

Sambandam Spinning Mills Limited

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

Unaudited financial Results for the quarter/six months ended September 30, 2011

Rs. lakhs

Corresponding three months ended 30.09.10 Unaudited	Three months ended 30.09.11 Unaudited	Particulars	Six months ended 30.09.11 Unaudited	Corresponding six months ended 30.09.10 Unaudited	Previous year ended 31.03.11 Audited
5414	5394	1. Net sales/Income from operations	9965	9978	20691
27	6	2. Other income	8	5	8
5441	5400	3. Total income (1+2)	9973	9983	20699
		4. Expenditure			
		(i) (Increase)/Decrease in value of stocks of			
412	1,412	finished goods and work in progress	831	97	(1,289)
2724	3448	(ii) Consumption of raw materials	7096	5223	12340
--	--	(iii) Purchase of traded goods	--	--	2
363	406	(iv) Employees cost	821	719	1603
197	172	(v) Power and fuel - net	584	735	2148
281	280	(vi) Depreciation/amortisation	561	554	1114
336	339	(vii) Other expenditure	655	603	1373
4313	6057	(viii) Total expenditure	10548	7931	17291
327	498	5. Interest - net	990	743	1487
--	--	6. Exceptional item	--	--	--
801	(1,155)	7. Profit/(Loss) from ordinary activities before tax (3)-(4+5+6)	(1,565)	1,309	1,921
		8. Tax expense			
--	--	(i) Current tax	--	--	-
330	(330)	(iii) Deferred tax liability/(withdrawal)	(510)	470	665
471	(825)	9. Net profit/(loss) from ordinary activities after Tax (7-8)	(1,055)	839	1,256
--	--	10. Extraordinary items	--	--	-
471	(825)	11. Net profit/(loss) for the period (9-10)	(1,055)	839	1256
428	428	12. Paid-up Equity share capital (Face value of Rs.10 per share)	428	428	428
		13. Reserves excluding revaluation reserves			4040
11.05	(19.36)	14. Earnings per share-Basic and diluted (not annualised) in Rs.	(24.75)	19.68	29.45
		15. Public shareholding			
1655366	1654366	- Number of shares	1654366	1655366	1655366
38.82	38.79	- Percentage of shareholding	38.79	38.82	38.82
		16. Promoters and Promoter group shareholding			
2609234	2610234	- Number of shares	2610234	2609234	2609234
61.18	61.21	- Percentage of shareholding	61.21	61.18	61.18
Nil	Nil	- Pledged/encumbered	Nil	Nil	Nil

Notes:

1. Production of yarn from high priced cotton and the steep fall in yarn prices during the quarter/six months ended September 30, 2011 severely affected the gross margin coupled with higher interest cost resulted in abnormal loss.
2. The company is principally engaged in a single business segment viz., cotton yarn and operates in a single geographical segment.
3. During the quarter, one investor complaint was received and resolved. No investor complaint was pending for redressal at the beginning and end of the quarter.

4. Disclosure of assets and liabilities as per clause 41(1)(ea) of the listing agreement for the six months ended September 30, 2011 :-

Rs. lakhs

Assets and liabilities	Six months ended (Unaudited)		Previous year ended
	September 30, 2011	September 30, 2010	(Audited) March 31, 2011
1. Sources of funds			
Shareholders' funds			
Capital	428	428	428
Reserves and surplus	5894	6774	6967
	6322	7202	7395
Loan funds			
Secured loans	16155	14365	18004
Unsecured loans	743	800	791
	16898	15165	18795
Deferred tax liability-net	2402	2717	2912
	25622	25084	29102
2. Application of funds			
Fixed assets less depreciation (including capital work in progress)	17282	18254	17801
Investments	210	210	210
Current assets, loans and advances			
Inventories	4229	3162	10194
Sundry debtors	3362	2689	3321
Cash and bank balances	173	551	249
Other current assets	364	216	262
Loans and advances	1420	1120	1388
	9548	7738	15414
Less Current liabilities and provisions			
Liabilities	1196	955	4002
Provisions	225	169	324
	1421	1124	4326
Net current assets	8127	6614	11088
Miscellaneous expenditure	3	6	3
	25622	25084	29102

5. The above financial results reviewed by the Audit Committee, were approved by the Board of Directors at their meeting held on October 29, 2011.

On behalf of the Board of Directors

Place : Salem
Dated: October 29, 2011

S.Devarajan
Chairman and Managing Director