



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/2024-25/Q-3

Date: 14-02-2025

The Corporate Relationship Department
Bombay Stock Exchange Limited,
Phiroze Jeejeeboy Towers,
Dalal Streets
Mumbai - 400 001.
Ph : 022-22721233-34

Scrip Code: 530201

Dear Sir/Madam,

Sub: Outcome of Board Meeting held on 14.02.2025

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 14th February, 2025 approved the following matters, along with the other items of Agenda:

- A. Un-audited Financial Results (Standalone) for the quarter and nine months ended 31st December,2024.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.Brahmayya & Co, Chartered Accounts, Guntur, Andhra Pradesh.(Copy Enclosed)

The Board Meeting of Board of directors commenced at 12.10 P.M and Concluded at 3.00 P.M

This is for your kind information and record.

Thanking you,

Yours Sincerely,
For Kallam Textiles Limited.,

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



INDEPENDENT AUDITORS' REVIEW REPORT ON UNAUDITED FINANCIAL RESULTS PURSUANT TO THE REGULATION 33 OF SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

TO THE BOARD OF DIRECTORS OF
KALLAM TEXTILES LIMITED

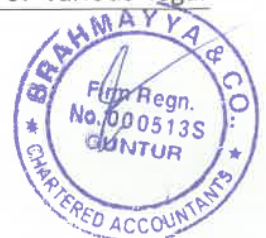
1. We have reviewed the accompanying Statement of Unaudited financial results of **KALLAM TEXTILES LIMITED** ("the Company"), for the Quarter and Nine months ended 31st December, 2024 ("the Statement"), being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations 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 14th February, 2025 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 there under and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on the results included in 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 of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

3. Material Uncertainty Related to Going Concern

We draw attention to Note No.3 in the financial results and as stated in said note, the events and conditions viz. Incurring of continuous losses, default in repayment of financial debts to bankers, classification of the loans as NPA and recalled its debts, initiation of various legal



actions for recovery of its dues including legal action initiated under SARFESI Act, 2002, filing of application by Financial Creditors i.e. Indian bank and Union bank of India before Debts Recovery Tribunal, Visakhapatnam wherein the proceedings are pending indicates that a material uncertainty exists that may cast significant doubt on the ability of the company to continue as a going concern.

As stated in the said note that the management is in the process of negotiating with the lenders for restructuring of the loans and based on future outlook of the business as projected by the management, the management is of confident about positive outcome of its actions. In view of this, the management is of confident that the company will continue as a going concern and accordingly the statements has been prepared considering going concern assumption.

The appropriateness of the going concern assumption is dependent on the company's ability to settle its dues to banks, outcome of proceedings before DRT, possible recovery of dues from State government in respect of subsidies, meeting its estimations of profitability and cash flows, favourable negotiations with banks as well as to establish consistent business operations.

Our conclusion is not modified in respect of this matter.

4. Emphasis of Matter

Reference is drawn to Note no.2 of the financial results wherein it was stated that deferred tax credit has recognized on unabsorbed losses under Income-tax and the management is of opinion that based on projections of profitability, the said deferred tax asset can be adjusted against future taxable income.

Reference is also drawn to Note no.5 of financial results wherein it was mentioned that no provision towards electricity duty has been made in view of petition filed against levy of enhanced electricity duty and amendments made to Electricity Duty Act, 1939 which was challenged by the company through it Association.

Our opinion is not modified in respect of said matter.



BRAHMAYYA&CO
Chartered Accountants

5. Based on our review conducted as stated above, nothing has come to our attention that causes us to believe that the results included in the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in 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: 14.2.2025



For Brahmayya & Co,
Chartered Accountants,
Firm Regn. No. 000513S


Karumanchi Rajaj
Partner

Membership No. 202309

UDIN: 25202309BMILZM4115



Kallam Textiles Limited

CIN : L18100AP1992PLC013860 & GST No.37AAACK9363M1ZY
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STATEMENT OF UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND NINE MONTHS ENDED 31ST DECEMBER, 2024

(Rs. In Lakhs, except per share data)

S.NO	PARTICULARS	Quarter ended			Nine months ended		Year ended
		31.12.2024	30.09.2024	31.12.2023	31.12.2024	31.12.2023	31.03.2024
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
1	Income						
	(a) Revenue from Operations	6154.81	6917.39	7605.95	18314.80	30237.14	36024.05
	(b) Other Operating Income	182.91	320.65	211.30	868.56	306.88	714.14
	Total Revenue from operations	6337.72	7238.04	7817.25	19183.36	30544.02	36738.19
2	Other Income	33.11	35.98	25.43	112.97	115.59	108.87
	Total Income (1+2)	6370.83	7274.02	7842.68	19296.33	30659.61	36847.06
3	Expenses						
	a) Cost of Material consumed	4861.08	4768.44	5348.59	13526.36	22327.16	26360.96
	b) Purchase of Stock-in-trade	2.74	1.16	5.96	3.90	5.96	8.68
	c) Changes in inventories of Finished goods, Work-in - Progress and Stock-in-trade	222.39	1297.90	770.80	1843.97	1471.32	2311.25
	d) Employee benefits expenses	392.20	394.34	515.11	1165.82	1722.68	2143.20
	e) Depreciation and amortisation expenses	385.74	386.09	407.71	1155.93	1200.11	1598.96
	f) Finance costs	1083.71	1056.82	855.63	3171.59	2541.41	3543.53
	g) Other expenses	1150.94	1272.89	1614.27	3508.75	5382.18	6492.09
	Total expenses	8098.80	9177.64	9518.07	24376.32	34650.82	42458.67
4	Profit/(Loss) before Tax and exceptional items (1+2-3)	(1727.97)	(1903.62)	(1675.39)	(5079.99)	(3991.21)	(5611.61)
	Add/(Less): Exceptional items (Refer note no. 4)	762.37	0.00	0.00	762.37	0.00	0.00
	Profit/(Loss) before tax and after exceptional items	(2490.34)	(1903.62)	(1675.39)	(5842.36)	(3991.21)	(5611.61)
5	Tax expenses						
	a) Current Tax	(0.04)	5.02	0.00	4.97	0.00	0.00
	b) Deferred tax charge/(credit) (Refer note no.2)	(868.01)	(614.33)	(557.86)	(1993.73)	(1344.26)	(1866.82)
6	Net Profit/(Loss) for the period after tax (4-5)	(1622.29)	(1294.31)	(1117.53)	(3853.60)	(2646.95)	(3744.79)
7	Other comprehensive Income (Net of tax expense)						
	a) Deferred Tax on revaluation of properties	12.34	12.34	12.34	37.01	37.01	49.35
	b) Reduction in fair value of asset revalued	(13.48)	0.00	0.00	(13.48)	0.00	(31.59)
	c) Remeasurement of defined employee benefit plans	0.00	0.00	0.00		0.00	51.67
	Total other comprehensive income	(1.14)	12.34	12.34	23.53	37.01	69.43
8	Total comprehensive income/(Loss) (6+7)	(1623.43)	(1281.97)	(1105.19)	(3830.07)	(2609.94)	(3675.36)
9	Paid - up Equity Share Capital (Face Value of the Share Rs. 2/- each)	1056.21	1056.21	1056.21	1056.21	1056.21	1056.21
10	Reserves (Excluding Revaluation reserves as per Balance Sheet)						3939.93
11	Earning per equity Share (Face value Rs. 2/- each) Basic and Diluted EPS	(3.07)	(2.45)	(2.12)	(7.30)	(5.01)	(7.09)



Kallam Textiles Limited

Statement of Unaudited segment results for the quarter and nine months ended 31st December, 2024

S.No.	Particulars	Quarter ended			Nine months ended		Year ended
		31.12.2024 Unaudited	30.09.2024 Unaudited	31.12.2023 Unaudited	31.12.2024 Unaudited	31.12.2023 Unaudited	31.03.2024 Audited
1	Segment Revenue:						
	a) Spinning	3409.01	3958.09	4428.74	10601.95	18935.67	22443.46
	b) Weaving	2446.25	2819.48	3850.92	7403.03	13773.97	16153.20
	c) Dyeing	672.45	588.10	492.63	1730.88	1997.48	2659.13
	d) Solar Power	88.80	96.24	94.67	303.60	319.01	432.29
	e) Hydel Power	145.12	11.23	0.00	156.35	16.56	16.56
	Total	6761.63	7473.14	8866.96	20195.81	35042.69	41704.64
	Less: Inter Segment revenue	423.91	235.10	1049.71	1012.45	4498.67	4966.45
	Net sales /Income from operations	6337.72	7238.04	7817.25	19183.36	30544.02	36738.19
2	Segment Results Profit/(Loss):						
	Before tax and interest from each segment						
	a) Spinning	(544.72)	(168.51)	(785.01)	(913.65)	(1691.34)	(1927.03)
	b) Weaving	(989.96)	(725.32)	(60.57)	(1996.72)	168.05	(351.62)
	c) Dyeing	6.00	8.72	(11.18)	12.43	(43.00)	36.45
	d) Solar Power	50.04	66.40	65.52	204.73	226.58	310.50
	e) Hydel Power	72.00	(28.09)	(28.52)	22.44	(110.09)	(136.38)
	Total	(1406.64)	(846.80)	(819.76)	(2670.77)	(1449.80)	(2068.08)
	Less : Finance costs	1083.70	1056.82	855.63	3171.59	2541.41	3543.53
	Total Profit/(Loss) before Tax	(2490.34)	(1903.62)	(1675.39)	(5842.36)	(3991.21)	(5611.61)
3	Capital Employed (Segment Assets - Segment Liabilities)						
	a) Spinning	26604.35	25471.50	23649.00	26604.35	23649.00	24211.06
	b) Weaving	17017.62	18072.58	18307.87	17017.62	18307.87	18435.59
	c) Dyeing	892.71	1022.54	798.58	892.71	798.58	1102.42
	d) Solar Power	2439.35	2389.30	2035.35	2439.35	2035.35	2117.22
	e) Hydel Power	491.79	419.79	495.64	491.79	495.64	469.35
	Total	47445.83	47375.73	45286.44	47445.83	45286.44	46335.64

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 14th February, 2025. These results are as per Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The statutory auditors have carried out limited review of these financial results and have issued an unmodified report on these results. However, reference has been made to material uncertainty related to going concern in preparation of financial statements.
- The deferred tax credit taken during the the quarter and Nine months ended 31.12.2024 has arisen mainly due to unabsorbed business and depreciation losses and management is of opinion that sufficient future taxable income will be available against which the said deferred tax asset can be adjusted.
- The company availed term loans and working capital loans from Union bank of India and Indian bank and as at 31.12.2023, the company has defaulted in repayment of term loan instalments (Incl. interest) to the extent of Rs.5491.16 lakhs. The banks have classified these loans as NPA and issued notices on 10.1.2024 for recovery of these dues u/s 13(2) r.w.s 13(3) of SARFAESI Act, 2002. Further, the banks also taken possession of the properties offered as security u/s 13(4) of the said Act. The lenders are also applied for recovery of debts before Debt Recovery Tribunal, Visakhapatnam and proceedings are pending before DRT. The company applied for restructure of these loans and same is pending with the lender banks. Meanwhile, the Advocate-Commissioners, as appointed by Court of the Chief Judicial Magistrate-Cum-Senior Civil Judge, Ongole, in response to the petition filed by Indian bank, issued notice for taking physical possession of properties located in Weaving division and on request from company, the same is kept pending. The total outstanding dues pending for remittance to banks as on 31.12.2024 (Including Interest on term loans and working capital loans of Rs.4322.33 lakhs and Working capital loans which are repayable on demand Rs. 14868.59 lakhs) was Rs.26266.06 lakhs. The management based on its future business outlook, estimated projected profitability and cash flows, possible recovery of dues from State government is of opinion that the dues with banks be settled. Considering these factors, the management has preped the financial statements on going concern basis.
- Exceptional items charged for the Quarter ended 31.12.2024 amounting to Rs. 762.37 lakhs represents FPPCA charges levied for the FY 2022-23 and FY 2023-24 based on the orders received from APERC.
- No provision towards electricity duty amounting to Rs.682.16 lakhs related to the period from April, 2022 to October, 2023 has been made in the financial statements since the levy of enhanced price of electricity duty under AP Electricity Duty Act, 1939 and subsequent amendments made to the section 3(1) and 7(1) of the Act for the recovery of enhanced duty has been challenged by A.P Textiles Mills association on behalf of its members and same is pending.
- We confirm that our company has no subsidiary /associate/joint venture company(ies) as on 31.12.2024.
- The figure for the 3rd quarter in each of the years is the balancing figures between the figures disclosed for nine months ended December and the published amounts upto the 2nd quarter of the respective financial year.
- Figures for the previous periods have been regrouped and reclassified wherever necessary to conform to current period classification.

For Kallam Textiles Limited

Place :Chowdavaram

Date :14-02.2025

P.Venkateswara Reddy
(Managing Director)

Din No. 00018677

