



# 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/INV-PRE/2021-22

Dt : 10-02-2022

The Corporate Relationship Department,  
Bombay Stock Exchange Limited,  
P.J.Towers, Dalal Street,  
Mumbai - 400 001.  
Ph : 022-22721233-34

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.,

*G. Ramesh Kumar*

Golagani Ramesh Kumar  
Company Secretary & Compliance Officer  
M.No : ACS 39635





# KALLAM TEXTILES LTD



**KALLAM TEXTILES LTD**

Formerly Known as "KALLAM SPINNING MILLS LTD"



## **Safe Harbour**

This presentation and the accompanying slides (the “Presentation”), which have been prepared by Kallam Textiles Limited (the “Company”), have been prepared solely for information purposes and do not constitute an offer, recommendation, or invitation to purchase or subscribe for any securities, and shall not form the basis or be relied on in connection with any contract or binding commitment whatsoever. No offering of securities of the Company will be made except by means of a statutory offering document containing detailed information about the Company.

This Presentation has been prepared by the Company based on information and data which the Company considers reliable, but the Company makes no representation or warranty, express or implied, whatsoever, and no reliance shall be placed on, the truth, accuracy, completeness, fairness, and reasonableness of the contents of this Presentation. This Presentation may not be all-inclusive and may not contain all of the information that you may consider material. Any liability in respect of the contents of, or any omission from, this Presentation is expressly excluded.

Certain matters discussed in this presentation may contain statements regarding the Company’s market opportunity and business prospects that are individually and collectively forward-looking statements. Such forward-looking statements are not guarantees of future performance and are subject to known and unknown risks, uncertainties, and assumptions that are difficult to predict. These risks and uncertainties include, but are not limited to, the performance of the Indian economy and of the economies of various international markets, the performance of the textile industry in India and worldwide, competition, the company’s ability to successfully implement its strategy, the Company’s future levels of growth and expansion, technological implementation, changes and advancements, changes in revenue, income or cash flows, the Company’s market preferences and its exposure to market risks, as well as other risks. The Company’s actual results, levels of activity, performance, or achievements could differ materially and adversely from results expressed in or implied by this Presentation. The Company assumes no obligation to update any forward-looking information contained in this Presentation. Any forward-looking statements and projections made by third parties included in this Presentation are not adopted by the Company and the Company is not responsible for such third-party statements and projections.





## **Company Overview**

- Established in 1994
- Paid up share capital – Rs. 8.56 Crores
- One of the largest producers of Spun Yarn, Rotor Yarn and Weaving in India
- High tech Spinning Mill on more than 25 acres of land on Andhra Pradesh National Highway
- Modernised Weaving Mill on more than 100 acres in Addanki Mandal
- 2000+ Employees
- 25+ years of Operation & Expertise
- 59,000+ Spindles
- Open End Spinning Commenced in FY 2009-2010, with initial capacity 1,248 Rotors, which currently increased to 2,912 Rotors
- Exports contributes about 30% of the revenue
- 100 Tons/Month Yarn Dyeing Production
- 2.4 Million Meters per month Weaving Production
- 3 Hydroelectric plants with 4 MW Capacity at Nelakondapalli, Khamman Dist
- Harnessing Green Power through Solar installations



**WEAVING UNIT - ADDANKI**



**HYDEL POWER PLANT - NELAKONDAPALLI**



**SPINNING UNIT - GUNTUR**

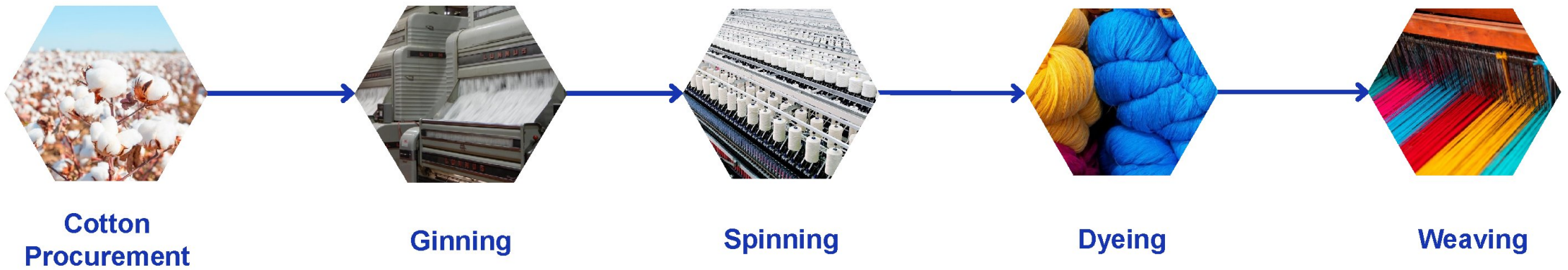




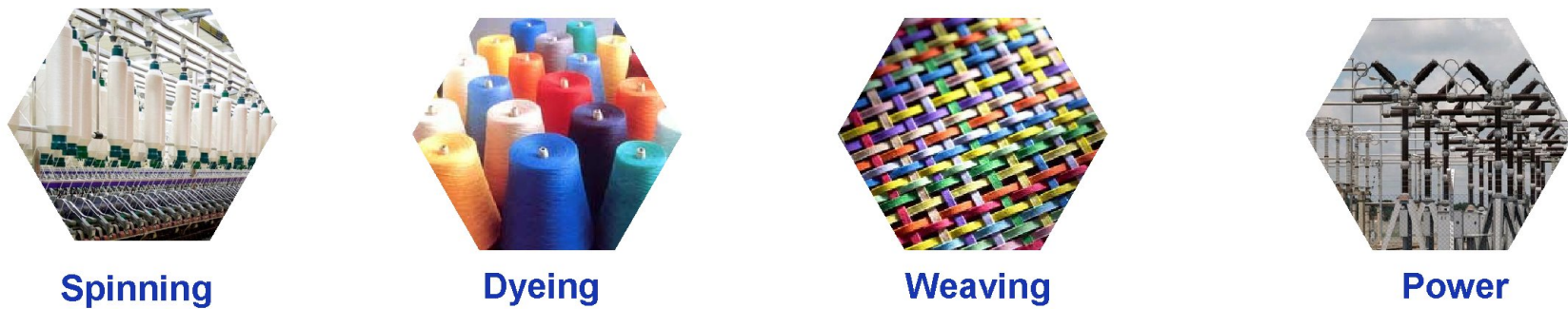
## **Growth of Kallam Textiles Ltd**

- Incorporated as Kallam Agro Ltd in 1992 and renamed as Kallam Spinning Mills Ltd in 1994 and further renamed as Kallam Textiles Ltd in the year 2014
- Company was listed in Hyderabad, Coimbatore, and Bombay Stock Exchanges, on 28<sup>th</sup> April, 1995.
- Commercial Operations of Spinning unit was commenced on October 1995, with 12,096 spindles.
- Power plants were commissioned in Jan 2002.
- Spindle Capex increased to 22,608, 33,648 and 38,640 Spindles during the FY 2003-2004, FY 2004-2005 and FY 2006-2007 respectively.
- Commercial Operations of Open End (OE) Spinning unit was commenced IN FY 2009-2010, with 1248 Rotors
- Open End Capex increased to 2080 and 2912 Rotors during the FY 2010-2011 and FY 2011-2012 respectively.
- Ginning Machines increased from 24 (2009) to 28 Machines during the FY 2012-2013.
- Weaving Unit was commissioned on 1st September, 2014 with 248 Looms
- Dyeing Unit was commissioned with a capacity of 100 Ton Per Month in the year 2014
- During the FY 2016-2017, Weaving, Dyeing and Hydrel Power Plants carried, Greenery Plantation.
- Commissioned 4 MW of Solar in 2020-2021, across Spinning and Weaving Units

## Business Process



## Business Segments





## Cotton Procurement

- 40+ years in cotton procurement
- Strategic on-spot payment for cotton procurement
- Reduction in procurement cost due to on spot payment

## Ginning

- 28 Ginning Machines
- Automatic bale pressing unit
- Auto seed booster

Capacity		
	Daily	Annual
Bales	200	20,000

## Spinning

- Commenced in 1995
- Initially capacity 12,096 spindles
- Current capacity 59,280 spindles
- 31,488 compact spindles
- OE – 2,912 Rotors

## Dyeing

- Commenced in 2015
- Current Capacity 100 Tons / Month
- Supplies dyed fabric to several geographies
- Various fabrics supplied-Fabrics with cotton 100% and blended with lycra stretch, polyester, nylon, Linen and viscose fabrics.

## Weaving

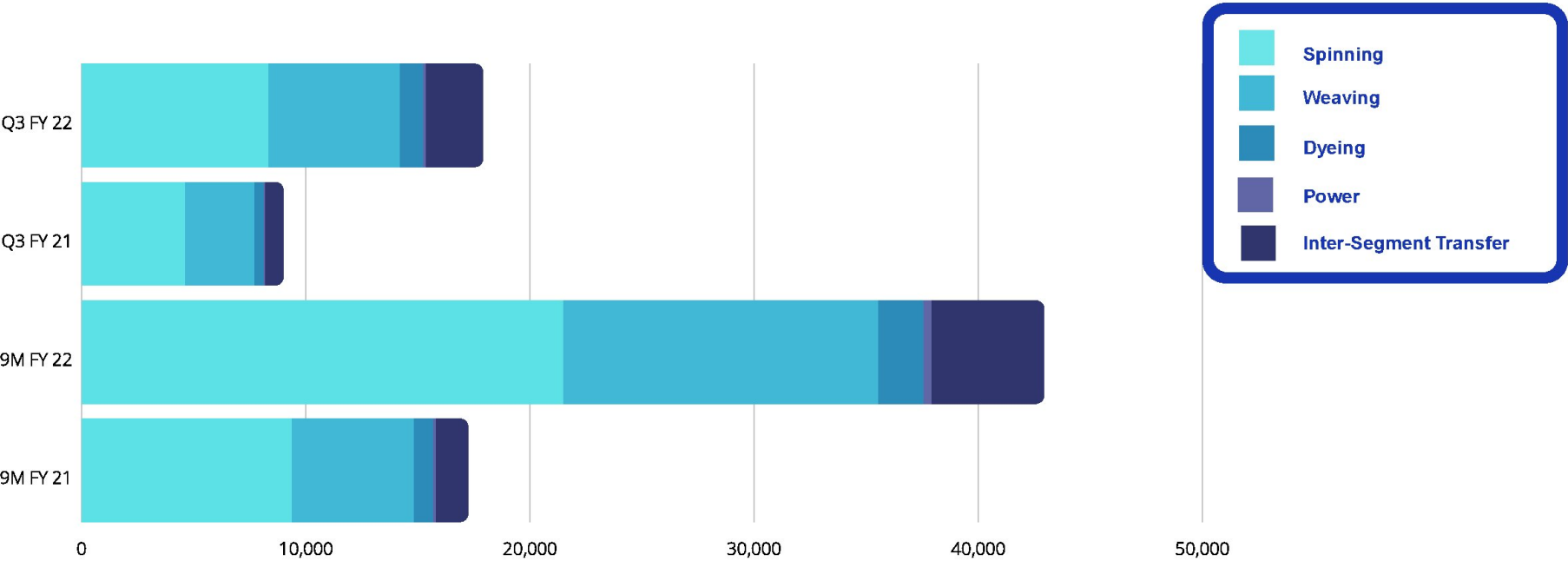
- Commenced in 2014
- Initial Capacity-248 looms,
- Production: 2.4 Mln Meters / Month of woven fabric
- Strong emphasis on skilling of operators to ensure quality and efficiency
- Imported Machineries
  - Weaving preparatory
  - Weaving loom shed
  - Sophisticated testing equipment

Fabric	
70%	30%
Yarn dyed Shirting	Bottom Weight Fabric

# Segment Wise Revenue contribution

(Rs. lakhs)

Period	Spinning	Weaving	Dyeing	Power	Inter-Segment
Q3 FY 22	8,299.45	5,851.25	1,046.62	122.77	2,569.47
Q3 FY 21	4,578.52	3,103.19	410.95	70.79	821.29
9M FY 22	21,463.07	14,043.37	2,032.73	358.75	5,027.43
9M FY 21	9,336.85	5,459.05	840.52	130.38	1,461.68



## FY 2020-2021 Financial Snapshots

- Revenue : 24,226.53 lakhs
- EBITDA : 2,683.92 lakhs
- EBITDA Margin : 11.08%
- PAT : -789.62
- PAT Margin : -3.26%

## Financial Highlights

(Rs. lakhs)

	Q3 FY 22	Q3 FY 21	9M FY 22	9M FY 21
Total Revenue	12,777.01	7,372.25	32,940.99	14,379.36
EBITDA	1,926.15	875.45	5,272.69	871.48
EBITDA Margin	15.08%	11.87%	16.01%	6.06%
PAT	340.80	-73.19	805.59	-1415.58
PAT Margin	2.67%	-0.99%	2.45%	-9.84%

(Rs. lakhs)

	Q1 FY 22	Q2 FY 22	Q3 FY 22
Total Revenue	8,911.82	11,252.15	12,777.01
EBITDA	1,350.82	1,995.73	1,926.15
EBITDA Margin	15.16%	17.74%	15.08%
PAT	312.63	152.16	340.80
PAT Margin	3.51%	1.35%	2.67%



# Profit & Loss Statement

Particulars (Rs.lakhs, except per share data)	Q3 FY 22	Q3 FY 21	YoY	9M FY 22	9M FY 21	YoY
Revenue from Operations	12,751	7,342	74%	32,870	14,305	130%
Other Income	26	30		71	74	
Total Income	12,777	7,372	73%	32,941	14,379	129%
Total Expenditure	10,851	6,497	67%	27,668	13,508	105%
Interest	900	588		2,538	1,830	
PBDT	1,027	288		2,734	-959	
Depreciation	394	380		1,179	1,135	
PBT & Exceptional Items	632	-92		1,555	-2,094	
Exceptional Items	-19	0		143	0	
Tax	310	-19		606	-678	
PAT	341	-73	567%	806	-1,416	157%
Equity	856	856		856	856.38	
EPS	0.80	-0.17		1.88	-3.31	

# Balance Sheet

Assets (Rs.lakhs)	Dec 2021	March 2021	Liabilities & Equity (Rs.Lakhs)	Dec 2021	March 2021
(1) Non-current Assets			(1) Equity		
(a) Property, Plant & Equipment	38,251	39,401	(a) Equity Share Capital	856	856
(b) Intangible Assets	5	6	(b) Other Equity	19,862	19,019
(c) Capital Work-in-progress	372	263			
(d) Financial Assets			Liabilities		
(i) Investments	13	13	(2) Non-Current Liabilities		
(ii) Loans	0	0	(a) Financial Liabilities		
(iii) Other Financial Assets	649	573	(i) Long Term Borrowings	15,212	15,369
(e) Other Non-Current Assets	33	5	(ii) Other Financial Liabilities	0	0
Total Non-Current Assets	39,323	40,261	(b) Provisions	229	205
(2) Current Assets			(c) Deferred Tax Liabilities (Net)	2,198	1,875
(a) Inventories	13,280	10,262	(d) Other Non-Current Liabilities	784	819
(b) Financial Assets			Total Non-Current Liabilities	18,423	18,268
(i) Trade Receivables	2,533	1,919	(3) Current Liabilities		
(ii) Cash & Cash Equivalents	64	379	(a) Financial Liabilities		
(iii) Other Bank Balances	31	18	(i) Short Term Borrowings	14,529	13,884
(iv) Loans	12	15	(ii) Trade Payables	811	831
(v) Other Financial Assets	7	7	(iii) Other Financial Liabilities	4,138	6,659
(c) Current tax Assets(Net)	0	13	(b) Other Current Liabilities	431	288
(d) Other Current Assets	4,016	6,943	(c) Provisions	0	12
Total Current Assets	19,943	19,556	(d) Current tax Liabilities (Net)	216	0
TOTALASSETS	59,266	59,817	Total Current Liabilities	20,125	21,674
			Total Liabilities	38,548	39,942
			TOTAL EQUITY AND LIABILITIES	59,266	59,817

# Horizontal Business Upgradation

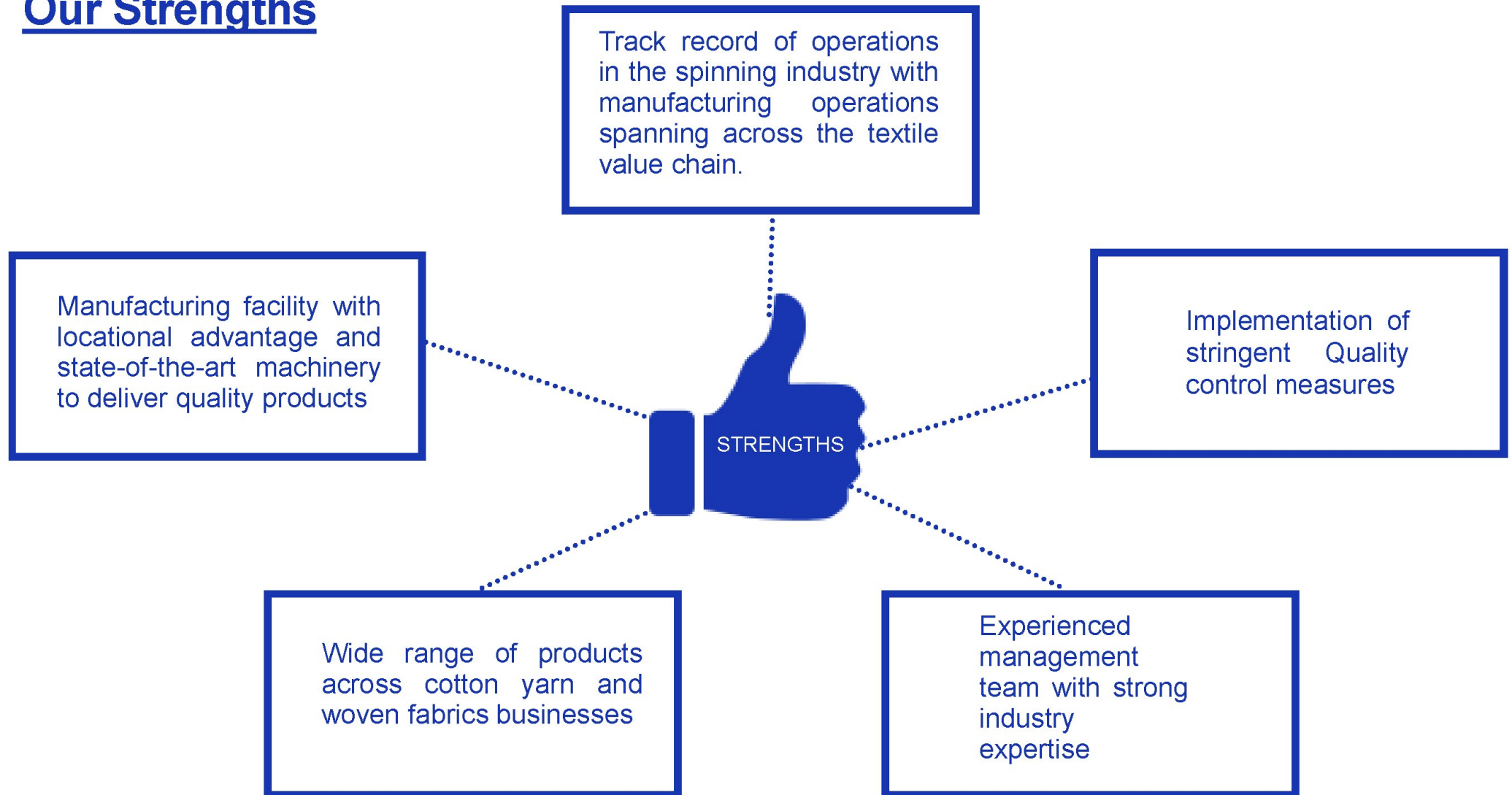


## Spindles Capacity

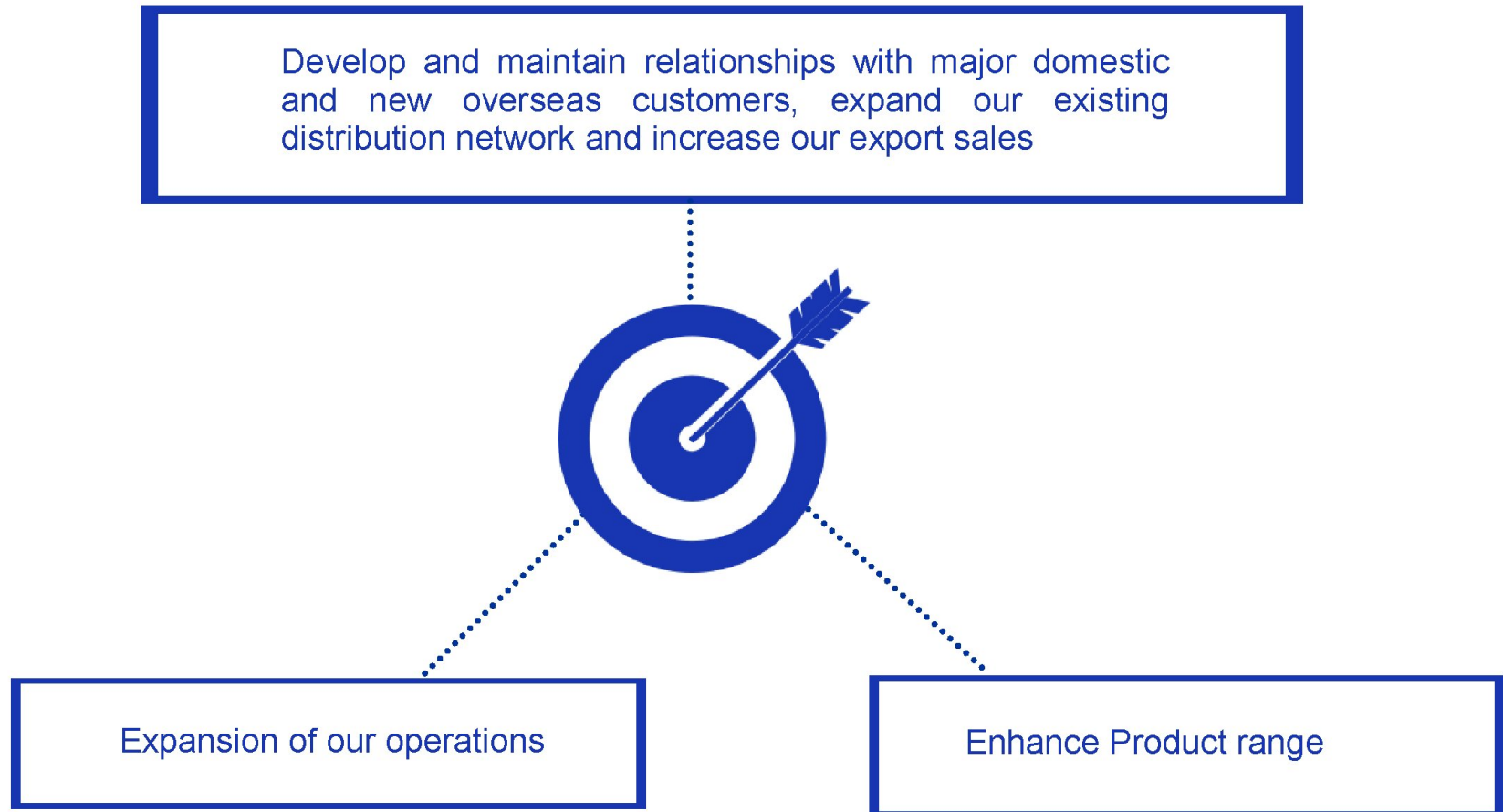
- 1996-1997 - 13,104
  - 1998-1999 - 18,144
  - 2003-2004 - 22,608
  - 2004-2005 - 33,648
  - 2006-2007 - 38,640
  - 2007-2008 - 44,712
  - 2008-2009 - 50,256
  - 2010-2011 - 54,550
  - 2011-2012 - 56,400
  - 2013-2014 - 59,000
- Open End Division – 2009
  - Hydroelectric projects (0.8 MW and 1.6 MW)- Jan 2002
  - Hydroelectric plant(1.6 MW)- March 2011
  - Solar Power -2020-2021
- Weaving Division - 2014
  - Dyeing Division - 2015
- Incorporated - 1992
  - Spinning Division – 1995 (12,096 spindles)
  - Public Issue - 1995



## Our Strengths



## Our Strategy



## **Recent Initiatives**

- Installed Solar Power plants for Weaving & Spinning Division in last two years
- A committee formed for the installation of Solar Power Plant for the by FY 2024-2025
- Aids in preservation of environment, by adopting "Go Green Policy"



## **Awards & Recognition**

- Spinning Division awarded ISO 9002 by TUV Germany during the FY 1999-2000.
- ISO 9001: 2015 accreditation by TUV Nord CERT GmbH, Germany for management system for manufacture and supply of cotton yarn
- BCI (Better Cotton Initiative) certified, in December, 2015 for procuring Better Cotton from BCI registered farmers.
- Recognized as One Star Export House by the Ministry of Commerce, Government of India in accordance with foreign trade policy, 2015-2020 which is valid for a period of five years till August 2022



## Management Team



**SRI KALLAM HARANADHA  
REDDY**  
Founder



**SRI P. VENKATESWARA  
REDDY**  
Managing Director



**SRI G.V. KRISHNA REDDY**  
Joint Managing Director



**SRI M.V. SUBBA REDDY**  
Whole Time Director & CFO



**SRI V.S.N. MURTHY**  
Independent Director

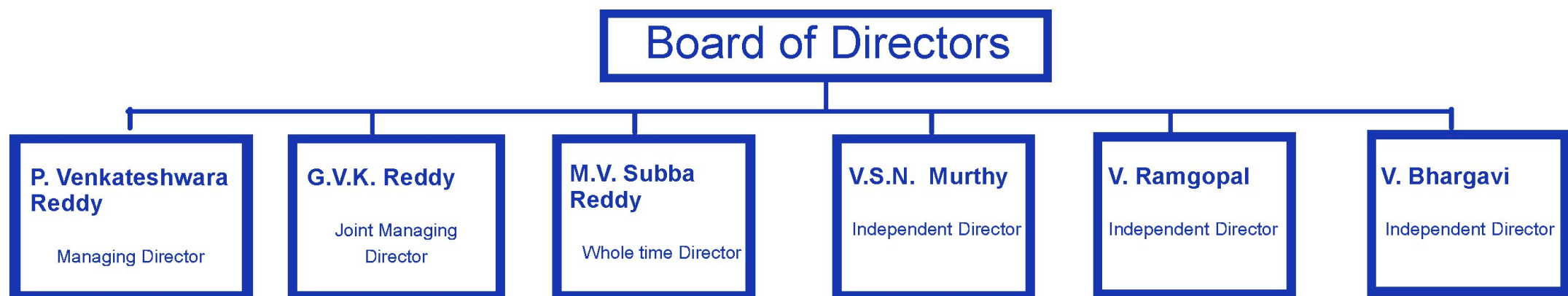


**SRI V. RAMGOPAL**  
Independent Director

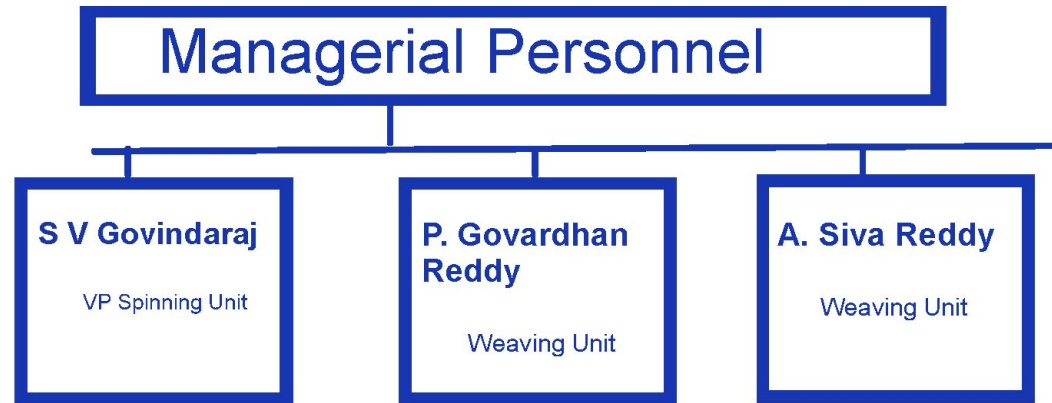


**SMT. V. BHARGAVI**  
Independent Director

# Management Organization Structure



## Management Organization Structure





# Thank You!

For Investor Related Queries please contact  
Company Secretary & Compliance Officer :  
Golagani Ramesh Kumar  
Email : [corp@ksml.in](mailto:corp@ksml.in)  
Phone : +91-8632344016

