

Sambandam Spinning Mills Limited

Regd. Office: Mill Premises, Kamaraj Nagar Colony, Salem 636 014.
Unaudited Financial Results for the period ended September 30, 2008

Rs. lakhs

Corresponding three months ended 30.09.07	Three months ended 30.09.08	Particulars	Six months ended 30.09.08	Corresponding six months ended 30.09.07	Previous year ended 31.03.08 Audited
3508	3392	1. Net sales/Income from operations	6175	6704	12438
7	3	2. Other income	19	12	96
3515	3395	3. Total income (1+2)	6194	6716	12534
		4. Expenditure			
		(i) Increase(-)/Decrease in value of stocks of finished goods and work in progress	-272	-22	134
175	-24				
1904	1953	(ii) Consumption of raw materials	3669	3705	6641
--	--	(iii) Purchase of traded goods	--	--	--
292	290	(iv) Employees cost	569	574	1123
98	150	(v) Power and fuel - net	361	366	736
197	242	(vi) Depreciation/amortisation	467	396	817
495	258	(vii) Other expenditure	487	944	1592
3161	2869	(viii) Total expenditure	5281	5963	11043
270	435	5. Interest - net	674	507	981
--	--	6. Exceptional item - income	--	346	346
84	91	7. Profit from Ordinary activities before tax (3)-(4+5+6)	239	592	856
		8. Tax expense			
		(i) Current tax	--	--	--
2	3	(ii) Fringe benefit tax	3	3	5
48	29	(iii) Deferred tax	64	221	259
34	59	9. Net profit from Ordinary activities after Tax (7-8)	172	368	592
--	--	10. Extraordinary items	--	--	--
34	59	11. Net profit for the period (9-10)	172	368	592
428	428	12. Paid-up Equity share capital (Face value of Rs.10 per share)	428	428	428
		13. Reserves excluding revaluation reserves			2943
0.80	1.39	14. Earnings per share-Basic and diluted (not annualised) in Rs.	4.04	8.64	13.87
		15. Public shareholding			
1655066	1655066	- Number of shares	1655066	1655066	1655066
38.81	38.81	- Percentage of shareholding	38.81	38.81	38.81

Notes

1. In respect of the company's expansion project involving installation of 30,000 spindles and 24 looms and modernisation of existing units at an estimated cost of Rs.107 crores, the first stage of the said project involving installation of 9,600 spindles has been successfully completed during June 2008.
2. Power cost for the year ended March 31, 2008, for the three months and six months ended September 30, 2008 is net of income by way of carbon credit earnings of Rs.336 lakhs, Rs.21 lakhs and Rs.37 lakhs respectively for the company's 6.10 MW wind energy converters, pertaining to the period from March 2003 to September 2008.
3. Exceptional item for the period ended September 30, 2007 and for the year ended March 31, 2008 represents the compensation received, as one time settlement, for the shortfall in power generation from a supplier of wind energy converters.
4. In view of the MAT credit entitlement under section 115JAA of the Income tax Act, 1961, no provision for current income tax has been considered.
5. The company is principally engaged in a single business segment viz., cotton yarn and operates in single geographical segment.
6. During the quarter, no investor complaints were received nor pending for redressal at the beginning and end of the quarter.
7. The above unaudited financial results reviewed by the Audit Committee, were approved by the Board of Directors at their meeting held on October 31, 2008.

for Sambandam Spinning Mills Limited

Salem,

October 31, 2008

Chairman cum Managing Director