



SAMBANDAM SPINNING MILLS LIMITED UNIT-1

Registered Office : P.B. No.1, Kamaraj Nagar Colony, Salem 636 014, Tamil Nadu
(P) +91 427 2240790 (F) +91 427 2240169 (E) corporate@sambandam.com
website : www.sambandam.com Corporate Identity No. L17111TZ1973PLC000675

Ref: 1027/SSML/CS/2017-18

8th February 2018

The DGM Listing,
The Bombay Stock Exchange Ltd,
Floor No. 25, P.J.Towers,
Dalal Street,
MUMBAI – 400 001.

Dear Sir,

UNAUDITED FINANCIAL RESULTS FOR Q-3 (October – December 2017)

Pursuant to Regulation 33(3) of Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulation 2015, we are uploading herewith Unaudited Financial Results (UFR) of our Company for the quarter/nine months ended 31st December 2017, which has been reviewed by our Audit Committee at the Audit Committee Meeting held on 07-02-2018 and approved by our Board at the Board Meeting held on 08-02-2018 at the Registered office of our Company in Kamaraj Nagar Colony, Salem – 636 014, duly signed by our Chairman and Managing Director, and together with the Limited Review Report dt.11-12-2017 of our Statutory Auditors.

We are also uploading the above Unaudited Financial Results in our Company's Website 'www.sambandam.com' and also in BSE Website <http://listing.bseindia.com>.

Receipt of the above may kindly be acknowledged.

Thanking you,

Yours faithfully,
for Sambandam Spinning Mills Limited


(S.Natarajan)
Company Secretary

SAMBANDAM SPINNING MILLS LIMITED (CIN : L17111TZ1973PLC000675)

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

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

STATEMENT OF UNAUDITED FINANCIAL RESULTS (STANDALONE) FOR THE NINE MONTHS/QUARTER ENDED DECEMBER 31, 2017

Rs. lakhs

S.No.	Particulars	Quarter ended			Nine months ended	
		31/12/2017	30/09/2017	31/12/2016	31/12/2017	31/12/2016
		Unaudited			Unaudited	
I	Revenue from Operations	4,501.69	3,811.41	4,538.17	13,533.97	14,020.31
II	Other income	23.26	25.81	36.43	83.87	95.48
III	Total Income (I-II)	4,524.95	3,838.22	4,574.60	13,717.84	14,115.79
IV	EXPENSES					
	Cost of materials consumed	2,075.40	3,178.48	2,668.32	8,423.60	8,449.20
	Purchases of Stock-in trade	-	-	-	-	-
	Changes in inventories of finished goods, Stock-in-trade and work-in-progress	477.47	-908.72	-63.41	-99.68	-886.78
	Employee benefits expenses	588.65	572.02	534.59	1,637.72	1,665.42
	Finance costs	196.83	228.91	270.65	663.22	855.08
	Depreciation and amortisation expense	227.31	264.64	262.02	756.28	785.72
	Other expenses	780.21	481.16	860.35	1,913.16	2,063.58
	Total Expenses	4,345.87	3,816.49	4,532.52	13,294.30	12,932.22
V	Profit/ (loss) before exceptional items and tax (III-IV)	179.08	21.73	42.08	423.54	1,183.57
VI	Exceptional items	-	-	-	-	-
VII	Profit/ (loss) before tax (V-VI)	179.08	21.73	42.08	423.54	1,183.57
VIII	Tax expense:					
	(1) Current tax	364.34	145.69	7.35	561.03	259.03
	(2) Deferred tax	-365.00	-181.04	7.00	-532.55	26.00
IX	Profit/ (Loss) for the period from continuing operations (VII-VIII)	179.74	57.08	27.73	395.06	898.54
X	Other Comprehensive Income					
A	(i) Items that will not be reclassified to profit and loss					
	Remeasurement of Defined benefits plan	2.13	3.22	2.13	6.38	6.39
	(ii) Income tax relating to items that will not be reclassified to profit and loss	-0.66	-1.31	-0.65	-1.97	-1.97
B	(i) Items that will be reclassified to profit and loss					
	(ii) Income tax relating to items that will be reclassified to profit and loss					
	Total Other Comprehensive Income	1.47	1.91	1.48	4.41	4.42
XI	Total Comprehensive Income for the period (X+XI) (Comprising Profit (Loss) and Other Comprehensive Income for the period)	181.21	58.99	29.21	399.47	902.96
XII	Earnings per equity share of Rs.10/- each: (not annualised)					
	Basic and Diluted	4.20	1.34	0.65	9.24	21.02
XIII	Paid Up Equity Share Capital (Face Value Rs. 10/- each)	427.55	427.55	427.55	427.55	427.55
	# There are no discontinued operations during the period.					



For Sambandam Spinning Mills Limited

(S)Devarajan
 Chairman and Managing Director

Notes

- 1 The above unaudited standalone financial results were reviewed by the Audit Committee and then approved by the Board of Directors at its meeting held on February 8, 2018.
- 2 The company could improve the profitability due to improved market conditions and turnover.
- 3 The Company has adopted Indian Accounting Standards (Ind AS) from April 1, 2017 and accordingly above standalone financial results have been prepared in accordance with the recognition and measurement principles laid down in the Ind AS 34 'Interim Financial Reporting' prescribed under Section 133 of the Companies Act, 2013 read with the relevant rules issued thereunder and the other accounting principles generally accepted in India. The Ind AS compliant financial results for the corresponding quarter and nine months ended 31 December 2016 have been stated in terms of the Circular no. CIR/CFD/FAC/62/2016 dated July 5, 2016. Accordingly and in terms of the same circular, the figures and reconciliation for March 31, 2017 have not been furnished.
- 4 The statutory auditors of the Company have carried out the limited review of the results for the quarter and nine months ended 31st December 2017.
- 5 Segment Information:
The Company is principally engaged in a single business segment viz. yarn based on nature of products, risks, returns and the internal business reporting system, there is no other reportable segment in terms of Ind AS 108 'Operating Segments'.
- 6 The Company would be consolidating and presenting its Consolidated Financial Statements at the end of the year i.e. March 31, 2018.
- 7 Reconciliation of the financial results to those reported under the previous GAAP are summarised as follows:

Particulars	Three months ended December 31, 2016 (Rs. In lakhs)	Nine months ended December 31, 2016 (Rs. In lakhs)
Net profit after Tax as per previous GAAP	22.82	779.36
Adjustments:		
Impact on fair valuation of investments	(0.47)	0.12
Recognition of EPCG liability		(9.53)
Reclassification of actuarial (gains) / losses arising in respect of employee benefit schemes	(2.13)	(6.39)
Tax Adjustments	7.51	134.98
Net profit after Tax as reported under Ind AS	27.73	898.54
Other Comprehensive Income (net of tax)	1.48	4.42
Total Comprehensive Income as reported under Ind AS	29.21	902.96

- a. Under previous GAAP, non-current equity investments were measured at historical cost. Under Ind AS all equity securities other than in subsidiaries, joint ventures and associates are to be measured at fair value at the reporting date and changes in fair value is to be recognised in Statement of Profit and Loss.
- b. Under previous GAAP, actuarial gains/losses were recognised in the statement of profit and loss. Under Ind AS, the actuarial gains/losses forms part of the remeasurement of the net defined benefit liability/asset which is recognised in other comprehensive income. Additionally, the tax effect of the same has also been recognised in other comprehensive income as required by Ind AS.
- 8 In view of pending completion of the legal process and assessment of recoverability of misappropriation of funds, which has already been reported to BSE, no provision has been made in the above results and consequently the statutory auditors have qualified their Limited Review report on the unaudited standalone financial results for the quarter and nine months ended December 31, 2017 in respect of the above.
- 9 The figures for the previous period have been reclassified/ regrouped wherever necessary.

For Sambandam Spinning Mills Limited


S. Devarajan
Chairman and Managing DirectorSalem,
February 8, 2018





R. SUNDARARAJAN & ASSOCIATES

CHARTERED ACCOUNTANTS

INDEPENDENT AUDITOR'S REVIEW REPORT ON REVIEW OF INTERIM FINANCIAL RESULTS

TO THE BOARD OF DIRECTORS OF
SAMBANDAM SPINNING MILLS LIMITED

1. We have reviewed the Unaudited Standalone Financial Results of **SAMBANDAM SPINNING MILLS LIMITED** ("the Company") for the quarter ended December 31, 2017 ("Statement") being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as modified by the SEBI Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016.

This Statement which is the responsibility of the Company's Management and approved by the Board of Directors, has been prepared by the Company in accordance with the recognition and measurement principles laid down in the Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), 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.

2. We conducted our review of the Statement in accordance with the Standard on Review Engagements (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 Statement is 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.
3. We draw your attention to Note 8 to the Statement regarding the Company's identification of instances of misappropriation of its funds by an employee of the Company. An independent investigative auditor appointed by the Board of Directors has carried out the investigation and submitted the report. Necessary legal steps have been initiated against the said employee. Pending completion of the legal process and assessment of recoverability, the said amount of Rs.13.44 crores has been considered recoverable by the Company for the purpose of the accompanying "Statement of Unaudited Standalone Financial Results for the Quarter and nine months ended December 31, 2017". Our conclusion on the Limited review carried out on the accompanying results is subject to the recoverability of the said amount of Rs.13.44 crores.



HO: H No.2, Royal Gokulam, S-2 Ayyappan Street, East Tambaram, Chennai - 600059. PH : 044 22392523
BO: No.1, Club House Road, 'B' Wing of 3rd Floor, Subramanian Building, Chennai - 600002. PH : 044 28461099 Mob: 9790903816
Email: krish_ca@hotmail.com



R. SUNDARARAJAN & ASSOCIATES

CHARTERED ACCOUNTANTS

4. Based on our review conducted as above, subject to our comments in paragraph 3 above, nothing has come to our attention that causes us to believe that the Statement has not been prepared in all material respects in accordance with the applicable Indian Accounting Standards prescribed under Section 133 of the Companies Act, 2013 and other recognised accounting practices and policies, and has not disclosed the information required to be disclosed in terms of Regulation 33 and regulation 52 of the Listing Regulations as amended from time to time, including the manner in which it is to be disclosed, or that it contains any material misstatement.

R Sundararajan & Associates
Chartered Accountants
Firm's Registration No. 008282S


S. Krishnan
Partner
Membership No. 26452



February 8, 2018
Salem