



# KALLAM TEXTILES LIMITED

(Formerly Known as "Kallam Spinning Mills Limited")

CIN - L18100AP1992PLC013860

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

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GSTIN: 37AAACK9363M1ZY



Ref : KTL/CS/INV-PRE/2018-19

Dt : 02-11-2018

Department of Corporate Services,  
Bombay Stock Exchange Limited,  
P.J.Towers, Dalal Street,  
Mumbai – 400 001.  
Ph : 022-22728846

**Scrip Code : 530201**

Dear Sir/Madam,

## **Sub: Investor Presentation**

Pursuant to Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we enclose herewith the presentation for the purpose of Investors.

The said presentation is also uploaded on the official website of the Company.

Thanking You,  
Yours Sincerely,

For Kallam Textiles Limited

*Nandan Bisoi*

Nandan Bisoi

Company Secretary & Compliance Officer

M.No : ACS 54169





# KALLAM TEXTILES LIMITED

Formerly Known as "KALLAM SPINNING MILLS LTD"



Towards Excellence in Spinning,  
Yarn Dyeing and Weaving

## Investor Presentation : November 2018



1. This presentation is not intended to be a “prospectus” (as defined under the Companies Act, 2013 and the relevant provisions of the rule, the Companies (Prospectus and Allotment of Securities ) Rules, 2014).
2. Certain statements made in this presentation may not be based on historical information or facts and may be "forward-looking statements" based on the currently held beliefs and assumptions of the management of the Company, which are expressed in good faith and in their opinion reasonable, including those relating to the Company's general business plans and strategy, its future financial condition and growth prospects and future developments in its industry and its competitive and regulatory environment.
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**Dear Fellow Share Holder, Greetings**

The Second Half Year had started with tough note. Our currency depreciated by 15% against US dollar

**Procurement of Raw Material :** The cotton procurement season had just commenced. The Kappas price kept around Rs.5800 per quintal which is more than minimum support price of Rs.5400 per quintal. The cotton price is around Rs.48000 to Rs.49000 per candy. Due to failure of monsoon the quality cotton is not available in the market. Generally we use 32 mm cotton for the ne 60 count. Now getting 30 mm cotton is difficult. **Export :** The export price of yarn and fabric had fallen down by more than 25%. US and China trade war is impacting Textile Industry due to Chinese manufacturers substantially reducing the inventory levels .

**Ginning Division :** We plan to increase our in house ginning capacity. We are adding new ginning Shed. This will increase our present capacity of ginning .

**Quality Control :** We have imported new quality control equipment "yarn Map" from Loepfe, Switzerland at a cost of Rs.10 million. The equipment is installed and started operating .

**Progress of Works:** In our earlier presentation we have reported laying of underground pipeline from Gundlakamma river to weaving unit. Now the line is completed .**Captive power :** We are working on reducing electricity cost. We have invited SITRA team for energy studies.

**Long term Credit Rating for Bank Facilities :** The long term credit rating of the company was upgraded by Rating agency " Brick Works Ltd." from BBB-to BBB which recognizes its comfortable position, strong business model, comfortable asset, quality parameters. **Rights Issue :** The Board of Directors has recommended for rights issue up to Rs.150 Million. **Annual Reports :** The company had been putting its best efforts to give maximum information to its share holders. The annual report had been exhaustive and informative . In the current annual report has last 25 years glorifier history was enumerate photos of all the past directors

Warm Regards,  


G.V Krishna Reddy  
JMD & CEO

02/11/2018

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## Your Company is Compliant Since IPO 1995 :

To filing periodic reports, statements and information in compliance with the listing agreement of BSE, Securities and Exchange Board of India and Ministry of Corporate Affairs.

Your Company is having Investor Grievances-handling mechanism which includes meeting of the Shareholders' Relationship Committee at frequent intervals for timely and satisfactory redressal of Investor Grievances.

## IR Activity : 2018

**February 2018** Investor Presentation : Please check the below Link  
<https://www.bseindia.com/xml-data/corpfiling/CorpAttachment//2018/2/744e8adf-e000-49e3-b2f1-dc454eebf70b.pdf>

**May 2018** Investor Presentation : Please check the below Link  
<https://www.bseindia.com/xml-data/corpfiling/CorpAttachment//2018/6/187b409c-e6de-4b20-b54c-08edbc143861.pdf>

**July 2018** Addressed to Share Holders through CNBC TV18 : Please Check the below link

<https://www.bseindia.com/xml-data/corpfiling/CorpAttachment//2018/6/ef540e63-64a1-4fc0-a26b-17a7b3a48f98.pdf>

**August 2018** Investor Presentation: Please check the below link  
<https://www.bseindia.com/xml-data/corpfiling/CorpAttachment//2018/8/3854fa90-5f6a-4b32-a51e-a58f729104ab.pdf>

**September 2018** Investor Presentation on Credit Rating : Please Check the below link

<https://www.bseindia.com/xml-data/corpfiling/AttachHis/fff14d71-41f0-4c6b-98d2-25182791cad5.pdf>

**September 2018** Annual Report : Please check the below link  
<https://www.bseindia.com/bseplus/AnnualReport/530201/5302010318.pdf>

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Year	Open Price	High Price	Low Price	Close Price
2005	11.50	44.90	8.59	<b>29.20</b>
2006	30.00	37.20	13.10	<b>19.25</b>
2007	20.85	29.00	14.70	<b>25.85</b>
2008	27.40	34.85	10.55	<b>12.00</b>
2009	11.03	29.80	9.06	<b>25.70</b>
2010	25.00	72.75	21.20	<b>56.85</b>
2011	58.25	71.85	22.05	<b>24.50</b>
2012	23.55	40.00	23.05	<b>36.20</b>
2013	36.25	42.50	18.45	<b>33.00</b>
2014	31.80	70.90	29.70	<b>52.55</b>
2015	52.55	100.00	40.55	<b>89.90</b>
2016	83.00	139.90	51.00	<b>115.05</b>
2017	115.00	135.40	19.55	<b>23.15</b>
2018	28.90	33.25	17.75	<b>20.00</b>

2017: The Equity Shares of Rs.10/- each were Sub divided into 5 Equity Shares of Rs.2/-and issue of Bonus shares in the proportion of 1 (one) equity share for every 4 (Four) existing equity shares held.

2018: Price movement as taken up to 29.10.2018.

Source : bseindia.com

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## Shares Liquidity :The trading volumes at Bombay Stock Exchange

## KALLAM TEXTILES LIMITED

Month	No. of Shares	No. of Trades	Total Turnover (Rs.)	Deliverable Quantity	% Deli. Qty to Traded Qty
Jan-17	337311	3047	42130770	289766	86
Feb-17	886786	3115	25744571	753102	85
Mar-17	597169	2171	13375395	509205	85
Apr-17	773357	2640	20970857	642614	83
May-17	1201918	4455	34551667	906715	75
Jun-17	1068629	3850	31588420	833864	78
Jul-17	742588	3227	20966744	543125	73
Aug-17	2234664	7768	72504555	1673405	75
Sep-17	856172	3906	26528454	712195	83
Oct-17	999032	4327	27292064	768402	77
Nov-17	522210	2500	12068803	426149	82
Dec-17	769752	3136	17179253	639185	83
Jan-18	930347	3719	22957337	804248	86
Feb-18	1601344	4277	45141912	1380133	86
Mar-18	1193182	2420	37174772	1107965	93
Apr-18	712659	1667	22128781	656004	92
May-18	423032	1561	12186516	375619	89
Jun-18	365358	1713	10045760	290821	80
Jul-18	246730	1158	6134941	207410	84
Aug-18	669829	2576	17565334	590030	88
Sep-18	297505	1431	6705108	256605	86

Source : bseindia.com

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- ❖ Electricity is one of our biggest costs by adding captive power generation will reduce our operational costs.
- ❖ We are actively looking into possibility of adding Solar/Wind plants for captive consumption.
- ❖ Increasing our captive power generation will help us strengthen our PAT in the future.
- ❖ We are looking into different options of adding up to 15MW of Solar/Wind in a sustainable way.
- ❖ Our fabric made using organic or BCI cotton in combination with clean energy will make our fabric more marketable and make it easy while developing clothing brands in the future.
- ❖ Generating power in an environmental friendly way will help us in reducing our carbon foot print and stay carbon neutral.

**The textile sector is one of the highest energy consuming sectors in the country**

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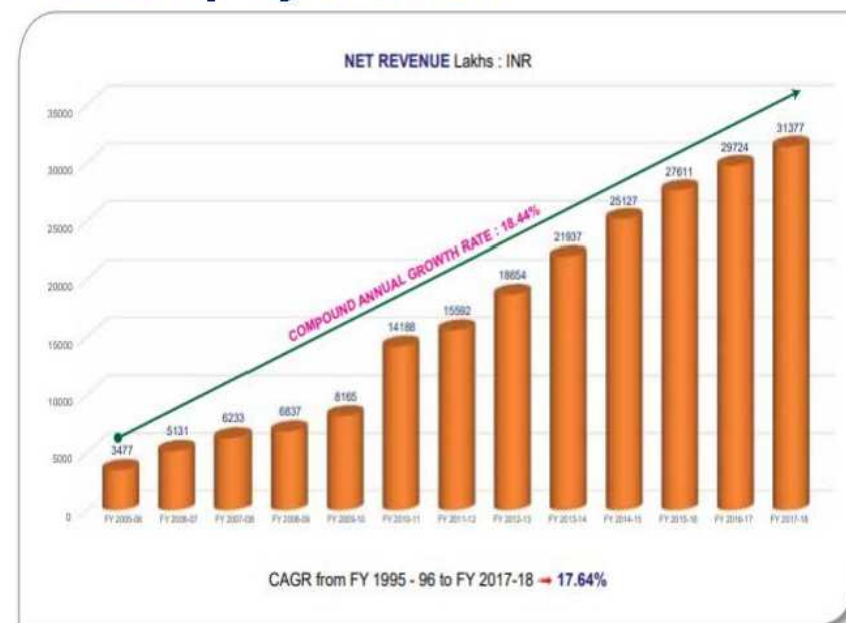
Statement of Profit and Loss for the Half Year ended 30th September, 2018

(Amount in Rs.)

Particulars	Half Year Ended		Year ended 31 <sup>st</sup> March, 2018
	1 <sup>st</sup> Half. September 30.09.2018	1 <sup>st</sup> Half. September 30.09.2017	Year ended 31 <sup>st</sup> March, 2018
Revenue from Operations	1,469,657,082	1,403,717,049	3,126,426,542
Other Income	6,901,849	5,526,618	11,322,728
<b>Total Income</b>	<b>1,476,558,931</b>	<b>1,409,243,667</b>	<b>3,137,749,270</b>
<b>Expenses</b>			
Cost of Material Consumed	834,113,459	844,673,622	1,702,844,603
Purchases of Stock-in-Trade	21,263,232	-	-
Changes in inventories of Finished goods and work-in-progress	(95,857,941)	(102,352,510)	(38,498,189)
Employee benefits expense	105,553,314	102,204,055	208,636,897
Finance costs	100,774,691	103,537,919	218,833,106
Depreciation and Amortization expense	76,725,839	70,688,168	141,946,320
Other expenses	341,785,345	332,038,181	693,302,560
<b>Total Expenses</b>	<b>1,384,357,939</b>	<b>1,350,789,435</b>	<b>2,927,065,297</b>
Profit before exceptional items and tax	92,200,992	58,454,232	210,683,973
Exceptional Items	-	-	-
Profit before tax (V-VI)	92,200,992	58,454,232	210,683,973
Tax expense:			
Current tax	20,000,000	12,428,877	46,026,739
Deferred tax (Net of MAT Credit Entitlement)	17,980,480	11,200,171	7,927,680
<b>Profit for the year (VII-VIII)</b>	<b>54,220,512</b>	<b>34,825,184</b>	<b>156,729,554</b>
Earnings per Share - Basic and Diluted	1.27	0.81	3.66
(Profit after tax and before OCI/Wt. average number of shares)			

# KALLAM TEXTILES LIMITED

## Sales up by 5% Y o Y



## Net profit zoom by 156 % Y o Y

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PARTICULARS	Half Year Sept' 30.09.2018		Half Year Sept' 30.09.2017		Year ended 31 <sup>st</sup> March, 2018	
	Qty(kgs.)	Revenue	Qty(kgs.)	Revenue	Qty(kgs.)	Revenue
Cotton Yarn	3,026,037	749,068,384	2,983,506	720,622,455	6,429,493	1,510,897,417
OE Yarn	2,608,032	370,096,379	3,054,112	391,218,102	6,026,546	784,255,542
Cotton Waste	1,131,985	64,738,729	1,179,070	78,059,894	2,396,344	155,107,247
OE Waste	585,513	8,465,662	546,156	8,459,383	1,080,815	17,497,843
Cotton Seed	2,161,245	35,382,812	3,764,634	67,729,702	9,291,664	160,354,101
Cotton Lint	1,127,818	131,897,296	1,832,321	227,006,113	4,519,922	515,025,547
Damaged Kappas	23,045	576,125			52,900	218,213
Sale of Gray Fabric (Mtrs)	11,808,303	767,798,503	10,711,058	691,705,699	24,612,847	1,539,960,020
Sale of Fabric Waste	60,277	2,689,172	75,551	3,024,675	168,248	5,903,630
Sale of Dyed Fabric (Mtrs)	1,244,798	121,926,075	1,713,791	163,805,226	3,341,032	317,305,733
Sale of Dyed Yarn (Kgs)	242,017	87,706,978	335,423	123,517,356	559,820	207,995,581
Sale of cut pieces cloth and shirts	415	79,681	5,437	942,678	-	768,299
Gray Yarn	828,114	231,068,556		-	733,538	178,676,908
Sale of Power (KWH)		6,503,469	244,507	1,190,990	2,453,066	11,657,377
<b>Total</b>		<b>2,577,997,821</b>		<b>2,477,282,273</b>		<b>5,405,623,458</b>

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**"MANY OF OUR TERM LOANS ARE COVERED BY INTEREST SUBSIDY FROM TUF, GOVERNMENT OF INDIA AND ANDHRA PRADESH GOVERNMENT"**

Andhra Bank	Sanctioned	Out Standing as on 30.09.2018
Interest Subsidy loans	2650	2493
No Interest subsidy loans	3780	3082

Indian Bank	Sanctioned	Out Standing as on 30.09.2018
Interest Subsidy loans	995	200
No Interest subsidy loans	1350	1185



Indian Bank	Sanctioned	Out Standing as on 30.09.2018
Interest Subsidy loans	11652	8966
No Interest subsidy loans	1590	1440

Bank of Baroda	Sanctioned	Out Standing as on 30.09.2018
Interest Subsidy loans	990	820

Andhra Bank	Sanctioned	Out Standing as on 30.09.2018
Interest Subsidy loans	406	40
No Interest subsidy loans	893	422

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**THANK YOU** For Investor Relations please contact

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**Mobile:+9199 851 85 258**



Fabric Inspection