

K.P.R. MILL LIMITED

Corporate Office : 1st Floor Srivari Shrimat, 1045, Avinashi Road, Coimbatore - 641018. India © : 0422-2207777 Fax : 0422-2207778

30th April, 2016

The Listing Department,
Bombay Stock Exchange Ltd.
1st Floor, Rotunda Buildings,
Phiroze Jeejeebhoy Towers,
Mumbai – 400 001.

The Listing Department,
National Stock Exchange of India Ltd.,
Exchange Plaza, Plot: C/1, G Block,
Bandra-Kurla Complex, Bandra (E),
Mumbai – 400 051.

Dear Sir,

Sub: Fourth Quarter & FY 2015-16 Financial Results- Investor Presentation

Ref: Disclosure of Material Events & Our Letter dated 27th April 2016

Further to our letter under reference, the Investor Presentation in respect of 4Q & Annual FY 2015-16 is attached for your kind information and dissemination.

Thanking you,

Yours faithfully

For K.P.R. Mill Limited



P.Kandaswamy

Company Secretary

Encl: As above



KPR Mill Limited

Result Update

Q4-FY2016



Safe Harbor



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Manufacturing Facilities





An Overview

- One of the largest vertically integrated textile player with presence across the entire value chain - from “fibre to fashion”
- Best quality cotton ‘Shankar 6’ used as the raw material for consistent quality
- Strategic investment in Wind Power Projects & Co-gen plant for captive consumption
- Marquee relationships with about 1,200 regular domestic clients for yarn and fabric and around 50 leading international brands for garments
- Trendsetting welfare policies for employees & various CSR activities
- An exemplary and massive ETP in its Processing Unit to treat 2.5 Million litres a day
- Quality initiatives and consistent technology upgradation secured several International Accreditations
- Enthused by the impressive growth trend in Apparel sector, KPR expands its garment business
- Towards value addition, converting conventional yarn into valued added yarn



Presence across the textile value chain

Yarn

- Amongst top five manufacturers in India
- Completed conversion of conventional yarn capacities to value added yarn (Compact, Melange, Color Melange & P.C.Yarn)
- 31% captively consumed to manufacture value added Products
- Revenue contributes 42% to total sales

Fabric

- Revenue contributes 18% to total sales
- Around 19% captively consumed to manufacture value added products.
- Major Buyers - Knitted Apparel Export Manufacturers

Knitted Garments

- A largest garment manufacturer
- 100% exports
- Revenue contributes 24% to total sales
- Key export markets - Europe, Australia and USA. Exploring new markets

Domestic Sales – 64% ; Exports – 36%



Key competitive advantages

Strong Fundamentals

- Rich exposure in textile and apparel Industry
- Consistent better performer even during tough times and growth driven entity
- Dividend track record since listing

Largest vertically Integrated Apparel Manufacturer strategically located

- Assuring superior quality products meeting market requirement
- On time delivery – An essential factor for market reputation
- Facilities located within a 50 KM radius of Tirupur, largest apparel manufacturing cluster in Asia
- Proximity to buyers helps to reduce the material handling costs and facilitates immediate feedback
- Utilize the key technical personnel across all plant sites

Strategic Investment in Green Power

- Ability to maintain power cost through investment in Green Power
- 61.92 MW Winder Power & 30 MW Co-Gen
- Green power availability throughout the year

Scale of Economy

- Low power cost through captive green power
- Minimal finance cost through prudential financial planning



Key competitive advantages Contd....

Rejoiced Workforce

- Feel at home accommodation and amenities including Higher Education, Vocational training, yoga, meditation, library, sports, swimming pool, etc.
- The trendsetting welfare factors crowned by Five Star Certification & Higher Education facilities at KPR distinguishes it from Peer Group with higher efficiency level and lower attrition rate facilitating enhanced Productivity at optimized Operating cost

Strong client base

- Over 1200 Customers for yarn & fabric
- Around 50 Top International Brands
- A few more large customers from existing / new markets on pipe line

Growth Initiatives

- Conversion of conventional yarn to value added yarn, carrying premium prices
- Expanded garment capacity to 95 million garments per annum – Making KPR a largest garment manufacturer in India
- Consequent on garment capacity accretion, to meet additional captive processing needs, doubling the processing capacity
- Positive outlook for Sugar Industry



KPR is well Poised to capture the opportunity

INDUSTRY GROWTH DRIVERS

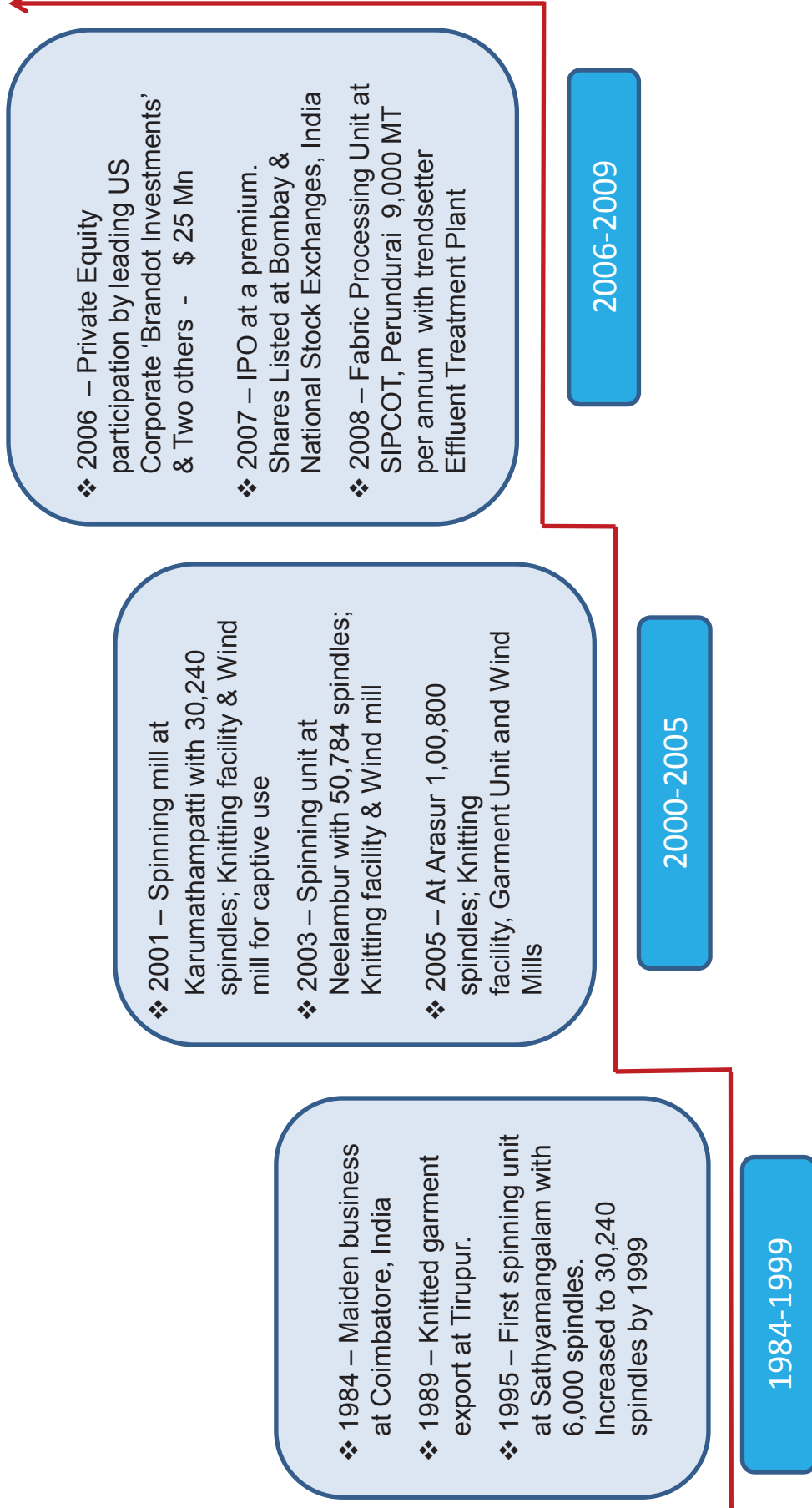
- Most cost competitive Textile manufacture base
- Largest Cotton base – Number one in World
- Most efficient Spinning sector in the World
- Second biggest exporter of textile & apparel
- Growing Domestic & Global demand
- Challenges of growth in neighboring competing countries driving the Indian textile Industry
- India has an edge over other major competitors in Asia in respect of cost of production
- Recent negotiations for India - EU FTA
- Government focus and initiatives on Textile Industry to boost prospects

COMPANY SPECIFIC GROWTH DRIVERS

- Consistent Modernization & Capacity Expansion – enhanced realization
- Move towards Value Added Yarn (Compact, Melange, PC & Colour Melange Yarn) – Volume Driven Growth
- A largest garment manufacturer with 95 mn capacity
- Comfortable cash position enabling reduction of high cost debt
- Doubling of processing capacity with Advanced Technology
- Self sufficiency in power generation
- Increased focus on exports
 - Enhanced garment production
 - Penetrate into newer markets for garments & yarn
 - Impressive response from existing clients, new buyers and new market

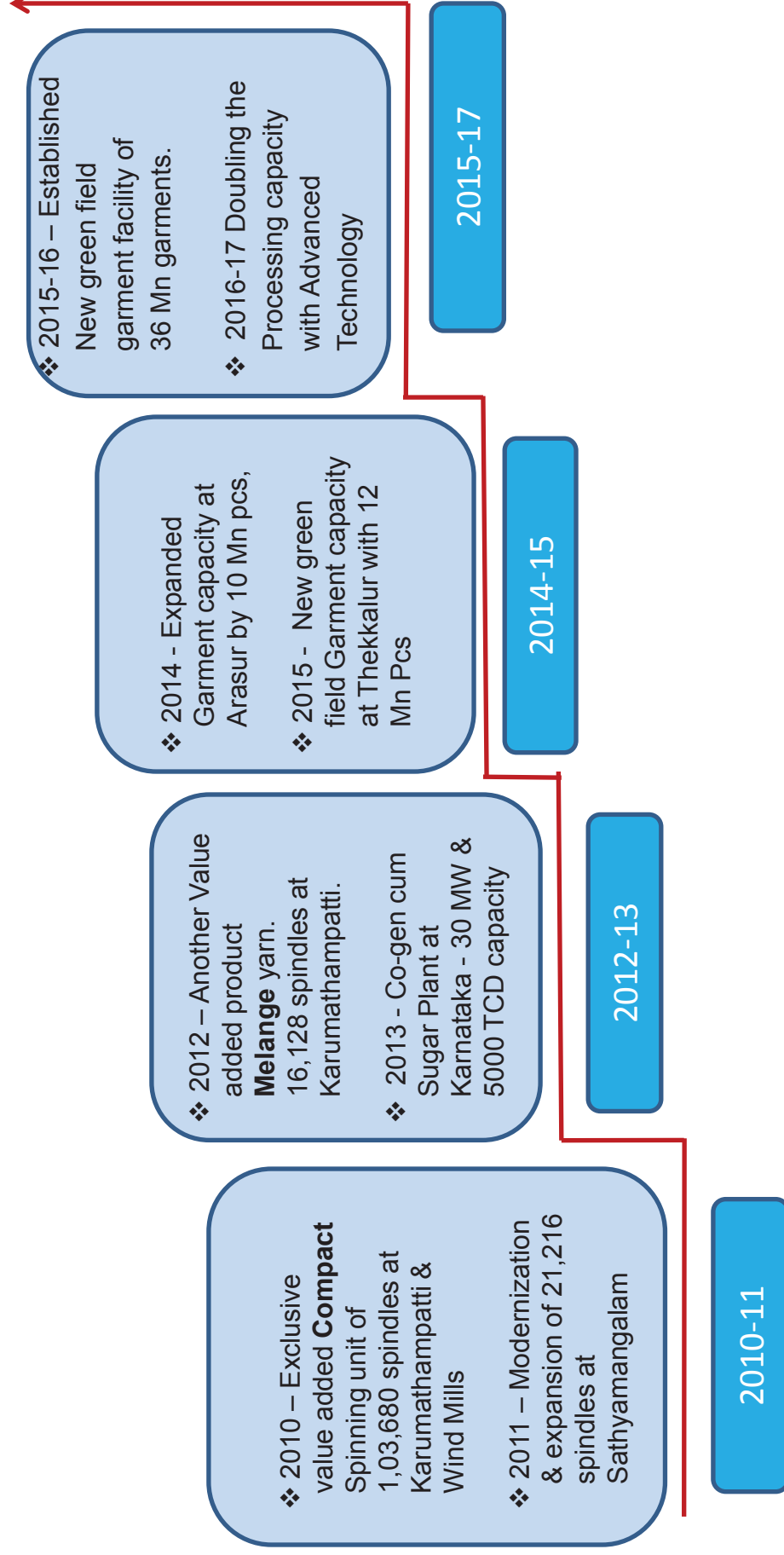


Evolution





Evolution Contd....





Key Highlights of Q4 & FY 16

- Consolidated Revenue :
Q4 ₹ 720 Crore; FY16 ₹ 2,591 Crore
- EBITDA Q4 up 2.8% YoY to ₹ 110 Crore;
FY16 up 7.3% to YoY to ₹ 469 Crore
- PBT Q4 up 21.8% YoY to ₹ 67 Crore;
FY16 up 26.9% YoY to ₹ 283 Crore
- PAT Q4 up 8.0% YoY to ₹ 54 Crore;
FY16 up 21.4% to ₹ 210 Crore
- Cash Profit Q4 up 4.6% YoY to ₹ 91 Crore;
FY16 up 10.7% YoY to ₹ 362 Crore
- Achieved 100% utilization in new 12Mn Garment facility
- Commissioned New 36 Mn Green Field Garment facility
- Conversion of conventional yarn into value added Compact Yarn completed





Consolidated P&L

Rs.Crore	Q4 FY16	Q4 FY15	YoY %	FY16	FY 15	YoY %
Revenue	720	677	6.4%	2591	2566	1.0%
Raw Material	441	437		1584	1685	
Employee Expenses	57	47		218	183	
Other Expenses	112	86		320	261	
EBITDA	110	107	2.8%	469	437	7.3%
<i>EBITDA Margin</i>	15.3%	15.8%		18.1%	17.0%	
Other Income	7	6		23	24	
Interest & Finance Charges	13	21		57	84	
Depreciation	37	37		152	154	
PBT	67	55		283	223	
Tax	13	5		73	50	
PAT	54	50	8.0%	210	173	21.4%
<i>PAT Margin</i>	7.5%	7.4%		8.1%	6.7%	



Self sufficiency in Power with 92 MW Green Power portfolio

Strategic Investment in Wind Power Project 61.92 MW

- One of the largest Captive power generators in Textile Industry
- Invested in eco-friendly Wind Mills at Tirunelveli, Tenkasi, Theni & Coimbatore Districts in Tamil Nadu, India
- Total Wind Power Capacity 61.92 MW
- 60% of Textile power requirement met through wind power

Investments in Co-Gen Power Project 30 MW

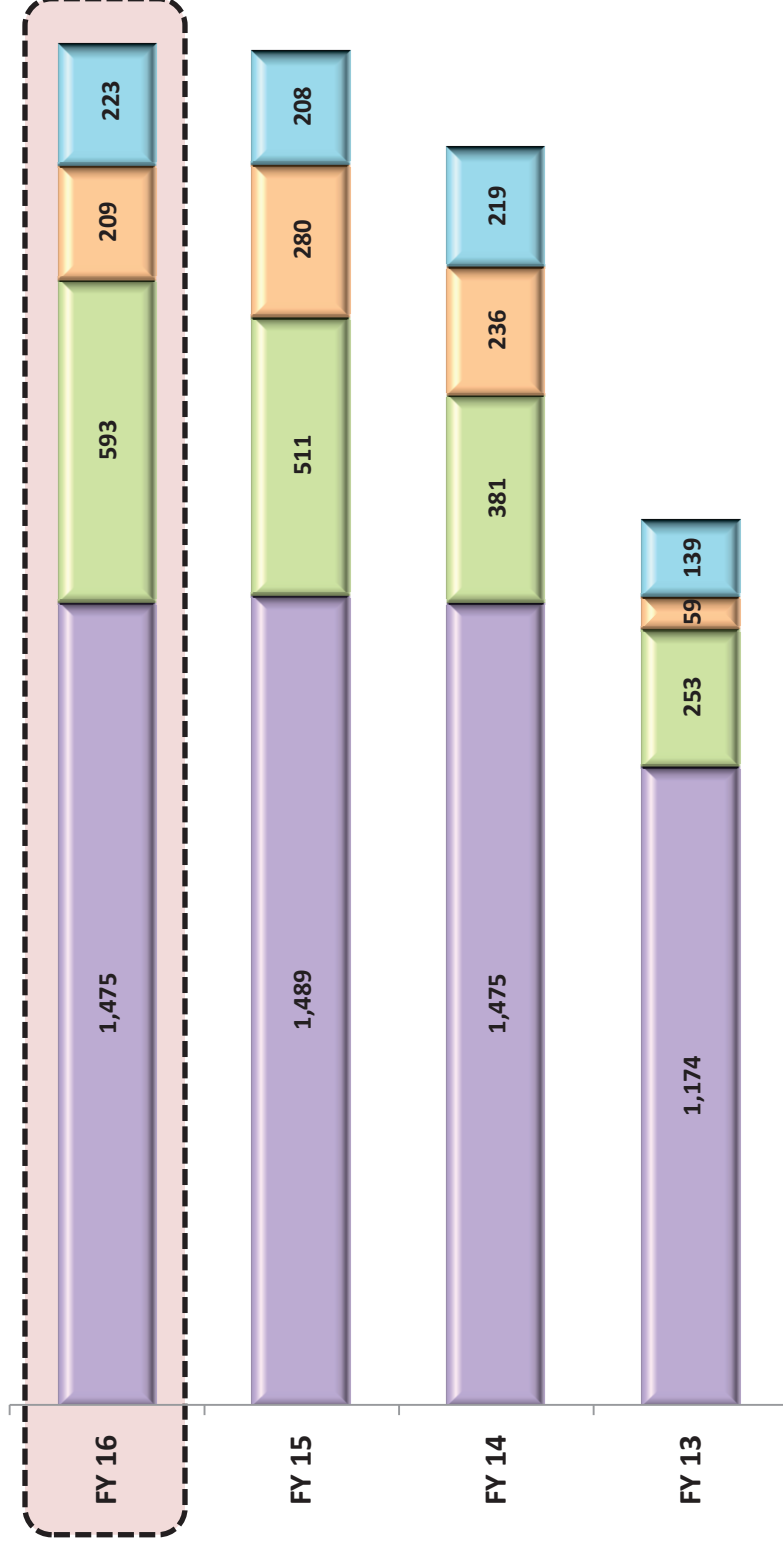
- Invested in 30 MW Co-Gen Power Project
- With Co-gen Power, KPR attained self sufficiency in meeting its substantial power requirement throughout the year



Segment Wise Revenue contribution

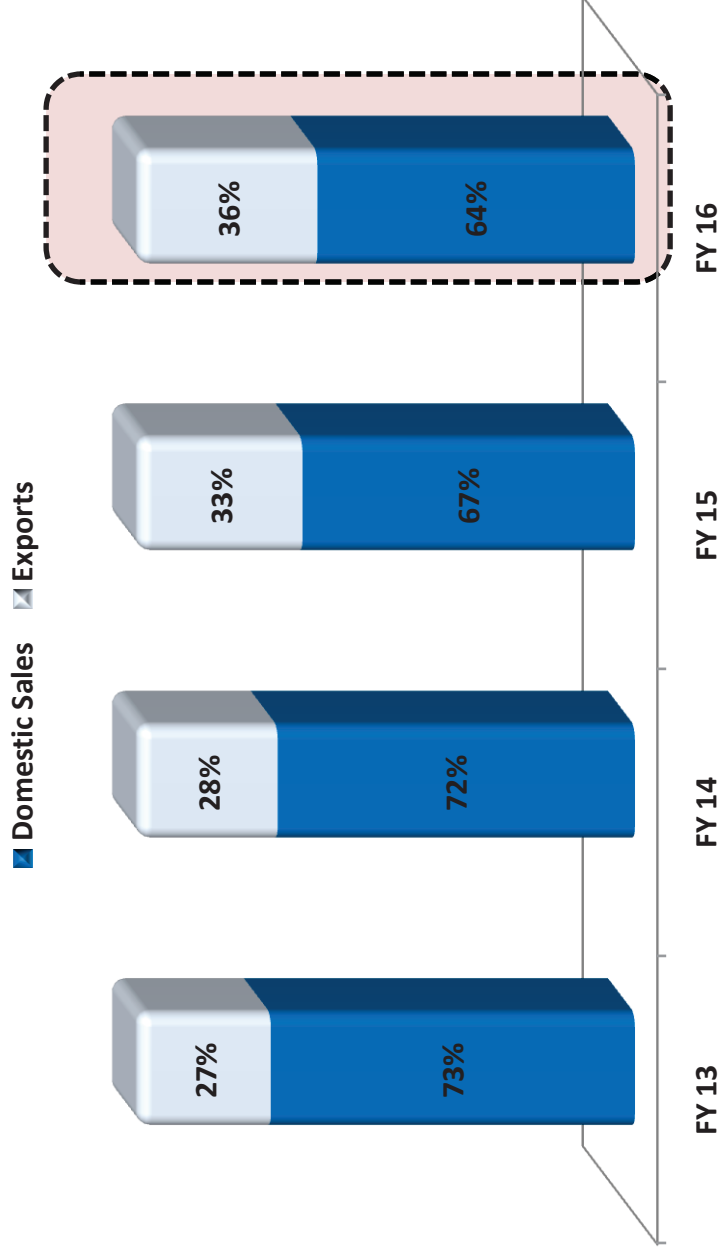
■ Yarn & Fabric
 ■ Garments
 ■ Sugar *
 ■ Others **

Rs. in Crore





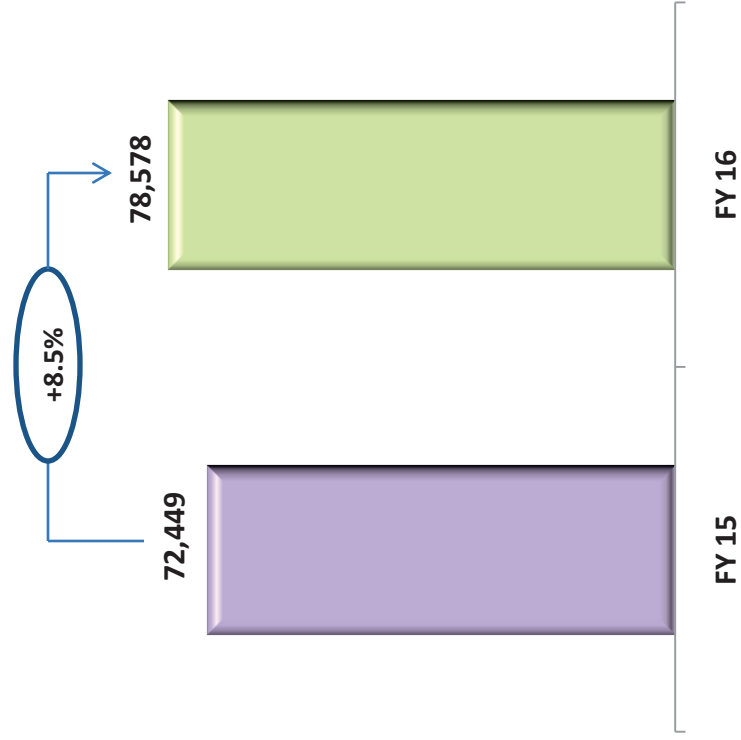
Geographical Split



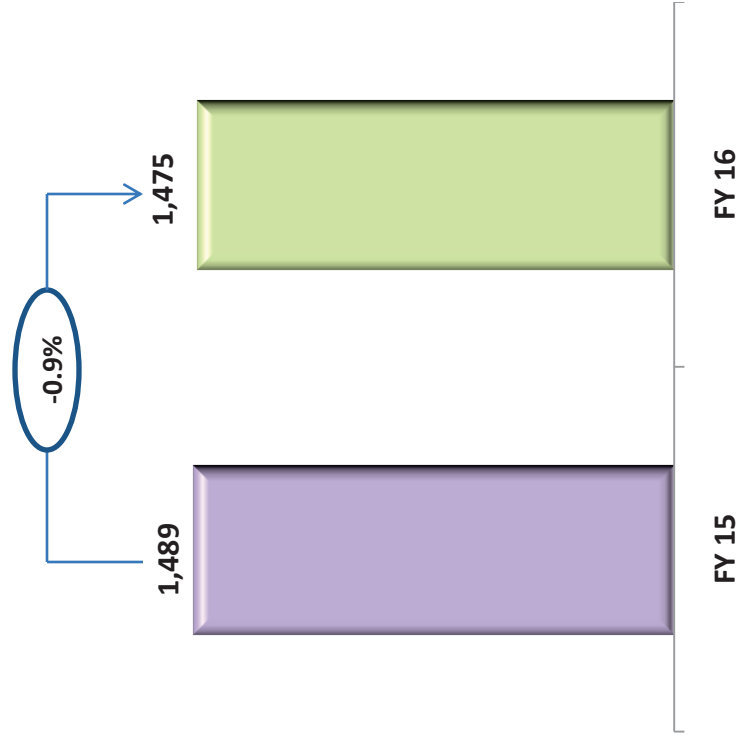
Yarn & Fabric



Yarn & Fabric Sales [MT]



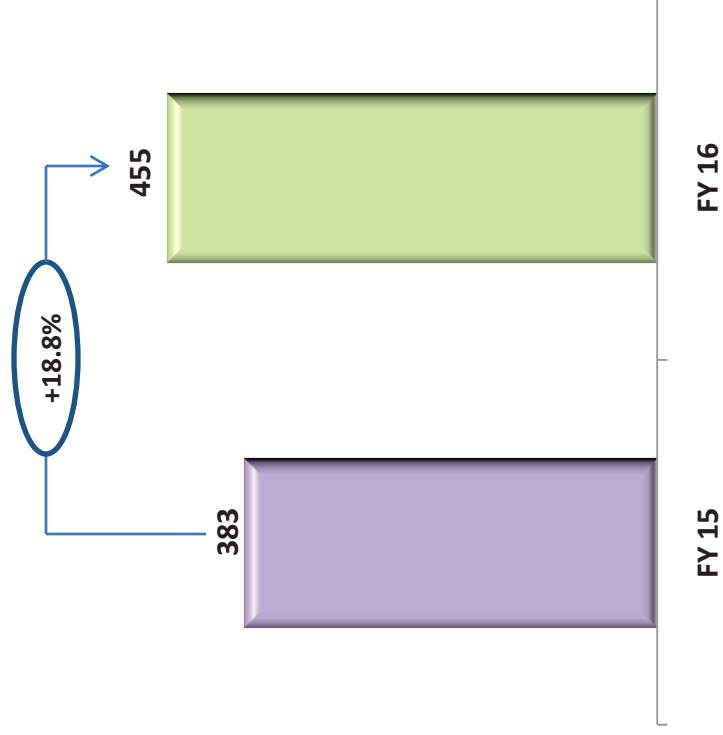
Yarn & Fabric Sales [₹ Crore]



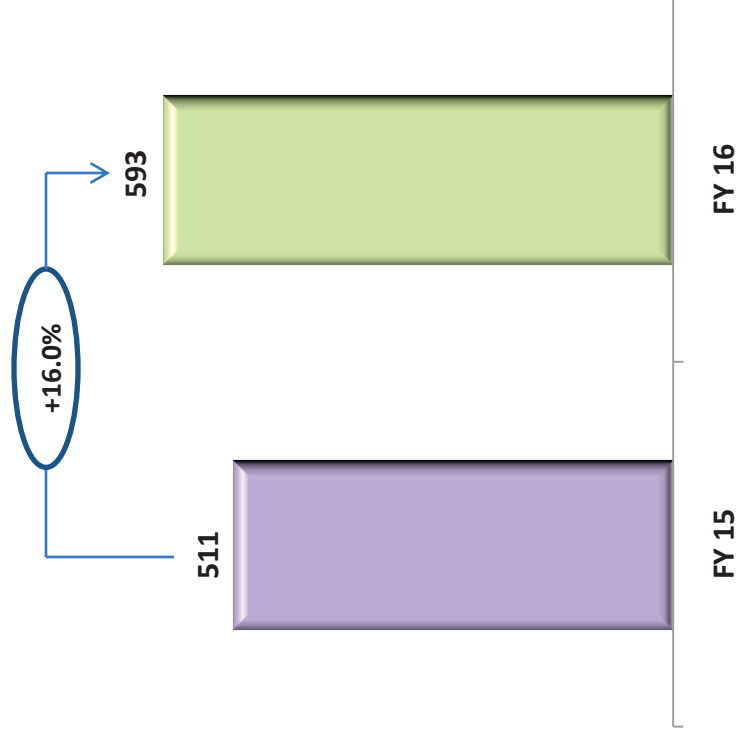
Garments



Garment Sales [No. of pieces in Lacs]



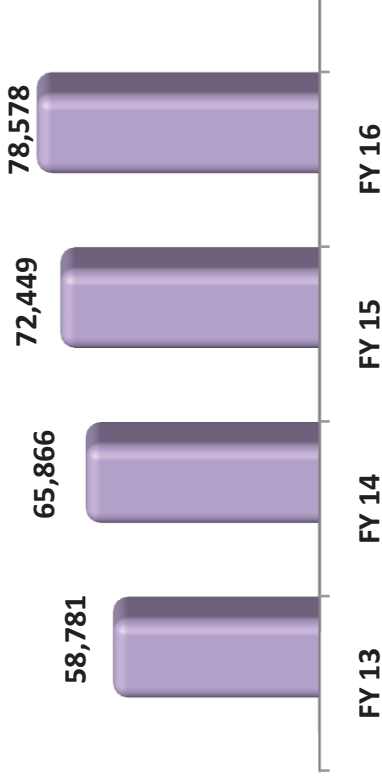
Garment Sales [₹ Crore]



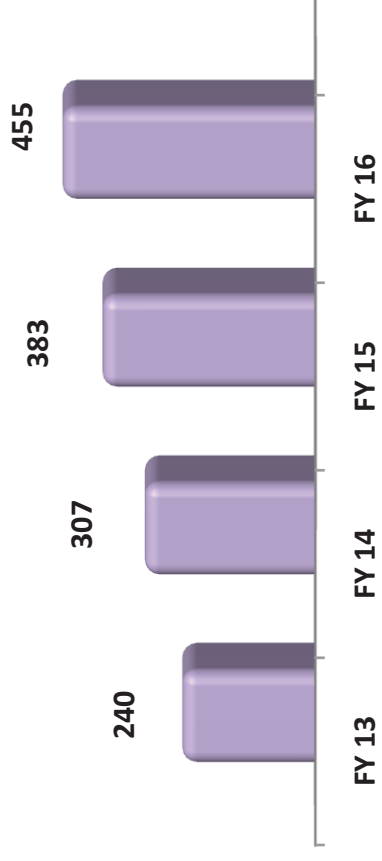


Historical Performance

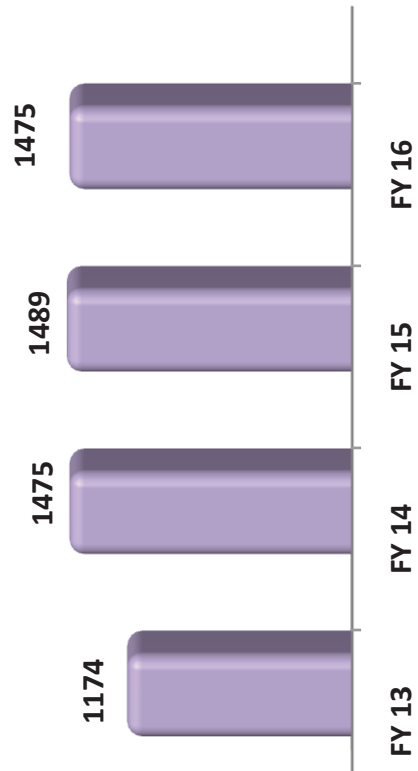
Yarn & Fabric Sales [MT]



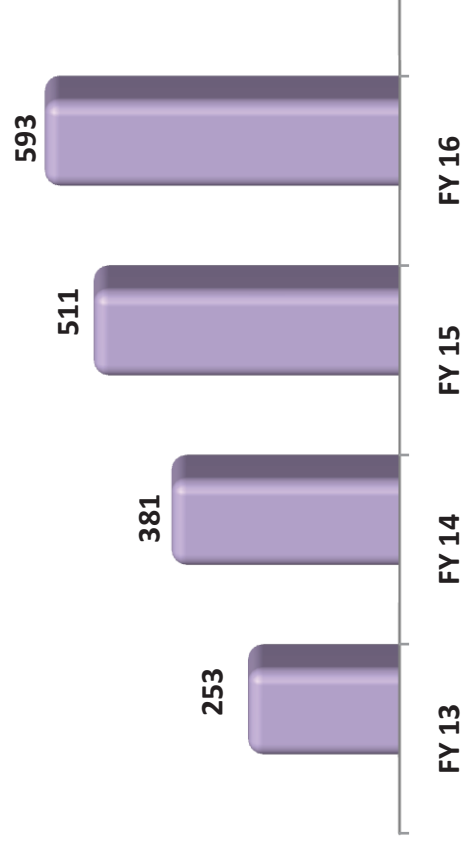
Garment Sales [No. of pieces in Lacs]



Yarn & Fabric Sales [₹ Crore]

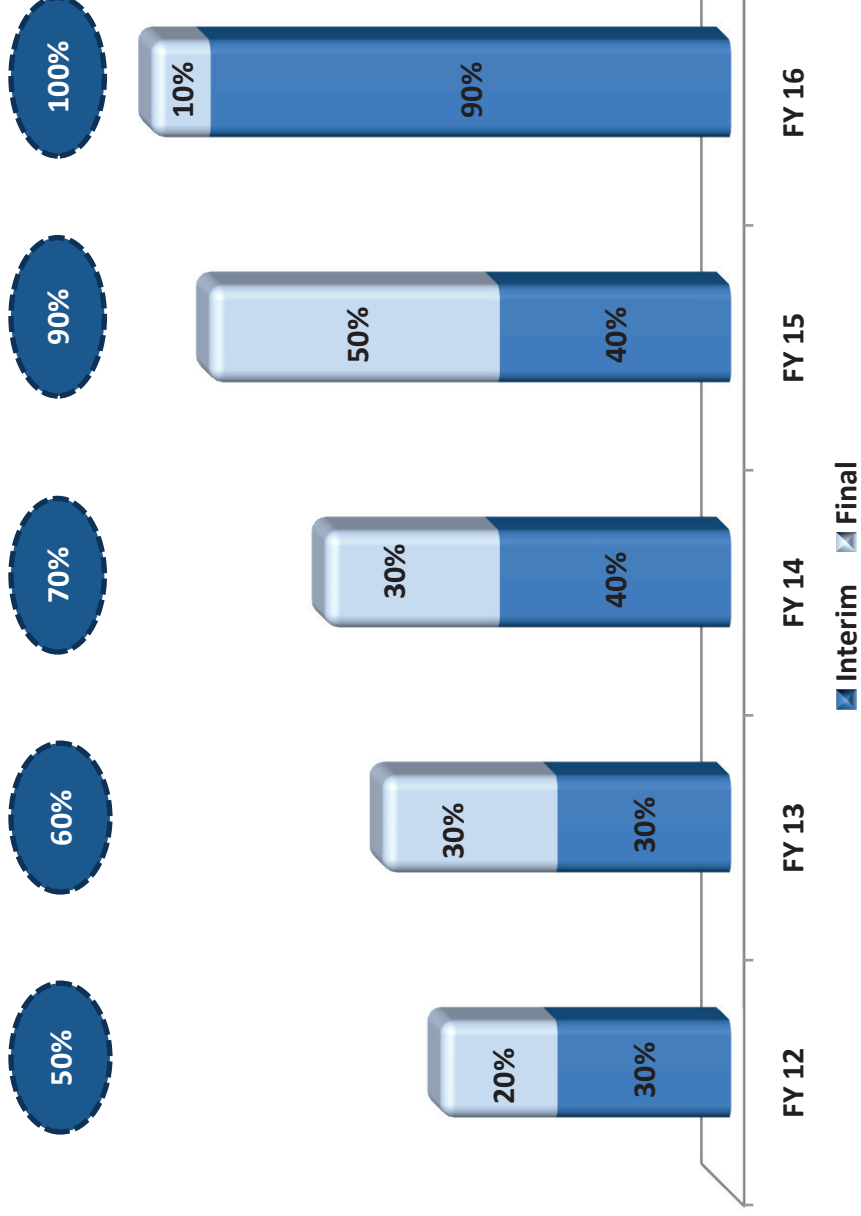


Garment Sales [₹ Crore]





Dividend Track Record





Book Value & EPS

Particulars	FY 12	FY 13	FY 14	FY 15	FY 16
Book Value Per Share (₹)	165.19	187.42	216.16	250.83	290.37
Earning Per Share (₹)	8.38	27.01	37.27	45.73	55.57
Dividend Per Share %	50%	60%	70%	90%	100%
Dividend Per Share (₹)	5.00	6.00	7.00	9.00	10.00

Note : Market price of share is up by around 270% over IPO Price



For further information, please contact:

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