



Value through values

SANGAM (INDIA) LIMITED

**SANGAM (INDIA) TO FORAY INTO GARMENT, PLANS Rs 120 CRORE EXPANSION
BOARD APPROVES DIVIDEND POLICY
Q1FY15 NET PROFIT UP 88.1 % AT Rs 11.34 CRORE,
NET SALES UP AT Rs 372.93 CRORE**

Media Release

BSE Code: 514234

NSE Code: SANGAMIND

- Headquartered in
- Bhilwara
- 3 manufacturing
- Units located at Bhilwara

FY14 Sales: Rs 1432.61 crore

FY14 Net Profit: Rs. 40.50 crore

FY14 EBITDA: Rs 202 crore

Largest producer of PV dyed yarn in Asia at a single location with 25 percent market share in the country.

Signed up Ajay Devgn Brand Ambassador

Product Line

- PV Blended Dyed/ Grey Yarn
- Cotton Spun Yarn
- Cotton Open End Yarn
- Texturised Yarn
- Synthetic Blended Fabric
- Cotton Knitted Fabric
- Denim Fabric
- Generation of Captive Power
- Wind Power Generation

A network of 200 dealers and 10,000 retailers

FY14 - Exports Revenues: Rs. 342.34 crore

Mumbai, August 03, 2014: Sangam (India) Ltd., one of the largest textile companies with presence in PV (Polyester/ Viscose) dyed Yarn and fabrics segment and a fully integrated company from yarn to branded Fabrics, today announced that company's board has approved its Rs 120 crore expansion plan to foray into garment.

The company plans to set up 10,000 spindles for slub yarn and mercerize unit along with improvement and modernisation in processing division the company target to manufacture 10,000 pieces of seamless garment per day from next financial year.

The seamless knitted garments are used worldwide in Wellness wear, Yoga wear, Sportswear, Intimate wear, Body shapes and other wears. This Rs 120 crore expansion plan will be funded through a term loan of Rs 89.50 crore and balance through internal accrual. This expansion plan is slated to complete by March 31, 2015.

Seamless Garment technology is advancement in apparel industry which eliminates to large extent the fabric laying, cutting and sewing process. By eliminating the cutting and sewing process, complete garment knitting provides a variety of advantages in knitting production such as saving in cost and time, higher productivity quick production, homogeneity and other advantage.

The company plans to install 36 circular knitting machines to be imported from Santoni, Italy, the world leaders in seamless knitting technology.

Commenting on the development, Mr. S N Modani, Sangam (India) Managing Director said, 'This expansion plan will add to Rs 150-175 crore to our topline from the next financial year. We are looking forward to government's initiation new textile policy to boost job creations and exports and evaluating other opportunities for value added product to augment business growth of the company

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CIN: L17118RJ1984PLC003173



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Capacity

- Spindles : 201216
- Open End Rotors : 3908
- Weaving Machines : 381
- Knitting Machine : 18
- Texturising Machines : 3
- Process House : 53.40 Mn. Metres P.A.
- Denim Processing Lines - 4
- Coal Based Captive Thermal Power Plants of 31 MW
- Wind Power Plants of 5 MW at Jaisalmer

FOR MORE INFORMATION, PLEASE CONTACT:

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Dividend Policy

Sangam (India), a Bhilwara-based poly-viscose manufacturer, has announced that company's board has approved an annual dividend policy to declare 20-25 per cent of company's annual net-profit as dividend pay-out to the shareholders from current financial year onwards. With this, Sangam (India) will become one of the few Indian companies to announce an annual dividend policy for its stakeholders.

Q1FY15 Earnings

For quarter-ended June 30, 2014 (Q1FY15), the company has reported a 1.95 per cent rise in net sales at Rs 372.93 crore compared to Rs 365.80 crore in the corresponding quarter previous year (Q1FY14). Meanwhile, net profit during the quarter surged by 88.1 per cent to Rs 11.34 crore from Rs 6.03 crore in the corresponding quarter in the previous year. The company reported an earning per share of Rs. 2.88 compared to Rs. 1.53 in the quarter ended June 30, 2013(Q1FY14).

Management Comment

Commenting on the June earnings, Chairman said, Mr. R P Soni, said, "Our performance reflects our belief in our strategy to focus on value-added products, leading to improved realisations. This has enabled us post good numbers despite a visible slowdown in Indian as well as global economy. Going forward, the full impact of our expanded capacities will further boost our margins and thereby ensure sustained growth for the company".

About Sangam (India)

(Reuters Code: SANG.BO; BLOOMBERG: SNGM@IN; BSE Scrip Code: 514234; NSE Scrip Code: SANGAMIND)

Promoted by first-generation entrepreneurs Mr R P Soni and Mr S N Modani, Sangam (India) is one of the largest manufacturers of polyester viscose dyed yarn in the country. At present, The Company is amongst top 10 Denim producers in the Country. The company also has strong presence in the Indian synthetic blended fabric segment with brands like Sangam and Anmol. The company has an established client base like Reliance, Reid & Taylor, Raymond, Siyaram and Grasim. Its fabric is marketed through a network of 200 plus dealers and thousands of retailers.

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