



KALLAM TEXTILES LIMITED

(Formerly Known as "Kallam Spinning Mills Limited")

CIN -L18100AP1992PLC013860

Chowdavaram, GUNTUR - 522 019. A.P., INDIA.

Ph: 0863-2344016 : Fax:0863-2344000

E-mail: corp@ksml.in

GSTIN: 37AAACK9363M1ZY



Ref: KTL/CS/FIN-RESULTS/2019-20/Q-2

Date:13-11-2019

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 held on 13.11.2019

Pursuant to Regulation 30 and other applicable regulations of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we would like to inform that the Board of Directors in their meeting held on November 13, 2019, has considered and approved the following matters, subject to necessary approvals including approval of the Shareholders, wherever applicable, along with the other items of Agenda:

1. Un-audited Financial Results (Standalone) for the quarter / half year ended on September 30, 2019. Pursuant to Regulation 33 and 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015; **(Copy Enclosed)**
2. Limited Review Reports of the Statutory Auditor on the aforesaid Results by our Statutory Auditor's, M/s.Chevuturi Associates, Chartered Accounts, Vijayawada, Andhra Pradesh. **(Copy Enclosed)**

The Board Meeting of Board of directors commenced at 11.30 AM and Concluded at 3.40 P.M

This is for your kind information and records.

Thanking you,

Yours Sincerely,
For Kallam Textiles Limited

Nandan Bisoi
Nandan Bisoi

Company Secretary & Compliance Officer
M.No: ACS 54169





KALLAM TEXTILES LTD

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 HALF YEAR ENDED 30TH SEPTEMBER, 2019

(Rs. In Lakhs, except per share data)

| S.NO | PARTICULARS | QUARTER ENDED | | | Half Year Ended | | YEAR ENDED |
|-----------|--|-----------------|----------------|----------------|-----------------|-----------------|-----------------|
| | | 30.09.2019 | 30.06.2019 | 30.09.2018 | 30.09.2019 | 30.09.2018 | 31.03.2019 |
| | | Unaudited | Unaudited | Unaudited | Unaudited | Unaudited | Audited |
| 1 | Income | | | | | | |
| | (a) Revenue from Operations | 5957.33 | 7323.13 | 7597.67 | 13280.46 | 14622.15 | 30921.95 |
| | (b) Other Operating Income | 6.51 | 29.86 | 40.24 | 36.38 | 74.41 | 151.64 |
| | Total Revenue from operations | 5963.84 | 7352.99 | 7637.91 | 13316.84 | 14696.56 | 31073.59 |
| 2 | Other Income | 43.78 | 33.39 | 30.49 | 77.18 | 69.01 | 140.73 |
| | Total Income (1+2) | 6007.62 | 7386.38 | 7668.40 | 13394.02 | 14765.57 | 31214.32 |
| 3 | Expenses | | | | | | |
| | a) Cost of Material Consumed | 3410.66 | 4605.86 | 4090.19 | 8016.53 | 8341.13 | 17650.52 |
| | b) Purchase of Stock-in-trade | 1.01 | 0.00 | 212.63 | 1.00 | 212.63 | 230.94 |
| | c) Changes in inventories of Finished goods, Work-in - Progress and Stock-in-trade | (84.37) | (470.15) | (238.16) | (554.52) | (958.58) | (720.68) |
| | d) Employee benefits expenses | 537.51 | 470.71 | 526.93 | 1008.23 | 1055.53 | 2098.33 |
| | e) Depreciation and amortisation expenses | 399.14 | 378.93 | 378.44 | 778.07 | 767.26 | 1568.36 |
| | f) Finance costs (Refer note no.2) | 592.93 | 615.01 | 553.08 | 1207.94 | 1007.75 | 2059.91 |
| | g) Other expenses | 1507.72 | 1773.29 | 1743.43 | 3281.01 | 3417.85 | 7131.46 |
| | Total expenses | 6364.60 | 7373.65 | 7266.54 | 13738.26 | 13843.57 | 30018.84 |
| 4 | Profit/(Loss) before Tax and exceptional items (1+2-3) | (356.98) | 12.73 | 401.86 | (344.24) | 922.00 | 1195.48 |
| | Add/Less: Exceptional items | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| | Profit/(Loss) before tax and after exceptional items | (356.98) | 12.73 | 401.86 | (344.24) | 922.00 | 1195.48 |
| 5 | Tax expenses | | | | | | |
| | a) Current Tax | 0.00 | 0.00 | 85.00 | 0.00 | 200.00 | 261.20 |
| | b) Deferred Tax charge/(Credit) (Net of MAT Credit entitlement) | (101.11) | (192.20) | 81.56 | (293.33) | 179.79 | 268.86 |
| 6 | Net Profit/(Loss) for the period after tax (4-5) | (255.87) | 204.93 | 235.30 | (50.91) | 542.21 | 665.42 |
| 7 | Other comprehensive Income (Net of tax expense) | | | | | | |
| | a) Remeasurement of land at fair value | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| | b) Revaluation of Buildings (Net of Deferred Tax) | 12.34 | 12.34 | 9.60 | 24.67 | 19.20 | 49.35 |
| | c) Remeasurement of defined employee benefit plans | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 10.87 |
| | Total comprehensive income | 12.34 | 12.34 | 9.60 | 24.67 | 19.20 | 60.22 |
| 8 | Total comprehensive income/(Loss) for the year | (243.53) | 217.27 | 244.90 | (26.24) | 561.41 | 725.64 |
| 9 | Paid - up Equity Share Capital (Face Value of the Share ₹ 2/-) | 856.38 | 856.38 | 856.38 | 856.38 | 856.38 | 856.38 |
| 10 | Reserves (Excluding Revaluation reserves as per Balance Sheet) | | | | | | 9829.14 |
| 11 | Earning per equity Share (Face value ₹ 2/- each) - Basic & Diluted | (0.60) | 0.48 | 0.55 | (0.12) | 1.27 | 1.55 |



Segment Results for the Quarter and Half year ended 30th September, 2019

| S.No. | Particulars | Quarter ended | | | Half Year Ended | | Year Ended |
|-------|---|-------------------------|-------------------------|-------------------------|-------------------------|-------------------------|-----------------------|
| | | 30.09.2019 unaudited | 30.06.2019 unaudited | 30.09.2018 unaudited | 30.09.2019 unaudited | 30.09.2018 unaudited | 31.03.2019 Audited |
| 1 | Segment Revenue: | | | | | | |
| | a) Spinning | 4357.75 | 5733.28 | 5796.66 | 10091.04 | 11696.91 | 24162.18 |
| | b) Weaving | 3932.66 | 4127.79 | 4960.17 | 8060.45 | 8974.94 | 18529.00 |
| | c) Dyeing | 1281.04 | 1485.43 | 1615.12 | 2766.46 | 3187.74 | 5316.63 |
| | d) Power | 50.91 | 18.00 | 39.12 | 68.91 | 65.04 | 183.10 |
| | Total | 9622.36 | 11364.50 | 12411.07 | 20986.86 | 23924.63 | 48190.91 |
| | Less: Inter Segment Revenue | 3658.52 | 4011.51 | 4773.16 | 7670.02 | 9228.07 | 17117.32 |
| | Net sales /Income from operations | 5963.84 | 7352.99 | 7637.91 | 13316.84 | 14696.56 | 31073.59 |
| 2 | Segment Results Profit/(Loss): | | | | | | |
| | Before tax and interest from each segment | | | | | | |
| | a) Spinning | (112.66) | 235.98 | 587.81 | 123.32 | 1230.11 | 1612.71 |
| | b) Weaving | 298.49 | 362.49 | 353.58 | 660.99 | 683.39 | 1583.61 |
| | c) Dyeing | 37.05 | 40.95 | 18.00 | 78.00 | 29.23 | 47.87 |
| | d) Power | 13.07 | (11.68) | (4.45) | 1.39 | (12.98) | 11.20 |
| | Total | 235.95 | 627.74 | 954.94 | 863.70 | 1929.75 | 3255.39 |
| | Less : Finance costs | 592.93 | 615.01 | 553.08 | 1207.94 | 1007.75 | 2059.91 |
| | Total Profit/(Loss) before Tax | (356.98) | 12.73 | 401.86 | (344.24) | 922.00 | 1195.48 |
| 3 | Capital Employed (Segment Assets - Segment Liabilities) | | | | | | |
| | a) Spinning | 21785.97 | 22748.35 | 24172.47 | 21785.97 | 24172.47 | 23311.88 |
| | b) Weaving | 14258.78 | 14710.21 | 15583.50 | 14258.78 | 15583.50 | 15091.25 |
| | c) Dyeing | 970.35 | 1037.17 | 1170.77 | 970.35 | 1170.77 | 1070.08 |
| | d) Power | 1122.09 | 1122.20 | 1217.21 | 1122.09 | 1217.21 | 1146.71 |
| | Total | 38137.19 | 39617.93 | 42143.95 | 38137.19 | 42143.95 | 40619.92 |

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 13th November 2019. These results are as per Regulation 33 of the SEBI(Listing Obligations and Disclosure Requirements) Regulations,2015, as amended.
- The finance costs for the Half year ended 30.09.2019 is net after adjusting subsidy received under TUF scheme and interest subsidy claimed from AP government under IDP scheme 2015-20 aggregating to Rs.1.83 crores (Previous Quarter ended 30.06.2019 Rs. 1.87 Crores)
- The Govt. of India, vide Taxation Laws (Amendment) Ordinance, 2019, inserted section 115BAA in Income-tax Act, 1961 which provides domestic companies an irrevocable option to pay corporate Income- tax at reduced rate (i.e 25.17%) subject to non availment of certain incentives and allowances under different provisions of Act. The company is in the process of evaluating the availment of said option.
- The figures of the previous periods are reclassified/regrouped to confirm to the current periods classification.

For and on behalf of the Board of Directors

Place :Chowdavaram

Date :13.11.2019

(P. VENKATESWARA REDDY)

MANAGING DIRECTOR.

DIN: 00018677



KALLAM TEXTILES LIMITED

Statement of assets and Liabilities as at 30th September, 2019

Rs. in lakhs

| | Particulars | As at 30th September, 2019 (Unaudited) | As at 31st March, 2019 (Audited) |
|-------|--------------------------------------|--|--|
| | ASSETS | | |
| 1 | Non-Current Assets | | |
| (a) | Property, Plant and Equipment | 40140 | 40901 |
| (b) | Intangible Assets | 7 | 8 |
| (c) | Capital Work-in-progress | 240 | 183 |
| (d) | Financial Assets | | |
| (i) | Loans | 651 | 649 |
| (ii) | Other financial assets | - | - |
| (e) | Other Non-current Assets | 31 | 13 |
| | Total Non-Current assets | 41,069 | 41,753 |
| 2 | Current Assets | | |
| (a) | Inventories | 8,641 | 10,105 |
| (b) | Financial Assets | | |
| (i) | Trade Receivables | 1,614 | 2,227 |
| (ii) | Cash and cash equivalents | 27 | 41 |
| (iii) | Other Bank balances | 116 | 27 |
| (iv) | Loans | 11 | 9 |
| (v) | Other financial assets | 4 | 6 |
| (c) | Other Current assets | 5,730 | 5,311 |
| | Total Current assets | 16,143 | 17,726 |
| | Total Assets | 57,212 | 59,480 |
| | EQUITY AND LIABILITIES | | |
| 1 | Equity | | |
| (a) | Equity Share Capital | 856 | 856 |
| (b) | Other Equity | 20,869 | 20,998 |
| | | 21,725 | 21,854 |
| 2 | Liabilities | | |
| | Non-current liabilities | | |
| (a) | Financial Liabilities | | |
| (i) | Long-term borrowings | 12,617 | 14,644 |
| (ii) | Other financial liabilities | - | - |
| (b) | Provisions | 167 | 153 |
| (c) | Deferred Tax Liabilities (Net) | 2,739 | 3,058 |
| (d) | Other non-current liabilities | 888 | 911 |
| | Total Non-current liabilities | 16,411 | 18,766 |
| 3 | Current liabilities | | |
| (a) | Financial Liabilities | | |
| (i) | Short-term borrowings | 12,989 | 13,927 |
| (ii) | Trade payables | 1,216 | 651 |
| (iii) | Other financial liabilities | 4,578 | 3,973 |
| (b) | Other current liabilities | 129 | 163 |
| (c) | Provisions | 5 | 5 |
| (d) | Current tax Liabilities (Net) | 159 | 141 |
| | Total Current liabilities | 19,076 | 18,860 |
| | Total Liabilities | 35,487 | 37,626 |
| | Total Equity and Liabilities | 57,212 | 59,480 |



KALLAM TEXTILES LIMITED

CASH FLOW STATEMENT FOR THE HALF YEAR ENDED 30.09.2019

| PARTICULARS | For Half year ended 30.9.2019 | For Half year ended 30.9.2018 |
|---|----------------------------------|----------------------------------|
| <u>CASH FLOW FROM OPERATING ACTIVITIES</u> | | |
| Net Profit before tax | (3,44,24,859) | 9,22,00,992 |
| <u>Add/Less: Adjustments for</u> | | |
| Depreciation | 7,78,06,968 | 7,67,25,839 |
| Interest expense | 12,07,93,787 | 10,07,74,691 |
| Interest income | (22,18,644) | (25,33,300) |
| Amortisation of Govt. grants | (23,05,681) | (23,06,298) |
| Profit on sale of assets | 17,112 | - |
| Operating profit before working capital changes | 15,96,68,683 | 26,48,61,924 |
| <u>Add/Less: Adjustments for working capital</u> | | |
| Inventories | 14,63,92,380 | 11,41,05,194 |
| Trade and other receivables | 1,73,50,882 | (7,85,98,104) |
| Trade and other payables | 5,52,21,934 | 7,37,53,483 |
| Cash generated from operations | 37,86,33,879 | 37,41,22,497 |
| Less: Direct taxes paid | 92,619 | 3,94,46,471 |
| Net cash from operating activities (A) | 37,85,41,260 | 33,46,76,026 |
| <u>CASH FLOW FROM INVESTING ACTIVITIES</u> | | |
| Purchase of fixed assets and Capital WIP (Net of subsidy) | (73,15,898) | (3,31,00,956) |
| Proceeds from sale of fixed assets | 49,107 | 15,250 |
| Margin Money deposit with banks and other balances | (88,84,883) | (1,06,81,887) |
| Interest received | 22,18,644 | 25,33,300 |
| Net cash used in Investing activities (B) | (1,39,33,030) | (4,12,34,293) |
| <u>CASH FLOW FROM FINANCING ACTIVITIES</u> | | |
| Proceeds from/(Repayment of) borrowings | (23,48,38,703) | (17,87,44,938) |
| Dividend and tax paid | (1,03,24,215) | (1,03,24,608) |
| Interest and finance charges | (12,07,93,787) | (10,07,74,691) |
| Net cash used in financing activities (C) | (36,59,56,705) | (28,98,44,237) |
| Net Increase/(Decrease) in cash and cash equivalents | (13,48,475) | 35,97,496 |
| Cash and cash equivalents at the beginning of the Year | 40,87,506 | 75,99,878 |
| Cash and cash equivalents at the end of the Year | 27,39,031 | 1,11,97,374 |
| Net increase/(decrease) in cash and cash equivalents | (13,48,475) | 35,97,496 |



INDEPENDENT AUDITORS' REVIEW REPORT ON REVIEW OF INTERIM FINANCIAL RESULTS

TO THE BOARD OF DIRECTORS OF
KALLAM TEXTILES LIMITED

1. We have reviewed the accompanying Statement of Unaudited financial results of **KALLAM TEXTILES LIMITED** ("the Company"), for the Quarter ended 30th September, 2019 ("the Statement"), being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.

This Statement is the responsibility of the Company's Management and approved by the Board of Directors in their meeting held on 13TH November, 2019 has been prepared 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. Based on our review conducted as stated above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the aforesaid Indian Accounting Standards and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, including the manner in which it is to be disclosed, or that it contains any material misstatement.

Place: Guntur

Date: 13.11.2019

UDIN: 19028105 AAAACH 7138



For CHEVUTURI ASSOCIATES

Chartered Accountants

(Firm's Registration No. 000632S)

B. Raghunadha Rao

Raghunadha Rao Balineni

Partner

Membership No. 028105