in terms of Ind AS 108 'Operating Segments'.
- 3 The figures for the quarter ended 31.03.2023 and 31.03.2022 are the balancing figures between the audited figures in respect of the full financial year and nine months ended 31.12.2022 and 31.12.2021 respectively.
- 4 The previous period figures have been regrouped/reclassified wherever necessary to confirm to current period classification.

For Sambandam Spinning Mills Limited



S. Devarajan

Chairman and Managing Director

DIN 00001910

Salem  
May 27, 2023

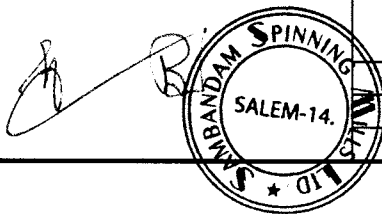


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**Sambandam Spinning Mills Limited, Salem**  
**Standalone Statement of Assets and Liabilities as on 31.03.2023**

(Rupees in Lakhs)

| Particulars   | 31.03.2023<br>Audited | 31.03.2022<br>Audited |
|---|-----------------------|-----------------------|
| <b>I. ASSETS</b>  |                       |                       |
| <b>Non-Current Assets</b>                                   |                       |                       |
| Property, Plant and Equipment                               | 14,041.39             | 13,758.06             |
| Capital Work in Progress                                    | 183.86                | 105.65                |
| Right-of-use Assets   | 440.85                | 541.40                |
| Intangible assets   | 0.04                  | 0.04                  |
| Biological Assets   | 88.85                 | -                     |
| Financial Assets  |                       |                       |
| Investments   | 220.05                | 175.25                |
| Other Financial Assets                                      | 441.00                | 355.14                |
| Other Non-Current Assets                                    | 299.35                | 587.75                |
|   | <b>15,715.39</b>      | <b>15,523.29</b>      |
| <b>Current assets</b>                                       |                       |                       |
| Inventories   | 6,916.38              | 10,302.26             |
| Financial Assets  |                       |                       |
| Trade Receivables   | 3,121.31              | 3,692.06              |
| Cash and Cash Equivalents                                   | 12.82                 | 343.61                |
| Bank Balances other than Cash and Cash Equivalents          | 83.41                 | 462.61                |
| Other Financial Assets                                      | 301.87                | 211.97                |
| Current Tax Assets (Net)                                    | 6.00                  | -                     |
| Other Current Assets  | 1,782.24              | 1,632.48              |
|   | <b>12,224.03</b>      | <b>16,644.99</b>      |
| <b>TOTAL ASSETS</b>   | <b>27,939.42</b>      | <b>32,168.28</b>      |
| <b>II. EQUITY AND LIABILITIES</b>                           |                       |                       |
| <b>EQUITY</b>   |                       |                       |
| Equity Share Capital  | 427.55                | 427.55                |
| Other Equity  | 9,564.29              | 11,098.76             |
|   | <b>9,991.84</b>       | <b>11,526.31</b>      |
| <b>LIABILITIES</b>  |                       |                       |
| <b>Non-Current Liabilities</b>                              |                       |                       |
| Financial Liabilities                                       |                       |                       |
| Borrowings  | 6,231.21              | 6,519.69              |
| Lease Liabilities   | 357.54                | 473.92                |
| Other Financial Liabilities                                 | 5.23                  | 5.23                  |
| Provisions  | 393.72                | 508.93                |
| Deferred Tax Liabilities (Net)                              | 784.82                | 1,167.00              |
| Other Non Current Liabilities                               | 255.59                | 11.35                 |
|   | <b>8,028.11</b>       | <b>8,686.12</b>       |
| <b>Current Liabilities</b>                                  |                       |                       |
| Financial Liabilities                                       |                       |                       |
| Borrowings  | 6,783.41              | 6,324.03              |
| Lease Liabilities   | 141.29                | 110.59                |
| Trade payables  |                       |                       |
| -Outstanding dues of Micro and Small Enterprises            | 144.13                | 384.63                |
| -Outstanding dues of other than Micro and Small Enterprises | 2,054.09              | 3,889.87              |
| Other Financial Liabilities                                 | 612.03                | 915.43                |
| Other Current Liabilities                                   | 116.16                | 262.80                |
| Provisions  | 68.36                 | 53.10                 |
| Current Tax Liabilities (Net)                               | -                     | 15.40                 |
|   | <b>9,919.47</b>       | <b>11,955.85</b>      |
| <b>TOTAL EQUITY AND LIABILITIES</b>                         | <b>27,939.42</b>      | <b>32,168.28</b>      |



**Sambandam Spinning Mills Limited, Salem**  
**Standalone Statement of Cash Flows for the year ended 31.03.2023**

(Rupees in Lakhs)

| Particulars   | Year ended |                   | Year Ended |                   |
|---|------------|-------------------|------------|-------------------|
|   | 31.03.2023 |                   | 31.03.2022 |                   |
|   | Audited    |                   | Audited    |                   |
| <b>A. Cash Flow from Operating Activities</b>                             |            |                   |            |                   |
| Profit/ (Loss) before tax   |            | (1,509.81)        |            | 2,149.09          |
| Adjustments for -   |            |                   |            |                   |
| Depreciation & Amortisation Expense                                       | 1,517.50   |                   | 1,334.17   |                   |
| Finance Costs   | 1,213.20   |                   | 1,227.81   |                   |
| Interest Income   | (30.81)    |                   | (19.05)    |                   |
| Unrealised Exchange Fluctuation   | 40.51      |                   | (23.03)    |                   |
| Dividend Income   | (0.06)     |                   | (0.75)     |                   |
| Net Gain or Loss arising on Financial Asset mandatorily measured at FVTPL | (44.80)    |                   | 0.08       |                   |
| (Profit)/Loss on sale of Property, Plant and Machinery                    | (25.32)    |                   | (8.37)     |                   |
|   |            | 2,670.22          |            | 2,510.86          |
| Operating Profit/ (Loss) before Working Capital Changes                   |            | <b>1,160.41</b>   |            | <b>4,659.95</b>   |
| Adjustments/Changes in Working Capital                                    |            |                   |            |                   |
| Inventories   | 3,385.88   |                   | (591.76)   |                   |
| Trade Receivables   | 570.75     |                   | 247.04     |                   |
| Non Current and Current Financial Assets                                  | 203.44     |                   | (77.83)    |                   |
| Other Non Current and Current Assets                                      | 138.64     |                   | (1,142.41) |                   |
| Trade Payables  | (2,076.28) |                   | (229.76)   |                   |
| Non Current and Current Financial Liabilities                             | (287.48)   |                   | 13.00      |                   |
| Other Non Current and Current Liabilities                                 | 97.60      |                   | 84.78      |                   |
| Other Non Current and Current provisions                                  | (293.56)   |                   | 430.82     |                   |
|   |            | 1,738.99          |            | (1,266.12)        |
| Cash Generated from/(used in) Operations                                  |            | <b>2,899.40</b>   |            | <b>3,393.83</b>   |
| Less: Income Tax Paid (Net)   |            | (21.40)           |            | (547.03)          |
| <b>Net Cash from/(used in) Operating Activities</b>                       |            | <b>2,878.00</b>   |            | <b>2,846.80</b>   |
| <b>B. Cash Flow from Investing Activities</b>                             |            |                   |            |                   |
| Purchase of Property, Plant and Equipment & Work-in-Progress              | (1,748.55) |                   | (4,633.08) |                   |
| Movement of Biological Assets   | (88.85)    |                   | -          |                   |
| Proceeds from sale of Property, Plant and Equipment                       | 36.06      |                   | 8.37       |                   |
| Interest Received   | 30.81      |                   | 19.05      |                   |
| Dividend Received   | 0.06       |                   | 0.75       |                   |
| <b>Net Cash from/(used in) Investing Activities</b>                       |            | <b>(1,770.47)</b> |            | <b>(4,604.91)</b> |
| <b>C. Cash Flow from Financing Activities</b>                             |            |                   |            |                   |
| Interest Liability on Lease Payments                                      | (63.08)    |                   | (70.90)    |                   |
| Principal Repayment of Lease Liabilities                                  | (126.36)   |                   | (109.10)   |                   |
| Finance Costs Paid  | (1,206.55) |                   | (1,137.99) |                   |
| Dividend Paid   | (213.23)   |                   | (170.58)   |                   |
| Proceeds / (Repayment) from Current Borrowings (Net)                      | 459.38     |                   | (157.03)   |                   |
| Proceeds / (Repayment) from Long Term Borrowings (Net)                    | (288.48)   |                   | 3,737.40   |                   |
| <b>Net Cash from/(used in) Financing Activities</b>                       |            | <b>(1,438.32)</b> |            | <b>2,091.80</b>   |
| <b>Net Increase/(decrease) in Cash and Cash Equivalents (A+B+C)</b>       |            | <b>(330.79)</b>   |            | <b>333.69</b>     |
| Cash and Cash Equivalents at the beginning of the year                    | 343.61     |                   | 9.92       |                   |
| Cash and Cash Equivalents at the end of the year                          | 12.82      |                   | 343.61     |                   |
| <b>Net Increase/(decrease) in Cash and Cash Equivalents</b>               |            | <b>(330.79)</b>   |            | <b>333.69</b>     |



# P.N. RAGHAVENDRA RAO & CO

Chartered Accountants

Founder P.N. Raghavendra Rao

No. 23/2, Viswa Paradise Apartments IInd Floor, Kalidas Road, Ramnagar, Coimbatore - 641 009

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Ref. No. ....

Date : .....

Independent Auditor's Report on Standalone Financial Results for the Quarter and Year ended 31<sup>st</sup> March 2023

To  
The Board of Directors of  
Sambandam Spinning Mills Limited

## Opinion

1. We have audited the accompanying standalone financial results of Sambandam Spinning Mills Limited (the "Company") for the quarter and year ended 31<sup>st</sup> March 2023, attached herewith, being submitted by the company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("Listing Regulations").
2. In our opinion and to the best of our information and according to the explanations given to us, these standalone financial results:
  - i) are presented in accordance with the requirements of Regulation 33 of the Listing Regulations in this regard; and
  - ii) give a true and fair view in conformity with the recognition and measurement principles laid down in the applicable Indian Accounting Standards and other accounting principles generally accepted in India of the net loss and other comprehensive income and other financial information for the quarter and year ended 31<sup>st</sup> March 2023.

## Basis for Opinion

3. We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Companies Act, 2013 as amended ("the Act"). Our responsibilities under those Standards are further described in the *Auditor's Responsibilities for the Audit of the Standalone Financial Results* section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the standalone financial results under the provisions of the Act, and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the standalone financial results.



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## Management's Responsibilities for the Standalone Financial Results

4. These standalone financial results have been prepared on the basis of standalone annual financial statements. The Company's Board of Directors are responsible for the preparation of these standalone financial results that give a true and fair view of the net loss and other comprehensive income and other financial information in accordance with the recognition and measurement principles laid down in Indian Accounting Standards specified under Section 133 of the Act read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial results that give a true and fair view and are free from material misstatement, whether due to fraud or error.
5. In preparing the standalone financial results, the Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.
6. The Board of Directors is also responsible for overseeing the Company's financial reporting process.

## Auditor's Responsibilities for the Audit of the Standalone Financial Results

7. Our objectives are to obtain reasonable assurance about whether the standalone financial results as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial results.



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8. As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:
  - i. Identify and assess the risks of material misstatement of the standalone financial results, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
  - ii. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
  - iii. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.
  - iv. Conclude on the appropriateness of the Board of Director's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial results or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
  - v. Evaluate the overall presentation, structure, and content of the standalone financial results, including the disclosures, and whether the standalone financial results represent the underlying transactions and events in a manner that achieves fair presentation.
9. We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

B

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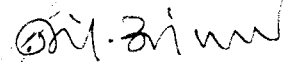
10. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

## Other Matter

11. The standalone annual financial results include the results for the quarter ended 31<sup>st</sup> March 2023, being the balancing figures between the audited figures in respect of the full financial year and the published standalone unaudited year to date financial results up to the third quarter of the current financial year, which were subjected to limited review by us. Our opinion is not modified in respect of this matter.

12. The comparative standalone financial statements of the company for the corresponding quarter and year ended 31<sup>st</sup> March 2022 were audited by the predecessor auditors who expressed an unmodified opinion on those financial statements. Our opinion on the statement is not modified in respect of this matter.

For P N Raghavendra Rao & Co  
Chartered Accountants  
FRN: 003328S



Pon Arul Paraneedharan  
Partner

M.No: 212860

UDIN: 23212860BGUSEY4379

Salem

27<sup>th</sup> May 2023



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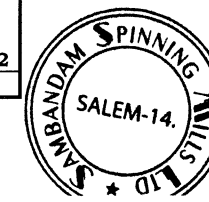
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## STATEMENT OF CONSOLIDATED AUDITED FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED MARCH 31, 2023

(Rupees in Lakhs)

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|-------|--|--------------------|-----------------|-----------------|-------------------|------------------|
|       |  | 31.03.2023         | 31.12.2022      | 31.03.2022      | 31.03.2023        | 31.03.2022       |
|       |  | Audited            | Unaudited       | Audited         | Audited           | Audited          |
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|       | Employee Benefits Expense  | 603.45             | 698.16          | 1,372.46        | 3,081.94          | 4,051.03         |
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|       | Finance Costs  | 315.84             | 318.09          | 496.23          | 1,253.71          | 1,204.78         |
|       | Depreciation and Amortisation Expense  | 387.53             | 384.07          | 353.60          | 1,517.50          | 1,334.17         |
|       | Other Expenses   | 586.88             | 464.06          | 1,039.32        | 2,303.73          | 3,018.55         |
|       | <b>Total Expenses</b>  | <b>5,443.71</b>    | <b>6,633.43</b> | <b>9,828.20</b> | <b>28,254.93</b>  | <b>33,387.73</b> |
| V     | <b>Profit/(Loss) before Share of profit of associates, Exceptional Item and Tax (III-IV)</b> | <b>(112.74)</b>    | <b>(978.31)</b> | <b>(137.85)</b> | <b>(1,509.81)</b> | <b>2,149.09</b>  |
| VI    | Share of profit of associates  | 0.05               | 1.40            | 2.93            | 4.98              | 63.04            |
| VII   | <b>Profit/(Loss) before Exceptional Item and Tax (V+VI)</b>                                  | <b>(112.69)</b>    | <b>(976.91)</b> | <b>(134.92)</b> | <b>(1,504.83)</b> | <b>2,212.13</b>  |
| VIII  | Exceptional Items  | -                  | -               | -               | -                 | -                |
| IX    | <b>Profit/(Loss) Before Tax (VII-VIII)</b>   | <b>(112.69)</b>    | <b>(976.91)</b> | <b>(134.92)</b> | <b>(1,504.83)</b> | <b>2,212.13</b>  |
| X     | <b>Tax Expense:</b>  |                    |                 |                 |                   |                  |
|       | (1) Current Tax  | -                  | -               | 103.08          | -                 | 512.36           |
|       | (2) Deferred Tax Expenses / (Income)   | (51.95)            | (249.23)        | 279.00          | (331.84)          | 185.00           |
| XI    | <b>Profit/(Loss) for the Period from continuing operations (IX-X)</b>                        | <b>(60.74)</b>     | <b>(727.68)</b> | <b>(517.00)</b> | <b>(1,172.99)</b> | <b>1,514.77</b>  |
| XII   | <b>Other Comprehensive Income</b>  |                    |                 |                 |                   |                  |
|       | Items that will not be reclassified to profit or loss  |                    |                 |                 |                   |                  |
|       | (i) Remeasurement of Defined benefits plan   | (222.11)           | 9.50            | 231.49          | (193.61)          | 197.95           |
|       | (ii) Income tax relating to items that will not be reclassified to profit or loss            | (57.51)            | 2.39            | 66.92           | (50.34)           | 57.64            |
|       | <b>Other Comprehensive Income for the Period</b>   | <b>(164.60)</b>    | <b>7.11</b>     | <b>164.57</b>   | <b>(143.27)</b>   | <b>140.31</b>    |
| XIII  | <b>Total Comprehensive Income for the Period (XI+XII)</b>                                    | <b>(225.34)</b>    | <b>(720.57)</b> | <b>(352.43)</b> | <b>(1,316.26)</b> | <b>1,655.08</b>  |
| XIV   | Paid Up Equity Share Capital ( Face Value Rs. 10/- each)                                     | 427.55             | 427.55          | 427.55          | 427.55            | 427.55           |
| XV    | Other equity   |                    |                 |                 | 9,566.95          | 11,141.73        |
| XVI   | <b>Earnings per Equity Share of Rs.10/- each:</b>  |                    |                 |                 |                   |                  |
|       | <b>(for Continuing Operations)</b>   |                    |                 |                 |                   |                  |
|       | Basic and Diluted (in Rupees)  | <b>(1.42)</b>      | <b>(17.06)</b>  | <b>(12.12)</b>  | <b>(27.51)</b>    | <b>35.52</b>     |



Notes

- 1 The above consolidated audited financial results were reviewed by the Audit Committee and then approved by the Board of Directors at its meeting held on May 27, 2023.
- 2 Segment Information:  
  
The Company is primarily engaged in the business of manufacturing and sale of yarn and related products, which is considered as single business segment based on nature of products, risks, returns and the internal business reporting system. Accordingly, there are no other reportable segments in terms of Ind AS 108 'Operating Segments'.
- 3 The consolidated financial results have been prepared in accordance with Ind AS 110 read with Ind AS 28. The consolidated financial results include the standalone results of the parent company and its associates viz. SPM Health Care Services Private Limited and Salem IVF Centre Private Limited.
- 4 The figures for the quarter ended 31.03.2023 and 31.03.2022 are the balancing figures between the audited figures in respect of the full financial year and nine months ended 31.12.2022 and 31.12.2021 respectively.
- 5 The previous period figures have been regrouped/reclassified wherever necessary to confirm to current period classification.

For Sambandam Spinning Mills Limited

  
S. Devarajan

Chairman and Managing Director  
DIN 00001910

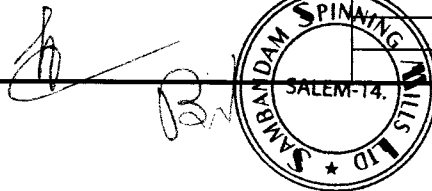
Salem  
May 27, 2023



**Sambandam Spinning Mills Limited, Salem**  
**Consolidated Statement of Assets and Liabilities as on 31.03.2023**

(Rupees in Lakhs)

| Particulars   | 31.03.2023<br>Audited | 31.03.2022<br>Audited |
|---|-----------------------|-----------------------|
| <b>I. ASSETS</b>  |                       |                       |
| <b>Non-Current Assets</b>                                   |                       |                       |
| Property, Plant and Equipment                               | 14,041.39             | 13,758.06             |
| Capital Work in Progress                                    | 183.86                | 105.65                |
| Right-of-use Assets   | 440.85                | 541.40                |
| Intangible assets   | 0.04                  | 0.04                  |
| Biological Assets   | 88.85                 | -                     |
| Financial Assets  |                       |                       |
| Investments   | 222.71                | 218.22                |
| Other Financial Assets                                      | 441.00                | 355.14                |
| Other Non-Current Assets                                    | 299.35                | 587.75                |
|   | 15,718.05             | 15,566.26             |
| <b>Current assets</b>                                       |                       |                       |
| Inventories   | 6,916.38              | 10,302.26             |
| Financial Assets  | -                     | -                     |
| Trade Receivables   | 3,121.31              | 3,692.06              |
| Cash and Cash Equivalents                                   | 12.82                 | 343.61                |
| Bank Balances other than Cash and Cash Equivalents          | 83.41                 | 462.61                |
| Other Financial Assets                                      | 301.87                | 211.97                |
| Current Tax Assets (Net)                                    | 6.00                  | -                     |
| Other Current Assets  | 1,782.24              | 1,632.48              |
|   | 12,224.03             | 16,644.99             |
| <b>TOTAL ASSETS</b>   | <b>27,942.08</b>      | <b>32,211.25</b>      |
| <b>II. EQUITY AND LIABILITIES</b>                           |                       |                       |
| <b>EQUITY</b>   |                       |                       |
| Equity Share Capital  | 427.55                | 427.55                |
| Other Equity  | 9,566.95              | 11,141.73             |
|   | 9,994.50              | 11,569.28             |
| <b>LIABILITIES</b>  |                       |                       |
| <b>Non-Current Liabilities</b>                              |                       |                       |
| Financial Liabilities                                       |                       |                       |
| Borrowings  | 6,231.21              | 6,519.69              |
| Lease Liabilities   | 357.54                | 473.92                |
| Other Financial Liabilities                                 | 5.23                  | 5.23                  |
| Provisions  | 393.72                | 508.93                |
| Deferred Tax Liabilities (Net)                              | 784.82                | 1,167.00              |
| Other Non Current Liabilities                               | 255.59                | 11.35                 |
|   | 8,028.11              | 8,686.12              |
| <b>Current Liabilities</b>                                  |                       |                       |
| Financial Liabilities                                       |                       |                       |
| Borrowings  | 6,783.41              | 6,324.03              |
| Lease Liabilities   | 141.29                | 110.59                |
| Trade payables  | -                     | -                     |
| -Outstanding dues of Micro and Small Enterprises            | 144.13                | 384.63                |
| -Outstanding dues of other than Micro and Small Enterprises | 2,054.09              | 3,889.87              |
| Other Financial Liabilities                                 | 612.03                | 915.43                |
| Other Current Liabilities                                   | 116.16                | 262.80                |
| Provisions  | 68.36                 | 53.10                 |
| Current Tax Liabilities (Net)                               | -                     | 15.40                 |
|   | 9,919.47              | 11,955.85             |
| <b>TOTAL EQUITY AND LIABILITIES</b>                         | <b>27,942.08</b>      | <b>32,211.25</b>      |



**Sambandam Spinning Mills Limited, Salem**  
**Consolidated Statement of Cash Flows for the year ended 31.03.2023**

(Rupees in Lakhs)

| Particulars   | Year ended |                   | Year Ended |                   |
|---|------------|-------------------|------------|-------------------|
|   | 31.03.2023 |                   | 31.03.2022 |                   |
|   | Audited    |                   | Audited    |                   |
| <b>A. Cash Flow from Operating Activities</b>                             |            |                   |            |                   |
| Profit/ (Loss) before tax   |            | (1,504.83)        |            | 2,212.13          |
| Adjustments for -   |            |                   |            |                   |
| Share of profit of associates   | (4.98)     |                   | (63.04)    |                   |
| Depreciation & Amortisation Expense                                       | 1,517.50   |                   | 1,334.17   |                   |
| Finance Costs   | 1,213.20   |                   | 1,227.81   |                   |
| Interest Income   | (30.81)    |                   | (19.05)    |                   |
| Unrealised Exchange Fluctuation   | 40.51      |                   | (23.03)    |                   |
| Dividend Income   | (0.06)     |                   | (0.75)     |                   |
| Net Gain or Loss arising on Financial Asset mandatorily measured at FVTPL | (44.80)    |                   | 0.08       |                   |
| (Profit)/Loss on sale of Property, Plant and Machinery                    | (25.32)    |                   | (8.37)     |                   |
|   |            | 2,665.24          |            | 2,447.82          |
| Operating Profit/ (Loss) before Working Capital Changes                   |            | <b>1,160.41</b>   |            | <b>4,659.95</b>   |
| Adjustments/Changes in Working Capital                                    |            |                   |            |                   |
| Inventories   | 3,385.88   |                   | (591.76)   |                   |
| Trade Receivables   | 570.75     |                   | 247.04     |                   |
| Non Current and Current Financial Assets                                  | 203.44     |                   | (77.83)    |                   |
| Other Non Current and Current Assets                                      | 138.64     |                   | (1,142.41) |                   |
| Trade Payables  | (2,076.28) |                   | (229.76)   |                   |
| Non Current and Current Financial Liabilities                             | (287.48)   |                   | 13.00      |                   |
| Other Non Current and Current Liabilities                                 | 97.60      |                   | 84.78      |                   |
| Other Non Current and Current provisions                                  | (293.56)   |                   | 430.82     |                   |
|   |            | 1,738.99          |            | (1,266.12)        |
| Cash Generated from/(used in) Operations                                  |            | <b>2,899.40</b>   |            | <b>3,393.83</b>   |
| Less: Income Tax Paid (Net)   |            | (21.40)           |            | (547.03)          |
| <b>Net Cash from/(used in) Operating Activities</b>                       |            | <b>2,878.00</b>   |            | <b>2,846.80</b>   |
| <b>B. Cash Flow from Investing Activities</b>                             |            |                   |            |                   |
| Purchase of Property, Plant and Equipment & Work-in-Progress              | (1,748.55) |                   | (4,633.08) |                   |
| Movement of Biological Assets   | (88.85)    |                   | -          |                   |
| Proceeds from sale of Property, Plant and Equipment                       | 36.06      |                   | 8.37       |                   |
| Interest Received   | 30.81      |                   | 19.05      |                   |
| Dividend Received   | 0.06       |                   | 0.75       |                   |
| <b>Net Cash from/(used in) Investing Activities</b>                       |            | <b>(1,770.47)</b> |            | <b>(4,604.91)</b> |
| <b>C. Cash Flow from Financing Activities</b>                             |            |                   |            |                   |
| Interest Liability on Lease Payments                                      | (63.08)    |                   | (70.90)    |                   |
| Principal Repayment of Lease Liabilities                                  | (126.36)   |                   | (109.10)   |                   |
| Finance Costs Paid  | (1,206.55) |                   | (1,137.99) |                   |
| Dividend Paid   | (213.23)   |                   | (170.58)   |                   |
| Proceeds / (Repayment) from Current Borrowings (Net)                      | 459.38     |                   | (157.03)   |                   |
| Proceeds / (Repayment) from Long Term Borrowings (Net)                    | (288.48)   |                   | 3,737.40   |                   |
| <b>Net Cash from/(used in) Financing Activities</b>                       |            | <b>(1,438.32)</b> |            | <b>2,091.80</b>   |
| <b>Net Increase/(decrease) in Cash and Cash Equivalents (A+B+C)</b>       |            | <b>(330.79)</b>   |            | <b>333.69</b>     |
| Cash and Cash Equivalents at the beginning of the year                    | 343.61     |                   | 9.92       |                   |
| Cash and Cash Equivalents at the end of the year                          | 12.82      |                   | 343.61     |                   |
| <b>Net Increase/(decrease) in Cash and Cash Equivalents</b>               |            | <b>(330.79)</b>   |            | <b>333.69</b>     |

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# P.N. RAGHAVENDRA RAO & CO

Chartered Accountants

Founder P.N. Raghavendra Rao

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Ref. No. ....

Date : .....

Independent Auditor's Report on Consolidated Financial Results for the Quarter and Year ended 31<sup>st</sup> March 2023

To  
The Board of Directors of  
Sambandam Spinning Mills Limited

## Opinion

1. We have audited the accompanying consolidated financial results of Sambandam Spinning Mills Limited (the "Company") and its associates for the quarter and year ended 31<sup>st</sup> March 2023, attached herewith, being submitted by the company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("Listing Regulations").
2. In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of reports of other auditors on separate audited financial results of the associates, the aforesaid consolidated financial results:
  - i) includes the audited financial results of the following Associates:
    - a) SPMM Health Care Services Private Limited
    - b) Salem IVF Centre Private Limited
  - ii) are presented in accordance with the requirements of Regulation 33 of the Listing Regulations in this regard; and
  - iii) give a true and fair view in conformity with the applicable Indian Accounting Standards and other accounting principles generally accepted in India of the net loss and other comprehensive income and other financial information of the Company and its associates for the quarter and year ended 31<sup>st</sup> March 2023.

## Basis for Opinion

3. We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Companies Act, 2013 as amended ("the Act"). Our responsibilities under those Standards are further described in the *Auditor's Responsibilities for the Audit of the Consolidated Financial Results* section of our report. We are independent of the Company and its associates in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the consolidated financial results under the provisions of the Act, and the Rules thereunder,

BJ

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and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence obtained by us and other auditors in terms of their reports referred to in "Other Matters" paragraph below, is sufficient and appropriate to provide a basis for our opinion on the consolidated financial results.

## Management's Responsibilities for the Consolidated Financial Results

4. These consolidated financial results have been prepared on the basis of consolidated annual financial statements. The Company's Board of Directors are responsible for the preparation and presentation of these consolidated financial results that give a true and fair view of the net loss and other comprehensive income and other financial information of the Company and its associates in accordance with the recognition and measurement principles laid down in Indian Accounting Standards specified under Section 133 of the Act read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. The respective Board of Directors of the Company and its associates are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and its associates and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial results that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of consolidated financial results by the Directors of the company, as aforesaid.
5. In preparing the consolidated financial results, the respective Board of Directors of the Company and its associates are responsible for assessing the ability of the Company and its associates to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Board of Directors either intends to liquidate the Company or its associates or to cease operations, or has no realistic alternative but to do so.
6. The respective Board of Directors of the Company and its associates are responsible for overseeing the financial reporting process of the Company and its associates.

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## Auditor's Responsibilities for the Audit of the Consolidated Financial Results

7. Our objectives are to obtain reasonable assurance about whether the consolidated financial results as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial results.
8. As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:
  - a) Identify and assess the risks of material misstatement of the consolidated financial results, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
  - b) Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
  - c) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.
  - d) Conclude on the appropriateness of the Board of Director's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Company and its associates to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial results or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company and its associates to cease to continue as a going concern.

B

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- e) Evaluate the overall presentation, structure, and content of the consolidated financial results, including the disclosures, and whether the consolidated financial results represent the underlying transactions and events in a manner that achieves fair presentation.
- f) Obtain sufficient appropriate audit evidence regarding the financial results of the Company and its associates to express an opinion on the consolidated financial results. We are responsible for the direction, supervision, and performance of the audit of financial information of such entity included in the consolidated financial results of which we are the independent auditors. For the other entities included in consolidated financial results, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.
9. We communicate with those charged with governance of the Company and its associates included in the consolidated financial results of which we are independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.
10. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

We also performed procedures in accordance with the circular issued by the SEBI under Regulation 33(8) of the Listing Regulations, as amended, to the extent applicable.

## Other Matter

11. The consolidated financial results include the audited financial results of the two associates whose financial results reflect the Company's share of total net profit after tax/total comprehensive income of Rs. 0.05 lakhs and Rs. 4.98 lakhs for the quarter and year ended 31<sup>st</sup> March 2023 respectively as considered in the consolidated financial results which have been audited by their respective independent auditors. The independent auditors' reports on audited financial results of these associates have been furnished to us and our opinion on the consolidated financial results, in so far as it relates to the amounts and disclosures included in respect of these associates, is based solely on the report of such other auditors and the procedures performed by us are as stated in paragraph above.





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Our opinion on the consolidated financial results is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors.

12. The consolidated annual financial results include the results for the quarter ended 31<sup>st</sup> March 2023, being the balancing figures between audited figures in respect of the full financial year and the published consolidated unaudited year to date financial results up to the third quarter of the current financial year, which were subjected to limited review by us. Our opinion is not modified in respect of this matter.
13. The comparative consolidated financial statements of the company for the corresponding quarter and year ended 31<sup>st</sup> March 2022 were audited by the predecessor auditors who expressed an unmodified opinion on those financial statements. Our opinion on the statement is not modified in respect of this matter.

For P N Raghavendra Rao & Co

Chartered Accountants

FRN: 003328S



Pon Arul Paraneedharan

Partner

M.No: 212860

UDIN: 23212860BGUSEZ3642

Salem

27<sup>th</sup> May 2023