



## SHIVA TEXYARN LIMITED

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Website : www.shivatex.co.in CIN : L65921TZ1980PLC000945 GSTRN : 33AABCA6617M1Z0

STYL/SEC/SE/70/2019-20

31<sup>st</sup> May 2019

To

BSE Limited Floor 25 Phiroze Jeejeebhoy Towers Dalal Street Mumbai 400 001  Scrip Code :- 511108	The Manager Listing Department National Stock Exchange of India Limited "Exchange Plaza", Bandra-Kurla Complex Bandra (East), Mumbai 400 051  Scrip Code : SHIVATEX
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Dear Sir,

**Sub:- Investor Presentation for Q4 - Reg.**

We are attaching herewith the Investors' Presentation to be made to the Investors for the Quarter ended 31<sup>st</sup> March 2019 as per Regulation 30(6) of SEBI (Listing Obligations and Disclosure Requirements), Regulation 2015 read with Part A of Schedule III of the Listing Regulations.

Pursuant to Regulation 46(2)(o) of the Listing Regulations, the aforesaid information is also available on the website of the Company [www.shivatex.in](http://www.shivatex.in).

Thanking you

Yours faithfully

For Shiva Texyarn Limited

  
R. SRINIVASAN  
Company Secretary  
M.No.21254

# Shiva Texyarn Limited

Investor Presentation  
Q4 & FY19



Focus on Technologically Advanced, Innovative & Eco-friendly products

# Disclaimer

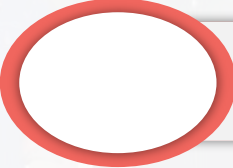


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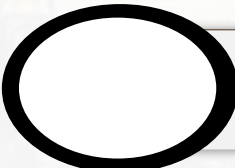
**Business Overview**



**Managing Director's Message**



**Financial Highlights**



**Way Ahead**



# Company Overview



# Company Overview

## Among leading multifaceted Textile companies - strong focus on Technical Textiles

- First Company to introduce Reactive Polyurethane lamination technology in India (2005)
- Vertically & backward integrated operations
- Strong & Dedicated workforce

## Diversified Product Portfolio

- Segments - Textiles, Quick Dry, Quick Fit, Q-Club, Paw-Paw Diaper, Defence, Tactical gear, Eco-friendly Flex replacement, Art, etc.

## Certifications & Awards

- Oeko-Tex 100 Certification
- Five S(Workspace Management System)
- ISO 9001:2008
- WRAP Certification
- Affiliation Certifications
- GOTS – Global Organic Textile Standards
- Gold Award by Quality Circle Forum of India(QCFI)



## Start of Art manufacturing facilities with advanced Technology in Tamil Nadu

- Spinning Division – 52,000 Spindles Spinning Capacity
- Lamination Division – 2 lines, 6,00,000 meters per month capacity
- Coating Division – 3 coating lines and 1 million meters per month capacity
- 58 windmills – 18.15 MW scattered all over Tamil Nadu

## Integrated Business Operations

- Spinning Division
- Lamination Division
- Coating Division
- Processing Division – For Speciality Fabrics
- Military & tactical Gear
- Garment & Home Textile Division
- Bags Division – Backpacks & Rucksacks
- Windmill based power generation

**Focus on Technologically Advanced, Innovative & Eco-friendly products**

# Journey So Far

**1985-1989**

**1985** - Went Public  
**1989** - Spinning Mill unit I at Dindigul started

**2009-2012**

**2009** - Knitting, Garment & Spinning mills II division started at Karanampettai  
**2012** - Started Processing division at Sipcot, Perundurai  
**2012** - Started Technical Textile division at Ganeshpuram

**2016-2019**

**2017** - Scheme of arrangement (Demerger) between Shiva Textyarn Limited & Shiva Mills Limited (Formerly know as STYL Textile Ventures Limited)  
**2017** - Started supplying specialized Military products to Indian Defence  
**2019** - Launched Reusable Fabric Diaper - "Paw Paw" - based on patent pending unique Rapisoak Technology

**1994-2006**

**1994** - Started Windmill division at Munduvelampatti  
**2002** - Finance and Spinning business merged  
**2006** - Started Lamination division at Karanampettai

**2013-2015**

**2013** - Coating division started at Ganeshpuram  
**2014** - Started bag division at Karanampettai  
**2015** - Garment Division II (NBC) & III started at Karanampettai

# Strong & Experienced Management Team



**Mr. S V Alagappan – Chairman**

- Law graduate and has rich experience in fields of textiles and automobiles for more than three decades



**Mr. S K Sundararaman – Managing Director**

- MBA from Cambridge Judge Business School, UK
- Chairman of Indian Technical Textiles Association (ITTA)
- Wide experience in field of textile industry especially technical textiles



**Mr. Manesh Kumar – Chief Operating Officer**

- Textile Engineer from PSG Tech Coimbatore and MBA from Anna University, Chennai
- Over 12 years of experience in Technical Textiles
- Associated with Company for over 8 years



**Mr. C Krishnakumar – Chief Financial Officer**

- Master of Commerce Graduate
- More than 15 years experience in Accounts, Finance & Taxation
- Member of ICAI and ICSI



**Brig. Naveen Sodhi – Sr. Vice President**

- Science & Economics Graduate
- Over 36 years of experience in planning and directing activities
- In-depth knowledge of emerging technologies and commercial applications
- Wide exposure in dealing with government ministries and officials



**Mr. P. Baskar – Vice President**

- Diploma in Technical Textile
- Over 25 years experience in field of Modernized Spinning Mills
- Vast experience in Construction of Factories and building premises
- Expertise skill in Administration





# Business Overview

# Business Segments

## Spinning



## Technical Textiles - Value added Products



## Business Divisions...(1)

### Spinning Division



Makes some of finest cotton yarns

- More than 25 years of experience in Spinning Industry
- 52,000 Spindles capacity
- Raw material comes from selected ginners of India and International sources in West Africa, Australia and US
- Manufacture Combed, Carded and Compact Yarns, Sub Yarns and Fancy Yarns
- Maintain & manage captive use windmill based augmentation infrastructure to tap 18.15 MW power from 58 owned and operated wind turbine installations

### Lamination Division



First Company to introduce **Reactive Polyurethane Lamination technology** in India in 2005

- One of most innovative technologies used in Textile products
- Only Indian Company with more than decade of experience
- Two lines can produce approx. 6,00,000 meters per month
- **Applications**
  - Breathable, Waterproof membrane Lamination, Fleece to Fleece, Paper to Fabric, Flat Fabric to Raised Fabric Knit to Woven
- **Uses**
  - Outdoor Clothing fabric, Mattress Protectors, Medical Textiles, Industrial Application, Military Application
- **Laminated Products –Applications**
  - **Quick Dry** – Original Dry Sheet
  - **Quick Fit** – Mattress Protectors
  - **Q Club** – Active player in Baby Products

# Lamination Division... Strong Retail Brand in India

Quick Dry



Q-Club



Quick Dry SilQ



Quick Fit



- **Market leadership**
  - Market leader – combined with “Inventor & Innovator” of Dry Sheets in India
  - Manufactures more than 100,000 mts/ month; millions in a year
- **Wide Retail Distribution Network in India**
  - Pan India presence – connecting to 10,000+ Retailers through 200+ Distributors and over 90 on-ground sales force
  - Strong Retail Brand created across India
- **Exports to Middle East & South-East Asia**

# Lamination Division...First of its kind Reusable Fabric Diaper

## Features

- ✓ Super Comfort - Feathery touch fabric
- ✓ Highly Absorbent
  - Side Tank System
  - Fully Laminated Layer
- ✓ Ergonomically designed - Unique T-Shaped pattern which fits perfectly around baby's body
- ✓ Super Stretch Fit – Fully Elasticated
- ✓ Completely safe and won't harm baby's skin
- ✓ Awaiting patent



## UNIQUE RAPISOAK TECHNOLOGY



## Benefits

- ✓ Quickest drying time- Baby feels dry fastest
- ✓ Maximum fluid holding
- ✓ Easy clean
- ✓ Hygienic
- ✓ Available in 3 Different Sizes
  - Small- 3-8 kg
  - Medium- 7-12 kg
  - Large- 9-14 kg
- ✓ Eco-friendly and can be reused for many times
- ✓ "Pocket-friendly" - Affordable across all sections of society

**Already launched in Tamil Nadu – target to create Pan India Presence**

### Military & Tactical Gear



- **Military and Tactical Gear** : Makes most advanced military gear like Nuclear Biological Chemical Suits (NBC)
- **Extreme cold weather clothing** – Protection from 5 degree to minus 20 degree centigrade
- **Super high altitude Mountaineering clothing**
  - Among very few companies making specialised three layered suits
  - Protection in minus 50 degree centigrade
  - Specialised Bag packs for mountaineering

# Business Divisions...(4)

## Processing Division



## Coating Division



## Bag Division



- Unit started in year of 2012 at SIPOT, Perundurai, Erode
- Famous for Specialised, performance fabric processing, including high fastness, moisture wicking properties and for delicate fabrics

- 9 lakh meters material handling capacity per month
- **Wide range of applications**
  - Acrylic coated products, PU Coating, Art Canvas & Digital Canvas Products
- **Offers various range of finishes**
  - Fire retardant, water repellent, Soil & stain resistant, Anti-microbial, Anti-static, Rubber Finish, Oil resistant

- Bag ranging from School bags, exclusive girls range & professional range for camping & photography
- 100% Polyester and Nylon fabric, stitched with nylon bonded thread
- Photography range : Camera bags, Utility bags, Long Lens bags, Tripod bags, Storage Accessories, Messenger bags



# Key Strengths

## Continual focus on Innovation & New product development

- Strong capabilities backed by in-house manufacturing and R&D that enables developing innovative, new & better quality products

## Multi product range with wide range of applications

- Yarn, Combed, Carded and compact yarns/ Sub / Fancy yarns
- **Laminated Fabric** - Quick dry/Quick fit
- **Special garments** – Military and Tactical gear & Extreme cold weather clothing
- **Coated Fabric** - Canvas Rolls/ Canvas Boards/Stretched Canvas
- **Garments** - Home textile / Knitwear/outer wear
- **Bags**- Travel bags / Camera bags/ utility bags

## State of art infrastructure facilities

- Advanced Technology with State-of-the-art plant and machinery
- Substantial self-sufficiency in power needs through green power generation by windmill that reduces energy cost

## Integrated business operations & unique business model

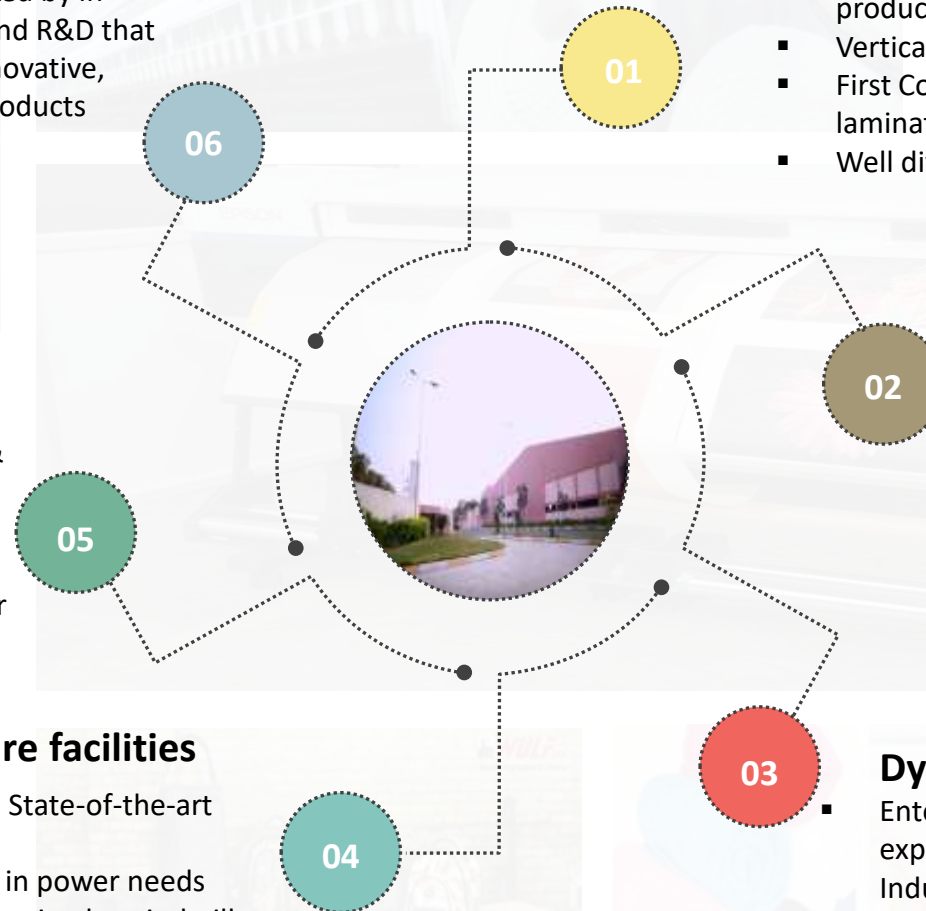
- Multifaceted Company with strong focus on value added products
- Vertically & Backward Integrated operations
- First Company to introduce Reactive Polyurethane lamination technology to India in 2005
- Well diversified across segments and products

## Strong Retail Brand with pan India presence – Quick Dry & Paw Paw

- “Inventor & Innovator” Market leader of Dry Sheets in India
- Launched one of its kind Reusable fabric diaper with unique Rapisoak Technology
- Wide distribution - 10,000+ retailers through 200+ distributors with 90 sales team on ground

## Dynamic experience leadership

- Enterprising management team with rich experience in Textile & Technical Textiles Industries
- Dedicated and skilled employee base



# State of Art Manufacturing Facilities



## Spinning Unit

Kodangipalayam Village  
Karadivavi Road, Paruvai Post  
Coimbatore District, Tamilnadu



## Processing Unit

Factory E-16, P-11 SIPCOT  
Industrial Growth Estate  
Perundurai, Erode 638 052  
Tamilnadu



## Lamination Unit

S.F. No. 371/5, Karadivavi Road  
Paruvai Post, Karanampet  
Palladam - 641 658



## Bag Unit

S.F. No. 371/5, Karadivavi  
Road Paruvai Post,  
Karanampet,  
Palladam 641 658



## Coating Unit

S.F. No. 371/5, Karadivavi Road  
Paruvai Post, Karanampet  
Palladam - 641 658



## Knitting Unit

Kodangipalayam Village  
Karadivavi Road, Paruvai Post  
Coimbatore District  
Tamilnadu



## Garment Division

S.F. No. 371/5, Karadivavi Road  
Paruvai Post,  
Karanampet,  
Palladam 641 658



## Windmills – Tamil Nadu

- Munduvelampatti Village
- Gudimangalam  
Athukinathupatti & Uthukuli  
Villages
- Vagatholubu Kongalnagaram

# Certifications





## Managing Director's Message



SHIVA TEXTYARN LIMITED

Welcome to Shiva Textyarn,  
An Integrated Textile Company

Corporate  
Backpacks

SHIVA TEXTYARNS LIMITED



SHIVA TEXTYARN LIMITED

www.shivatex.co.in

# Managing Director's Message



**Commenting on the results, Mr. S K Sundararaman, Managing Director, Shiva Texyarn Ltd. said :**

*“For the full year ended 31<sup>st</sup> March 2019, we have registered revenue of Rs.353.5 crore along with EBITDA and PAT of Rs. 41.9 crore and Rs. 6.4 crore, respectively. We expected this year’s financial performance to be lower as compared to the previous year on two counts – one was a conscious strategic shift from spinning to higher margin technical textile products that are based on unique technology and innovation and we expect to see the positive effect of this shift over the coming years. Secondly, in FY19, we executed a very small order of rucksacks for defence as compared to a large order of 30,000 specialized NBC suits and other tactical gear in FY18.*

*In line with our strategy, we have expanded our technical textiles product portfolio. In January 2019, we launched ‘Paw Paw’ – a reusable fabric diaper that is a first of its kind in India. This product is based on a unique technology & is CPSIA certified. It is not only environment friendly and sustainable but is also competitively priced which will enable us to reach out across all sections of our society. We have currently launched this product in the state of Tamil Nadu and over time, plan to expand to other states in South India. Our target is to have a pan India presence through a wide network of distributors and retailers. Our products in the QuickDry segment and the non flex banners business in coating division continue to show good traction and we expect all these to further boost our technical textiles portfolio.*

*We stand to benefit from strong opportunities in value added functional products, as we continue to focus on product diversification. Shiva Texyarn aims to strengthen its focus on technology-driven products to support strong, sustainable growth, while offering environment-friendly products.*

*I would like to thank the entire team of ‘SHIVA’ for their untiring efforts, hard work, sincerity and dedication. Also, I would like to thank our valued Shareholders, whose support and faith in our Company has given us the determination and ambition to set and achieve higher benchmarks.”*



# Financial Highlights



SHIVA TEXTYARN LIMITE

Welcome to Shiva Textyarn,  
An Integrated Textile Company

Corporate  
Backpacks

SHIVA TEXTYARNS LIMITED.

  
SHIVA TEXTYARN LIMITED

www.shivatex.co.in

# Quarterly Financial Highlights – Q4 FY19 (YoY)

Rs Cr	Q4 FY19	Q4 FY18	Y-o-Y %	Q3 FY19
<b>Total Income from operations</b>	<b>95.04</b>	<b>85.31</b>	<b>11.41%</b>	<b>78.67</b>
Raw Material Expenses	61.49	47.40		45.06
Employee Expenses	9.55	11.31		9.80
Other Expenses	14.57	16.98		14.05
<b>Total Expenditure</b>	<b>85.61</b>	<b>75.68</b>		<b>68.90</b>
<b>EBITDA (excluding other income)</b>	<b>9.43</b>	<b>9.63</b>	<b>(2.07%)</b>	<b>9.77</b>
<b>EBITDA Margin</b>	<b>9.92%</b>	<b>11.29%</b>	<b>(137 bps)</b>	<b>12.42%</b>
Other Income	0.49	0.69		0.27
Depreciation	2.96	3.51		3.49
Interest / Finance Cost	5.88	4.57		5.16
Exceptional Item (Gain) / Loss	0.00	0.00		0.00
<b>PBT</b>	<b>1.08</b>	<b>2.24</b>		<b>1.39</b>
Tax	(0.24)	1.02		0.33
<b>PAT</b>	<b>1.31</b>	<b>1.22</b>		<b>1.05</b>
Other Comprehensive Income	(0.30)	(0.18)		0.02
<b>Net Profit</b>	<b>1.01</b>	<b>1.04</b>	<b>(2.76%)</b>	<b>1.08</b>
<b>Net Profit Margin</b>	<b>1.06%</b>	<b>1.22%</b>	<b>(16 bps)</b>	<b>1.37%</b>
<b>Basic EPS in Rs.</b>	<b>1.01</b>	<b>0.94</b>	<b>7.45%</b>	<b>0.81</b>

- Growth in revenue, mainly on account of a one-time order from defence (for rucksack bags) and increase in sale of spinning yarn
- QuickDry products, newly launched Paw Paw (reusable fabric diaper) and non-flex banners continue to gain traction

# Annual Financial Highlights – FY19 (YoY)

Rs Cr	FY19	FY18	Y-o-Y %
<b>Total Income from operations</b>	<b>353.53</b>	<b>358.80</b>	<b>(1.47%)</b>
Raw Material Expenses	211.69	208.98	
Employee Expenses	41.82	41.20	
Other Expenses	58.13	63.82	
<b>Total Expenditure</b>	<b>311.64</b>	<b>314.00</b>	
<b>EBITDA (excluding other income)</b>	<b>41.89</b>	<b>44.80</b>	<b>(6.49%)</b>
<b>EBITDA Margin</b>	<b>11.85%</b>	<b>12.48%</b>	<b>(63 bps)</b>
Other Income	1.13	1.21	
Depreciation	13.36	13.44	
Interest / Finance Cost	21.65	19.28	
Exceptional Item (Gain) / Loss	0.00	1.36	
<b>PBT</b>	<b>8.00</b>	<b>14.65</b>	
Tax	1.30	3.32	
<b>PAT</b>	<b>6.70</b>	<b>11.32</b>	
Other Comprehensive Income	(0.31)	0.10	
<b>Net Profit</b>	<b>6.39</b>	<b>11.42</b>	<b>(44.03%)</b>
<b>Net Profit Margin</b>	<b>1.81%</b>	<b>3.18%</b>	<b>(137 bps)</b>
<b>Basic EPS in Rs.</b>	<b>5.17</b>	<b>8.74</b>	<b>(40.85%)</b>

- Slight decline in Revenue mainly on account of only one rucksack order from defence vis-à-vis larger order for NBC suits in previous year
- Total revenue – 70% from Spinning, 30% from Non-Spinning
- QuickDry products, newly launched Paw Paw (reusable fabric diaper) and non-flex banners continue to gain traction
- Board Recommends Final Dividend at Rs. 1.10 per Equity Share (face value of Rs. 10), subject to approval of shareholders



## Balance Sheet as on 31<sup>st</sup> March 2019

Rs. Cr	31 <sup>st</sup> Mar 19	31 <sup>st</sup> Mar 18
<b>Equity</b>	<b>112.00</b>	<b>108.10</b>
Equity Share Capital	12.96	12.96
Other Equity	99.03	95.14
<b>Non Current Liabilities</b>	<b>117.29</b>	<b>111.77</b>
<b>Financial Liabilities</b>		
Borrowings	77.56	72.21
Deferred Tax Liabilities (Net)	39.13	39.46
Provisions	0.59	0.09
<b>Current Liabilities</b>	<b>154.20</b>	<b>140.84</b>
<b>Financial Liabilities</b>		
Borrowings	97.46	81.62
Trade Payables: Total o/s dues of micro & small enterprises	0.37	0.0
Trade Payables: Total o/s dues of creditors other than above	28.38	27.21
Other Financial Liabilities	26.18	29.54
Other Current Liabilities	1.81	1.80
Provisions	0.00	0.67
<b>Total Equities &amp; Liabilities</b>	<b>383.48</b>	<b>360.72</b>

Rs. Cr	31 <sup>st</sup> Mar 19	31 <sup>st</sup> Mar 18
<b>Non-current Assets</b>	<b>230.29</b>	<b>235.31</b>
Property, Plant & Equipment	200.54	208.67
Intangible Assets	0.68	0.36
Capital work-in-progress	0.00	0.00
Intangible asset under development	3.36	1.27
Investment Property	0.03	0.03
<b>Financial Assets</b>		
Investments	0.66	0.69
Loans	0.00	0.00
Other Non-Current Assets	25.03	24.29
<b>Current Assets</b>	<b>153.19</b>	<b>125.41</b>
Inventories	80.43	66.75
<b>Financial Assets</b>		
Trade Receivables	49.94	40.84
Cash & Cash Equivalent	11.78	8.86
Loans	1.10	1.02
Other financial assets	1.60	1.93
Other Current Assets	8.35	6.00
<b>Total Assets</b>	<b>383.48</b>	<b>360.72</b>



**Way Ahead**



India's No-1 & Most Trusted  
**Quick Dry<sup>®</sup>**  
Baby Bed Protector



# Way Ahead



01

## Quick Dry - Expand Distribution & Consolidate market leadership in Dry sheets

- Target - 'Quick Dry' to be largest baby products provider in India
- Increase distribution network pan India – plans to reach 30,000+ retailers through 400+ distributors
- Increase wallet share of existing customers and add new customers - enhancing product offerings through innovation and technology

02

## Increase in Paw-Paw diaper business

- Optimize on existing distribution channel and increase in online-offline network to have pan-India reach
- Continued focus on Innovation to make it more user-friendly and comfortable for babies

03

## Increase in Military & Tactical Gear business

- Add new & innovative products and increase product offerings in Defence segment, through innovation combined with integrated facilities & strong R&D capabilities

**Thank You**



**For further information, please contact:**

**Company :**

Shiva Texyarn Ltd.

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