



Century Textiles & Industries Ltd

Focusing on the future...

Stock Code : BSE : 500040 | NSE : CENTURYTEX

Reuters : CNTY.NS | Bloomberg : CENT:IN



CTIL Performance 2018 – 19 (9 Months)

*Figures in Rs. Crore

Century Textiles & Industries Limited		
Description	FY 18-19 (9 Months)	FY 17-18
Turnover #	6374	8385
EBITDA #	1176	1368
EBITDA %age	18%	16%
Total Assets	10382	10331
Current & Non Current Liability	3497	3214
Capital Employed	6885	7117
Less : Loan	3813	4369
Net Worth	3072	2748



Textile
(9 Months)

Sales	601
EBITDA	46
EBITDA %	7.7%



Cement
(9 Months)
(Asset held for sale)

Sales	3,584
EBITDA	448
EBITDA %	12.5%



Pulp & Paper
(9 Months)

Sales	2,020
EBITDA	458
EBITDA %	22.6%



Real Estate
(9 Months)

Sales	120
EBITDA ★	222

Total Net Debt Outstanding is ~Rs. 3,813 Cr. as on 31st December , 2018

★ Includes TDR sale of Rs.160 Crore (One time gain)

Turnover & EBITDA for 9 months of CTIL also includes Rs.49 Crore & Rs.2 Crores respectively from other businesses apart from above 4 main businesses.



Exploring Strategic options to grow on various fronts

Real Estate

- Own land parcels at premium locations with value of > Rs. 7500 Cr.
- Opportunity to unlock value of own land parcels – 13 Mn.Sq.Ft of development potentials
- Focus on 4 high growth markets – Mumbai , NCR , Bangalore & Pune through Joint Development route.

Paper

- Profitable business with current EBIDTA Margin of ~22%.
- Plan to double tissue capacity and modernise paper plant machines to improve product mix
- Require capex of ~ Rs. 250 crs over two years.

Textiles

- Plan to modernise and upgrade facilities
- Require capex of ~ Rs. 50 crs in over 2 years to ensure growth in EBIDTA

Cement

- Cement Business is held for sale and expected to be demerged with UTCL in the first half of FY 2019-20. All liabilities pertaining to cement units including debt of Rs.3000 crore will be transferred to UTCL.

Note : Post reduction of loan by Rs.3000 Crore, CTIL will become debt light company. The financial leverage will help the Company in expanding the existing businesses more importantly the Real Estate business.



The Next Phase of Growth for CTIL....



Real Estate



Step Towards more Focus on Growing Business ..



Real Estate

Strengths



- “Birla” Brand
- Valuable portfolio of premium land parcels
- Dynamic team with Real Estate Experience
- Strong Projects in Pipeline of owned projects.
- Strong Sales and Execution Capability.

Opportunities



- Rapid urbanization and shrinking household sizes
- Rising per capita income
- Government thrust on Affordable housing
- Tax sops - GST rate reduction
- Rapid shift to Organized sector- Structural changes driven by RERA and GST implementation

Strong Vision & Strategy



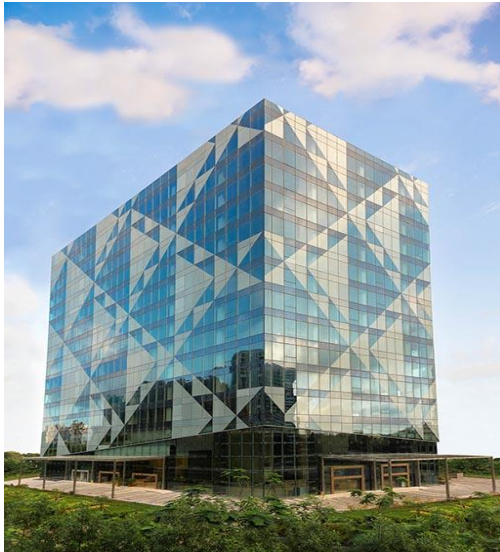
- Deliver on exceptional experience and creating value for stakeholders
- Focus markets – Mumbai, NCR, Bangalore & Pune
- Focus on residential development. Opportunistic approach to commercial
- Focus on Premium / mid-income residential segment
- Capital efficient, asset light model

The team has created landmark Commercial Projects.



Birla Aurora, Worli.

- 2.55 Lakh Sq. Ft. of Commercial Space
- Unconventional elliptical design
- 22 Storey Building



Birla Centurion , Worli.

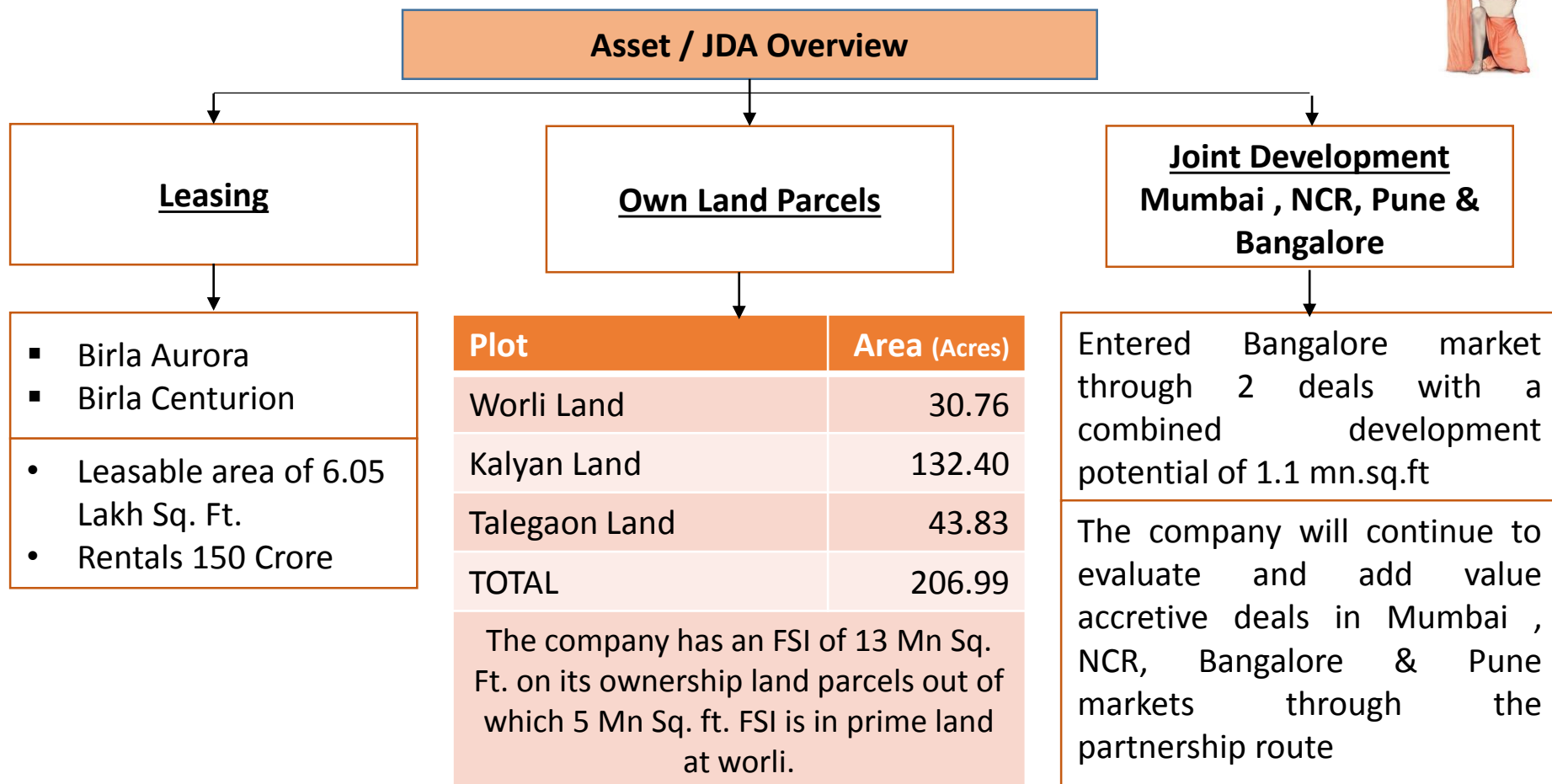
- 3.5 Lakh Sq. Ft. of Commercial Space
- LEED Platinum Certified Building
- 13 Storey Building

Overview of 2 Buildings

- Superior Quality
- Strong execution abilities
- Assets 100% leased, commanding high rentals
- INR 150 Crore annual leasing revenue from assets.
- **Commanding best rentals in Worli micro market (~ Rs.200 /sq.ft)**



Valuable portfolio of Owned Land parcels.



Company has plan to enter 2 – 3 deals every year under JDA

With a strong brand equity and national presence, Birla Estates is poised to capitalise on immense opportunities and focusing on becoming a significant player in the next 7 – 10 years.

First ever residential project



Our first ever residential project “Birla Vanya” in Kalyan is underway and witnessing strong response



More than **7 acres** of greens



Over 70% of open areas across the development



Beautiful landscaped **5 - sense garden**



Stylistically designed **13,000 sq.ft. (1,207 sq. mt.)** approx. clubhouse



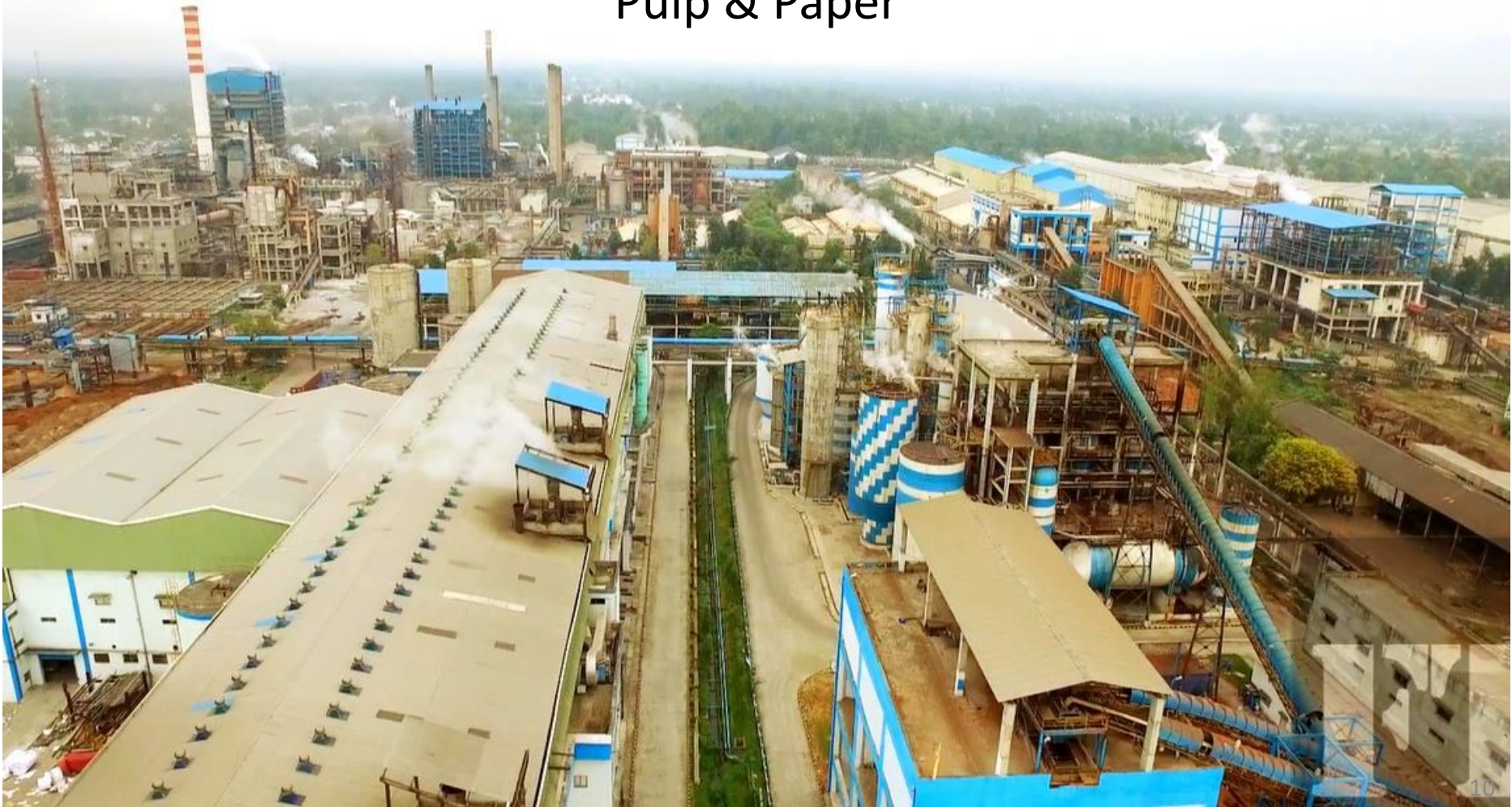
Sustainable energy through Solar (Part Landscape Lighting)



ArchiVista



Pulp & Paper





Step Towards more Focus on Growing Business ..

CTIL : Pulp & Paper

Industry Growth



- Total Demand 18.5 Mn Mt in 18-19.
- Total Supply Domestic 14 Mn Mt Import 4.5 Mn.Mt
- Top 9 Players cater 1/3rd of the domestic supply.

Growth Driver



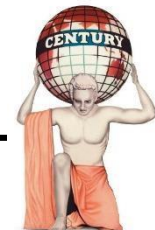
- India's per capita consumption at ~12kg is 1/4th of the average Global consumption
- Increasing urbanisation and government thrust on education
- Personal Hygiene awareness
- Growth in Hospitality sector

Advantages

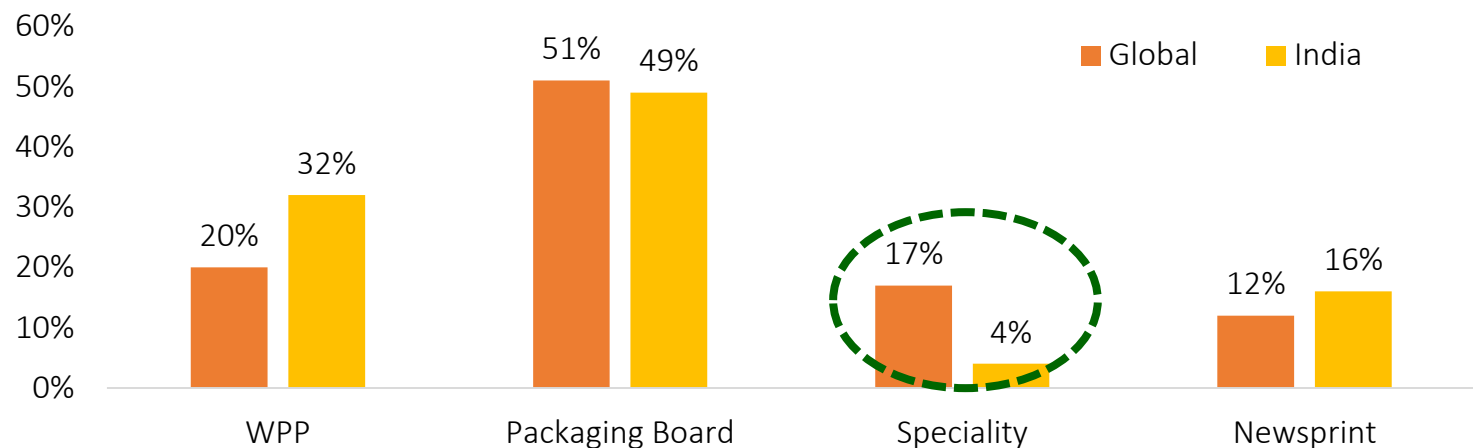


- Strong presence in North.
- Board – 2nd largest plant in country, with largest share in the North
- Tissue -> Increased usage in hospitality / household sector. Major part of production is being exported.

Global vs India - Consumption Pattern



World vs India - Segment wise Consumption



Segment	Growth Drivers	
WPP	<ul style="list-style-type: none">✓ CAGR growth: 4.2%✓ Demand : 5.3 mn MT in FY 18-19	<ul style="list-style-type: none">✓ Pickup in Education Sector✓ Formalization of un organized sector
Packaging Board	<ul style="list-style-type: none">✓ CAGR growth: 8.9%✓ Demand: 9.7 mn MT in FY 18-19	<ul style="list-style-type: none">✓ Requirement of better quality packaging✓ High growth in FMCG, FMCD, Pharma and e-Commerce
Specialty	<ul style="list-style-type: none">✓ CAGR Growth : ~10%✓ Demand: 0.8-0.9 mn MT in FY 18-19	<ul style="list-style-type: none">✓ Increased usage in Hospitality sector✓ Personal hygiene awareness is increasing✓ Increased urbanization/ household commodity

Paper is Bio-degradable and Substitute of Plastic



Product (Description)	Installed Capacity (in Metric Tons)
Paper	1,97,810
Pulp	31,320
Tissue Paper	36,000
Board	1,80,000

- The business has grown its revenue at a 10% CAGR, since 2012.
- Highest ever EBITDA achieved at Rs. 481 crs with 180% CAGR from FY 12 - FY 18.
- During 9 months of FY19, achieved EBITDA of Rs.458 crs
- Business plans to improve growth with a capex of Rs. 250 Crore in 2 years period:
 - a. Doubling the Tissue Capacity
 - b. Modernising the machines of paper plant to have required product mix.
 - c. Better assets care to enhance plants’ life.

Business intends to invest in building new capacities and upgrade plants to ensure growth in Revenue as well as Profitability



Textiles





Step Towards more Focus on Growing Business ..

Textile

Strengths



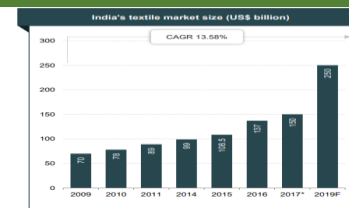
- State-of-the-Art Vertically Integrated Plant (Fibre to Finishing).
- Birla Century Brand
- Fine spinning up to count 200 ne.
- Legacy of Textile for more than 100 years.

Advantages



- Increased penetration of organised retail, better demographics and rising income levels
- Abundant availability of raw material cotton.
- Growing Exports Demand and direct catering to big brands in USA

Strong Industry outlook



- 100 per cent FDI (automatic route) is allowed in the Indian textile sector.
- Investments of Rs.1250 crores by Government under Scheme for Integrated Textile Parks (SITP).
- New textile policy is in process which aims to achieve US\$ 300 billion of textile trade by 2025 and create 35 million jobs.



Textile Business - Overview

Year of Installation	2008
Installed Capacity	37.50 Million Meters
Likely Production for FY 2018-19	36.80 Million Meters
Capacity Utilisation FY 2018-19	98.1%
Actual Turnover for 9 Months	601 Crore
EBIDTA 9 Months	46 Crore



Spinning



Weaving



Processing



Stitching

Business intends to maintain the current capacities and normal modernisation and upgradation of facilities will be done to ensure growth in EBITDA



No statement in this presentation is intended as a profit forecast or estimate for any period and no statement in this presentation should be interpreted to mean that cash flow from operations, free cash flow, earnings, earnings per share basis for any of parties, as appropriate, for the current or future financial years would necessarily match or exceed the historical published cash flow from operations, free cash flow, earnings, earnings per share or income on a clean current cost of supplies basis for any of the parties, as appropriate.

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