



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/2020-21/Q-4

Date: 29-06-2021

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 29-06-2021

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 at its meeting held on 29th June, 2021 approved the following matters, along with the other items of Agenda:

- A. Audited Financial Results for the quarter and year ended March 31, 2021. Pursuant to Regulation 33 and 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015;(Copy Enclosed)
- B. 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 Meeting of Board of directors commenced at 12.10 P.M and Concluded at 3.45 P.M

This is for your kind information and record.

Thanking you,

Yours Faithfully,
For Kallam Textiles Limited



(Nitin Tripathi)
Company Secretary & Compliance Officer
Membership Number : 64556

Encl: As above



KALLAM TEXTILES LTD

CIN : L18100AP1992PLC013860 & GST No.37AAACK9363M1ZY

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

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STATEMENT OF FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED 31ST MARCH, 2021

(Rs. In Lakhs, except per share data)

S.NO	PARTICULARS	QUARTER ENDED			YEAR ENDED	YEAR ENDED
		31.03.2021	31.12.2020	31.03.2020	31.03.2021	31.03.2020
		Audited (Refer Note 3)	Unaudited	Audited (Refer Note 3)	Audited	Audited
1	Income					
	(a) Revenue from Operations	9727.94	7327.24	7794.79	23992.04	29071.67
	(b) Other Operating Income	28.90	14.92	28.51	69.93	89.40
	Total Revenue from operations	9756.84	7342.16	7823.30	24061.97	29161.07
2	Other Income	90.32	30.09	67.63	164.56	172.41
	Total Income (1+2)	9847.16	7372.25	7890.93	24226.53	29333.48
3	Expenses					
	a) Cost of Material Consumed	6115.90	4593.84	5654.49	15173.07	18375.43
	b) Purchase of Stock-in-trade	63.55	53.69	1.35	131.70	2.53
	c) Changes in inventories of Finished goods, Work-in-Progress and Stock-in-trade	(381.42)	(390.78)	42.06	(156.60)	58.47
	d) Employee benefits expenses	536.01	443.91	433.77	1420.77	2009.19
	e) Depreciation and amortisation expenses	389.96	379.87	399.81	1524.92	1564.66
	f) Finance costs	666.47	587.93	623.82	2496.56	2423.59
	g) Other expenses	1700.71	1796.14	1638.29	4973.70	6611.26
	Total expenses	9091.18	7464.60	8793.59	25564.12	31045.13
4	Profit/(Loss) before Tax and exceptional items (1+2-3)	755.98	(92.35)	(902.66)	(1337.59)	(1711.65)
	Add/Less: Exceptional items	0.00	0.00	0.00	0.00	0.00
	Profit/(Loss) before tax and after exceptional items	755.98	(92.35)	(902.66)	(1337.59)	(1711.65)
5	Tax expenses					
	a) Current Tax	0.78	0.00	32.08	0.78	32.08
	b) Deferred Tax charge/(Credit) (Net of MAT Credit entitlement)	129.24	(19.16)	(101.94)	(548.75)	(534.85)
6	Net Profit/(Loss) for the period after tax (4-5)	625.96	(73.19)	(832.80)	(789.62)	(1208.88)
7	Other comprehensive Income (Net of tax expense)					
	a) Deferred Tax on revaluation of properties	12.34	12.34	12.34	49.35	49.35
	b) Remeasurement of defined employee benefit plans	29.02	0.00	(5.37)	29.02	(5.37)
	Total comprehensive income	41.36	12.34	6.97	78.37	43.98
8	Total comprehensive income/(Loss)	667.32	(60.85)	(825.83)	(711.25)	(1164.90)
9	Paid - up Equity Share Capital (Face Value of the Share Rs. 2/-)				856.38	856.38
10	Reserves (Excluding Revaluation reserves as per Balance Sheet)				7751.24	8511.65
11	Earning per equity Share (Face value Rs. 2/- each) - Basic & Diluted	1.46	(0.17)	(1.94)	(1.84)	(2.82)



Segment Results for the Quarter and Year ended 31st March, 2021

S.No.	Particulars	Quarter ended			Year Ended	
		31.03.2021 Audited	31.12.2020 unaudited	31.3.2020 Audited	31.03.2021 Audited	31.03.2020 Audited
1	Segment Revenue:					
	a) Spinning	5514.34	4578.52	4356.45	14851.19	19836.24
	b) Weaving	4735.70	3103.19	3683.65	10194.75	16146.42
	c) Dyeing	545.53	410.95	572.42	1386.05	4303.30
	d) Solar Power	93.06	0.00	0.00	93.06	0.00
	e) Power	85.09	70.79	113.04	215.47	284.42
	Total	10973.72	8163.45	8725.56	26740.52	40570.38
	Less: Inter Segment Revenue	1216.88	821.29	902.26	2678.55	11409.31
	Net sales /Income from operations	9756.84	7342.16	7823.30	24061.97	29161.07
2	Segment Results Profit/(Loss):					
	Before tax and interest from each segment					
	a) Spinning	842.04	231.85	(446.48)	518.38	(348.19)
	b) Weaving	425.93	229.07	103.31	461.80	874.87
	c) Dyeing	25.64	20.42	7.57	26.04	85.86
	d) Solar Power	76.80	0.00	0.00	76.80	0.00
	e) Power	52.03	14.24	56.76	75.95	99.40
	Total	1422.44	495.58	(278.84)	1158.97	711.94
	Less : Finance costs	666.46	587.93	623.82	2496.56	2423.59
	Total Profit/(Loss) before Tax	755.98	(92.35)	(902.66)	(1337.59)	(1711.65)
3	Capital Employed (Segment Assets - Segment Liabilities)					
	a) Spinning	25731.16	23665.93	25449.93	25731.16	25449.93
	b) Weaving	25260.95	24306.77	23318.69	25260.95	23318.69
	c) Dyeing	1566.64	1549.87	1719.61	1566.64	1719.61
	d) Solar Power	1128.17	1344.66	316.19	1128.17	316.19
	e) Power	1238.04	1144.47	1286.33	1238.04	1286.33
	Total	54924.96	52011.70	52090.75	54924.96	52090.75

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 29th June 2021. These results are as per Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended. The statutory auditors have carried out an audit of these financial results and have issued an unmodified opinion on these results.
- The company has considered the possible effects that may result from the pandemic relating to COVID-19 on the carrying amounts of property, plant and equipment and receivables. In assessing the recoverability of the assets, the company has considered the internal and external sources of information available at the time of approval of the financial statements and is of view that the carrying amount of the assets will be realized. The impact of COVID-19 on the company's financial results may differ from that estimate as at the date of approval of these financial results and would be recognized prospectively.
- The figures for the current quarter and quarter ended March 31, 2020 are balancing figure between the audited figures of the full financial year ended March 31, 2021 and March 31, 2020, respectively, and the published year to date figures upto third quarter ended December 31, 2020 and December 31, 2019, respectively.
- Figures for the previous periods have been regrouped and reclassified wherever necessary to conform to current period classification.

Place :Chowdavaram

Date :29.06.2021

(P. VENKATESWARA REC

MANAGING DIRECTOR.

DIN: 00018677



KALLAM TEXTILES LIMITED

Statement of Assets and Liabilities as at 31st March, 2021

Rs. in lakhs

	Particulars	As at 31st March, 2021 (Audited)	As at 31st March, 2020 (Audited)
	ASSETS		
1	Non-Current Assets		
(a)	Property, Plant and Equipment	39401	39416
(b)	Intangible Assets	6	8
(c)	Capital Work-in-progress	263	1,167
(d)	Financial Assets		
(i)	Investments	13	-
(ii)	Loans	-	-
(ii)	Other financial assets	573	651
(e)	Other Non-current Assets	5	13
	Total Non-Current assets	40,261	41,255
2	Current Assets		
(a)	Inventories	10,262	9,096
(b)	Financial Assets		
(i)	Trade Receivables	1,919	2,118
(ii)	Cash and cash equivalents	379	39
(iii)	Other Bank balances	18	152
(iv)	Loans	15	7
(v)	Other financial assets	7	7
(c)	Current tax assets (Net)	13	8
(d)	Other Current assets	6,943	5,997
	Total Current assets	19,556	17,424
	Total Assets	59,817	58,679
	EQUITY AND LIABILITIES		
1	Equity		
(a)	Equity Share Capital	856	856
(b)	Other Equity	19,019	19,730
		19,875	20,586
2	Liabilities		
	Non-current liabilities		
(a)	Financial Liabilities		
(i)	Long-term borrowings	15,369	12,691
(ii)	Other financial liabilities	-	-
(b)	Provisions	205	198
(c)	Deferred Tax Liabilities (Net)	1,875	2,474
(d)	Other non-current liabilities	819	865
	Total Non-current liabilities	18,268	16,228
3	Current liabilities		
(a)	Financial Liabilities		
(i)	Short-term borrowings	13,884	15,628
(ii)	Trade payables	831	1,664
(iii)	Other financial liabilities	6,659	4,456
(b)	Other current liabilities	288	108
(c)	Provisions	12	9
(d)	Current tax Liabilities (Net)	-	-
	Total Current liabilities	21,674	21,865
	Total Liabilities	39,942	38,093
	Total Equity and Liabilities	59,817	58,679



KALLAM TEXTILES LIMITED
CASH FLOW STATEMENT FOR THE YEAR ENDED 31.03.2021

PARTICULARS	Amount In Lacs	
	For year ended 31.03.2021	For year ended 31.03.2020
<u>CASH FLOW FROM OPERATING ACTIVITIES</u>		
Net Profit/(Loss) before tax	(1,337.59)	(1,711.65)
<u>Add/Less: Adjustments for</u>		
Depreciation	1524.92	1,564.66
Interest expense	2496.56	2,423.59
Interest income	(29.54)	(44.55)
Amortisation of Govt. grants	(46.03)	(46.03)
Remeasurement of employee defined benefit plans	29.02	(5.37)
(Profit)/Loss on on sale of assets	0.11	(0.17)
Operating profit before working capital changes	2,637.45	2,180.48
<u>Add/Less: Adjustments for working capital</u>		
Inventories	(1,166.97)	1,009.70
Trade and other receivables	(677.72)	(578.39)
Trade and other payables	(1,051.05)	1,506.51
Cash generated from operations	(258.29)	4,118.30
Less: Direct taxes paid	(3.18)	180.79
Net cash from/(used in) operating activities (A)	(255.11)	3,937.51
<u>CASH FLOW FROM INVESTING ACTIVITIES</u>		
Investment in PPE and capital works	(604.85)	(1,063.82)
Investment in securities	(13.00)	-
Proceeds from sale of fixed assets	0.10	0.49
Margin Money deposit with banks and other balances	134.23	(124.79)
Interest received	29.54	44.55
Net cash used in Investing activities (B)	(453.98)	(1,143.57)
<u>CASH FLOW FROM FINANCING ACTIVITIES</u>		
Proceeds from/(Repayment of) borrowings	3545.46	(268.65)
Dividend and tax paid	0	(103.24)
Interest and finance charges	(2,497)	(2,423.59)
Net cash from/(used in) financing activities (C)	1,048.90	(2,795.48)
Net Increase/(Decrease) in cash and cash equivalents	339.81	(1.54)
Cash and cash equivalents at the beginning of the Year	39.33	40.87
Cash and cash equivalents at the end of the Year	379.14	39.33
Net increase/(decrease) in cash and cash equivalents	339.81	(1.54)



INDEPENDENT AUDITORS' REPORT ON AUDIT OF QUARTERLY AND ANNUAL FINANCIAL RESULTS

TO THE BOARD OF DIRECTORS OF

KALLAM TEXTILES LIMITED

Report on the audit of the financial results

Opinion

We have audited the accompanying financial results for the Quarter ended March 31, 2021 (refer 'Other Matters' section below) and Financial Results for the Year ended March 31, 2021 of **KALLAM TEXTILES LIMITED** ("the Company"), ("the Statement"), attached herewith, being submitted by the Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("the Listing Regulations").

In our opinion and to the best of our information and according to the explanations given to us, the financial results for the Quarter and year ended March 31, 2021:

- a) are presented in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended; and
- b) gives a true and fair view in conformity with the recognition and measurement principles laid down in the Indian Accounting Standards and other accounting principles generally accepted in India of the net Profit/(loss) and total comprehensive Income/(loss) and other financial information of the Company for the Quarter and year ended March, 2021.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing ("SAs") specified under Section 143(10) of the Companies Act, 2013 ("the Act"). Our responsibilities under those Standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Results* section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("the ICAI") together with the ethical requirements that are relevant to our audit of the financial results for the Quarter and year ended March 31, 2021 under the provisions of the Act and the Rules there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion.

Management's Responsibilities for the financial results

This Statement which includes the financial results is the responsibility of the Company's Board of Directors and has been approved by them for the issuance. The financial results for the quarter and year ended March 31, 2021 has been compiled from the related audited financial statements. This responsibility includes the preparation and presentation of the financial results for the quarter and year ended March 31, 2021 that give a true and fair view of the net profit/(loss) and other comprehensive Income/(loss) and other financial information in accordance with the recognition and measurement principles laid down in the Indian Accounting Standards prescribed under Section 133 of the Act read with relevant rules issued there under and other accounting principles generally accepted in India and in compliance with

Regulation 33 of the Listing Regulations. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial results that give a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial results, the Board of Directors are responsible for assessing the Company's ability, to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are also responsible for overseeing the financial reporting process of the Company.

Auditor's Responsibilities for the Audit of the financial results for the quarter and year ended March 31, 2021

Our objectives are to obtain reasonable assurance about whether the financial results for the quarter and year ended March 31, 2021 as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial results.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Annual financial results, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Board of Directors.
- Evaluate the appropriateness and reasonableness of disclosures made by the Board of Directors in terms of the requirements specified under Regulation 33 of the Listing Regulations.
- Conclude on the appropriateness of the Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Company to

CHEVUTURI ASSOCIATES
Chartered Accountants

continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Statement or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial results, including the disclosures, and whether the financial results represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Other Matters

The Statement includes the results for the Quarter ended March 31, 2021 being the balancing figures between audited figures in respect of the full financial year and the published year to date figures upto the third quarter of the current financial year which were subject to limited review by us. Our report on the financial results is not modified in respect of this matter.

Place: Guntur

Date: 29.6.2021

UDIN: 21028105 AAAA BG 6167



For CHEVUTURI ASSOCIATES
Chartered Accountants

(Firm's Registration No. 000632S)

B. Raghunadha Rao
Raghunadha Rao Balineni

Partner

Membership No. 028105



KALLAM TEXTILES LIMITED

(Formerly Known as "Kallam Spinning Mills Limited")

CIN -L18100AP1992PLC013860

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GSTIN: 37AAACK9363M1ZY



Ref: KTL/CS/ Audit-Observation/ 2020-21

Date: 29.06.2021

The Corporate Relationship Department
Bombay Stock Exchange Limited,
Phiroze Ieejeeboy Towers,
Dalal Street,
Mumbai- 400 001.
PH : 022-22721233/34

Scrip Code: 530201

Dear Sir/ Madam,

Sub:Declaration Pursuant to Regulation 33(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for Unmodified Opinion

Declaration for Unmodified Opinion

I, P.Venkateswara Reddy, Managing Director of M/s Kallam Textiles Ltd (formerly known as "Kallam Spinning Mills Ltd") having its Registered office at Chowdavaram, Guntur -522019, Andhra Pradesh, hereby declare that, the M/s Chevuturi Associates, Statutory Auditors of the Company, (Firm Reg No: 0006325), have issued an Audit Report with Unmodified opinion on Audited Financial Results for the Quarter and Year ended 31st March, 2021.

Thanking You,

Yours Sincerely,
For Kallam Textiles Ltd



P Venkateswara Reddy
Managing Director
DIN: 00018677