

# Investor Presentation

**Q1 FY2023**



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## About Us

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## Quarterly Highlights

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## Way Forward

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# Leading cotton & yarn manufacturers



Established in  
**1962**



**5 state of art**  
facilities with  
presence in  
**4 states of South  
India**



**1.65 lakhs**  
spindles



**100% Compact  
Yarn** enabled



**Private Label  
Specialist** in  
cotton-based  
products



Wide range of  
cotton- based  
products with  
**End-to-End  
capability**

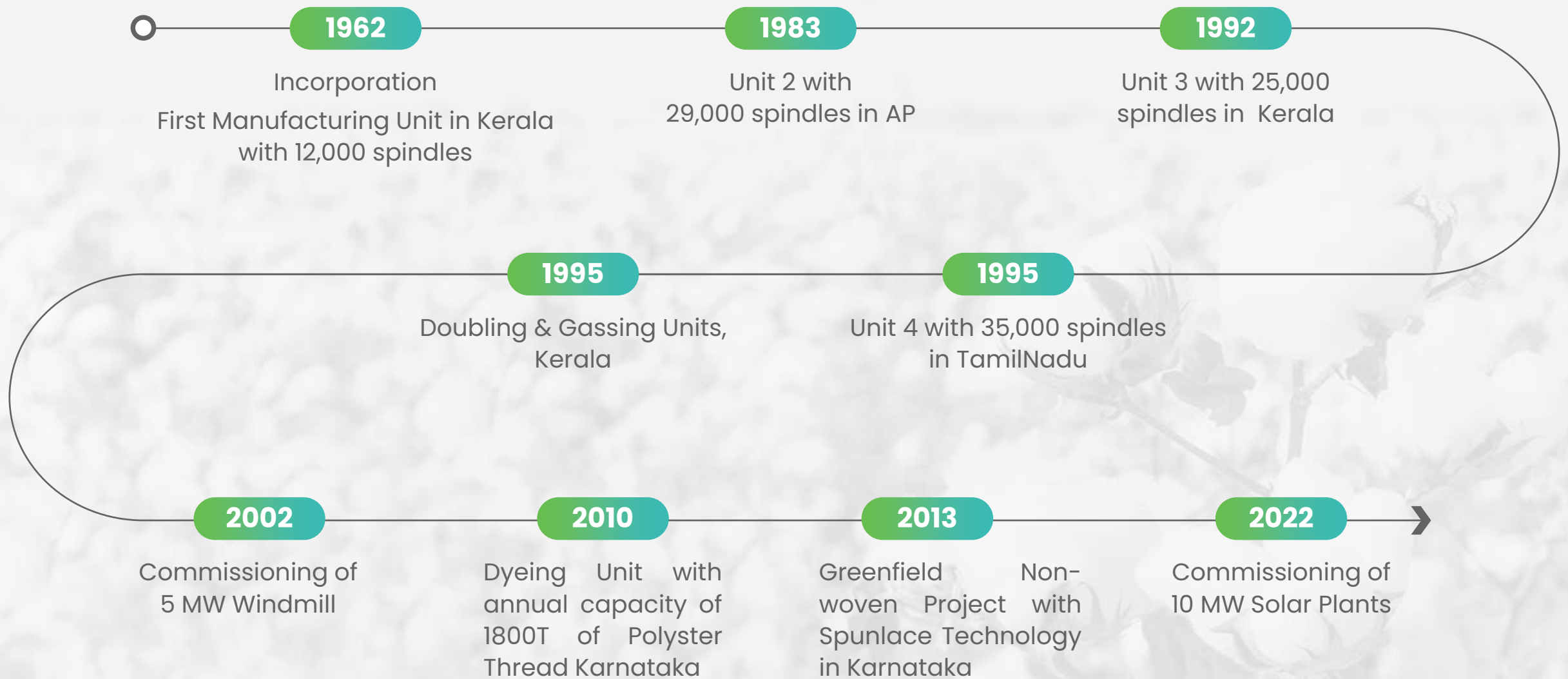


International  
presence in over  
**25 countries**



**Hydro-  
entanglement  
Process** in  
Spunlace

# Six decades of excellence



# Extensive Range of Yarns and Cotton-based Products



## **YARNS & THREADS**

Leading manufacturers of yarns & threads for textile production, knitting and sewing



## **COTTON PADS**

Our unique four-layer spunlace absorbent cotton pads.



## **COTTON BALLS**

Our range of cotton balls are made from 100% pure absorbent cotton.



## **EXFOLIATING PADS**

Patented woven textured 100% Cotton, 100% Biodegradable exfoliating pads



## **COTTON WOOL ROLLS & PLEATS**

Highly absorbent wool rolls. Pleats specially designed for easy tear-off and use



## **COTTON SPUNLACE**

Our cotton spunlace is 4 layered, highly absorbent and has good strength for further processability



## **ABSORBENT COTTON FIBRE**

Our purified cotton contains zero residual chemicals, zero toxins and is Totally Chlorine Free (TCF).

**Innovation and Sustainable practices for excellence in quality and delivery in every step of our process right from sourcing to packaging**

# Certifications & Recognitions



**Winners of consecutive Awards for Operational Performance from Southern India Mills Association (SIMA)**



# Sustainability and CSR



- ✓ Investments in Green Energy – 5 MW Wind and 10 MW Solar generations and Gas based power plants
- ✓ Promoting Organic & Recycled Products in both Spinning and Technical Textile divisions
- ✓ Recycled Water Management



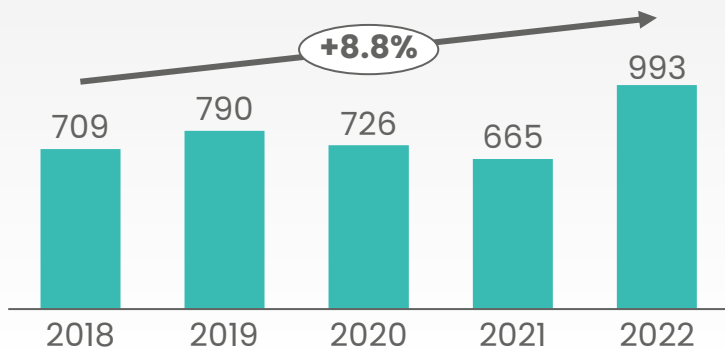
- ✓ Active Charitable Trusts with special focus on education and healthcare for the underprivileged



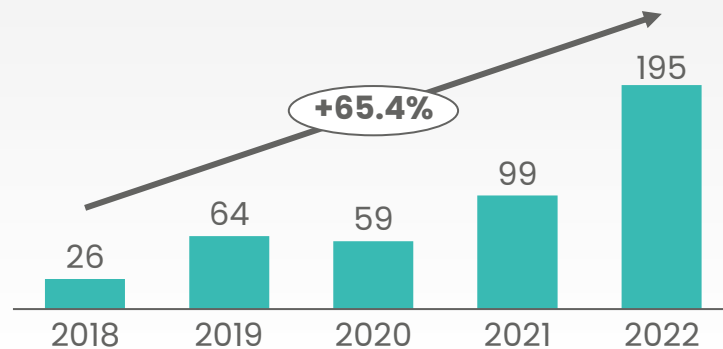
# Historical Financials\*

Rs. In crs

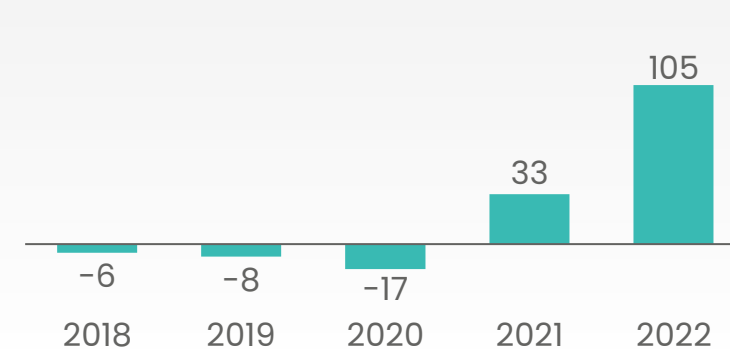
## Revenues



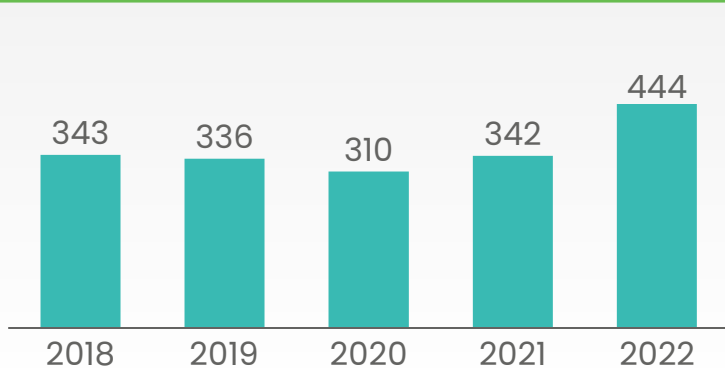
## EBITDA



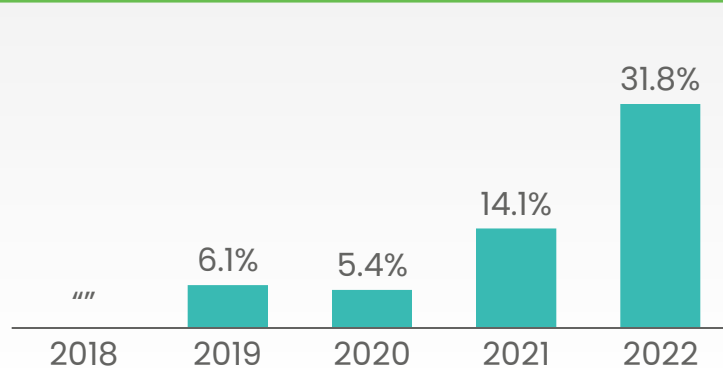
## PAT



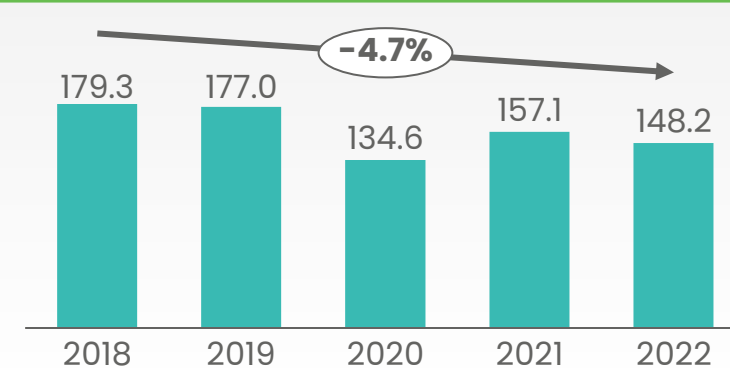
## Networth



## ROACE



## LongTerm Borrowings



# Q1FY23 Market Trends



Yarn realisations continued to be weak with soft markets



Muted domestic demand with limited uptake from Manufacturers and Brands

Subdued exports markets due to high inventory levels



Historical rise in cotton prices – over 100% increase from the then prevailing prices

Cotton rates continued to be high with low availability



Robust Demand for Hygiene products in overseas markets

Shift from China strategy lined up further orders for Indian contract manufacturers



Container availability and reduced freight costs provided relief to exporters with improved margins

# Q1 Financial Highlights

Rs. In crs

## Revenues\*

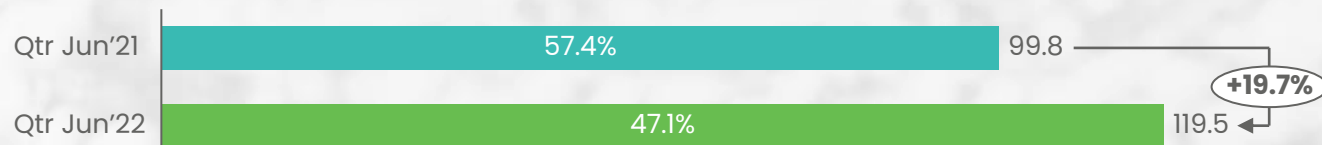


**46% revenue growth**



Quarter witnessed Rs. 253 crs of revenues despite challenging market environment

## Gross Contribution

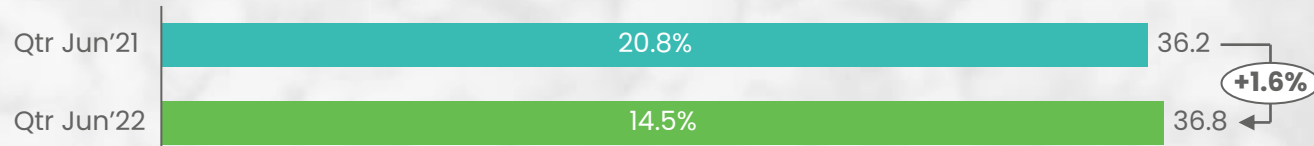


**47.1% Contribution**



Demand for Polyester cotton and Special count Yarns continued to witness growth

## EBITDA

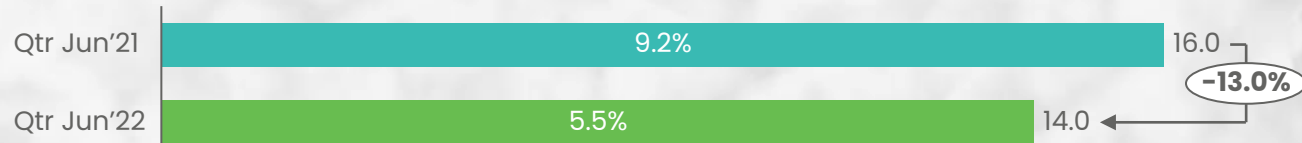


**14.5% EBITDA**



Improved productivity and throughput helped Hygiene division achieve the highest quarterly revenues

## PAT



**5.5% PAT**



Continued cotton hedging policy and control on operating costs helped the company to achieve mid-teen margins for the Quarter



# Profit & Loss Statement

	Q1FY23	Q1FY22	Change
<b>Total Revenue from Operations<sup>1</sup></b>	<b>253.47</b>	<b>173.78</b>	<b>45.9%</b>
Material Consumption	194.70	96.99	
Change in inventories	(60.71)	(23.03)	
<b>Gross Contribution<sup>2</sup></b>	<b>119.48</b>	<b>99.82</b>	<b>19.7%</b>
<b>Gross Contribution %</b>	<b>47.1%</b>	<b>57.4%</b>	
Employee Expenses	22.43	22.27	0.7%
Other Expenses	61.70	43.34	42.4%
(Other Income)	(1.46)	(2.00)	-27.1%
<b>EBITDA</b>	<b>36.81</b>	<b>36.21</b>	<b>1.6%</b>
<b>EBITDA %</b>	<b>14.4%</b>	<b>20.6%</b>	
Finance Costs	10.10	8.62	17.2%
Depreciation	8.06	8.21	-1.8%
<b>Profit Before Tax (PBT)</b>	<b>18.65</b>	<b>19.38</b>	<b>-3.8%</b>
Tax	4.70	3.35	
<b>Profit After Tax (PAT)</b>	<b>13.95</b>	<b>16.03</b>	<b>-13.0%</b>
<b>PAT %</b>	<b>5.5%</b>	<b>9.1%</b>	

# Committed to be a global leader in manufacture & supply of textile products



Tapping of opportunities in Technical Textiles – geographical expansion of operations



Product Diversification – Introduction of new & Value-added products & less dependency on commodity products



Automation for business process improvements and debottlenecking



Continued efforts on to improve operational efficiencies and control on operating costs

# Thank You



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