

K.P.R. MILL LIMITED

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

31.07.2019

The Listing Department
Bombay Stock Exchange Ltd.
1st Floor, Rotunda Buildings,
Phiroze Jeejeebhoy Towers,
Mumbai-4 0 0 001.

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

SCRIP CODE: 532889

SYMBOL: KPRMILL

Dear Sir,

Sub: Investor Presentation for the quarter ended 30.06.2019 – Q1 FY 2019-20

Pursuant to Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed herewith Investor Presentation for the quarter ended 30.06.2019

This is 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 Q1 FY20



Safe Harbor



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Manufacturing Facilities

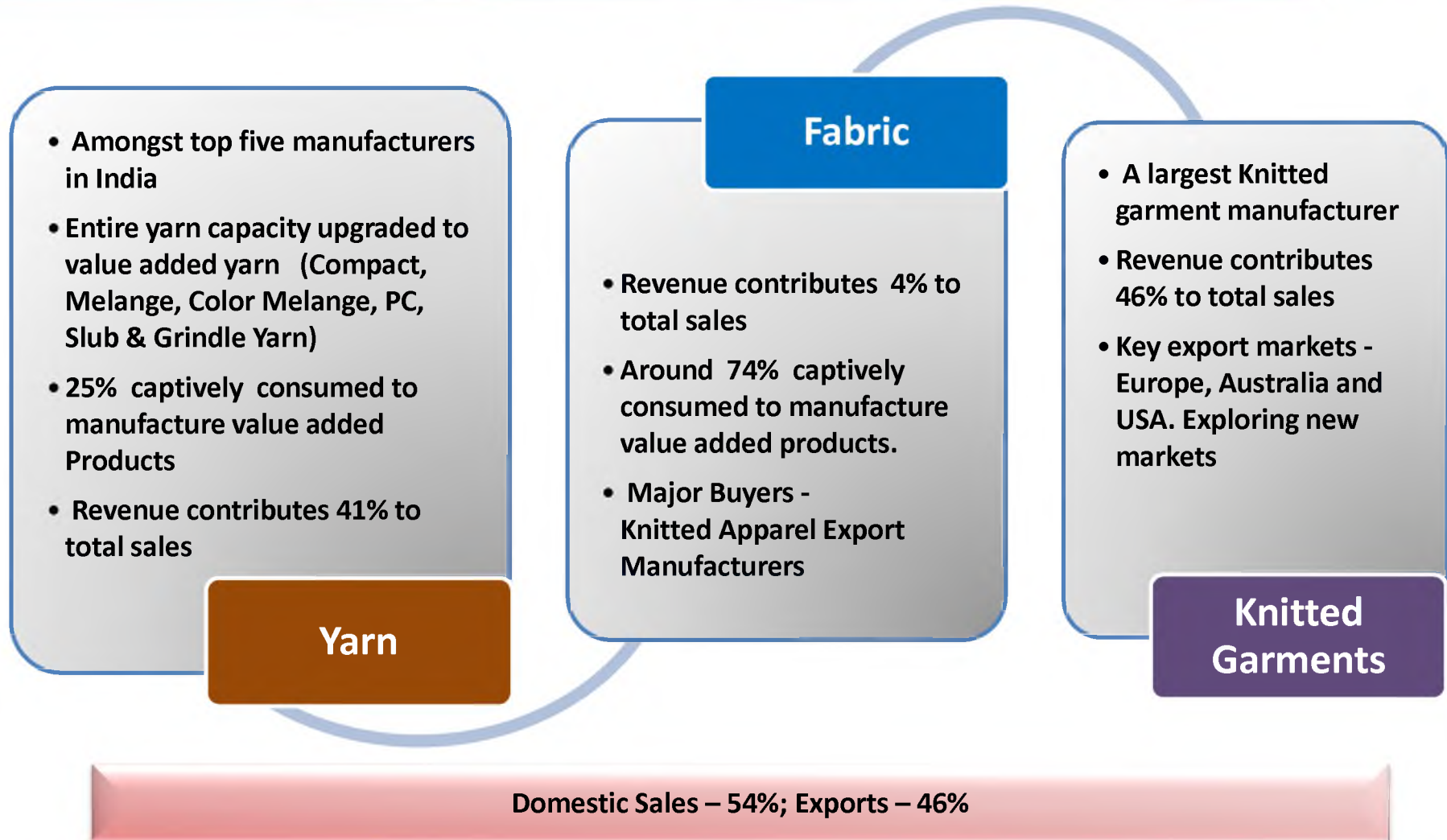


An Overview



- 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 1,500 regular domestic clients for yarn and fabric and around 55 leading international brands for garments
- Trendsetting welfare policies including higher education facilities 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
- With 105 million Knitted Garments capacity , KPR has become one of the largest Apparel Manufacturers in India.
- Eco-friendly Processing ‘unit 2’ and sophisticated high resolution printing division commenced its operations.
- Garment plant in Ethiopia – Ramping up in progress as per plan
- Ventured into Retail segment by launching premium Men’s innerwear under the brand ‘FASO’ in Tamilnadu.

Presence across the textile value chain



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 Wind 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 1500 Customers for yarn & fabric
- Around 55 Top International Brands
- A few more large customers from existing / new markets on pipe line

Growth Initiatives

- Converted conventional yarn capacity to value added yarn, carrying premium prices
- Expanded garment capacity to 105 million garments per annum – Making KPR a largest Knitted garment manufacturer in India.
- Eco-friendly Processing 'Unit 2' and sophisticated high resolution printing division commenced its operations.
- Garment plant in Ethiopia – Ramping up in progress as per plan.
- Ventured into Retail segment by launching premium Men's innerwear under brand '**FASO**' in Tamilnadu.

KPR is well Poised to capture the

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



COMPANY SPECIFIC GROWTH DRIVERS

- Consistent Modernization & Capacity Expansion – enhanced realization
- Value Added Yarn - Compact, Melange, PC, Colour Melange, Slub & Grindle Yarn– Volume Driven Growth
- A largest Knitted garment manufacturer with 95 mn capacity
- Eco-friendly Processing ‘unit 2’ and sophisticated high resolution printing division commenced its operations
- 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
- Garment plant in Ethiopia – Ramping up in progress as per plan
- Ventured into Retail segment by launching premium Men’s innerwear under the brand ‘FASO’ in Tamilnadu.

Evolution

- ❖ 1984 – Maiden business at Coimbatore, India
- ❖ 1989 – Knitted garment export at Tirupur.
- ❖ 1995 – First spinning unit at Sathyamangalam with 6,000 spindles. Increased to 30,240 spindles by 1999

1984-1999

- ❖ 2001 – Spinning mill at Karumathampatti with 30,240 spindles; Knitting facility & Wind mill for captive use
- ❖ 2003 – Spinning unit at Neelambur with 50,784 spindles; Knitting facility & Wind mill
- ❖ 2005 – At Arasur 1,00,800 spindles; Knitting facility, Garment Unit and Wind Mills

2000-2005

- ❖ 2006 – Private Equity participation by leading US Corporate 'Brandot Investments' & Two others - \$ 25 Mn
- ❖ 2007 – IPO at a premium. Shares Listed at Bombay & National Stock Exchanges, India
- ❖ 2008 – Fabric Processing Unit at SIPCOT, Perundurai 9,000 MT per annum with trendsetter Effluent Treatment Plant

2006-2009

Evolution Contd...

- ❖ 2010 – Exclusive value added **Compact** Spinning unit of 1,03,680 spindles at Karumathampatti & Wind Mills

- ❖ 2011 – Modernization & expansion of 21,216 spindles at Sathyamangalam

2010-11

- ❖ 2012 – Another Value added product **Melange** yarn. 16,608 spindles at Karumathampatti.

- ❖ 2013 - Co-gen cum Sugar Plant at Karnataka - 30 MW & 5000 TCD capacity

2012-13

- ❖ 2014 - Expanded Garment capacity at Arasur by 10 Mn garments,

- ❖ 2015 - New green field Garment capacity at Thekkalur with 12 Mn garments

2014-15

Evolution Contd...

- ❖ 2016 – Established New green field garment facility of 36 Mn garments.
- ❖ 2017 Established new Eco-friendly Processing capacity with Advanced Technology - 9000 MT. Established Sophisticated high resolution printing division – 7500 MT

2016-17

- ❖ 2018 – Established 10 Million Garment Manufacturing unit at Mekelle, Ethiopia.
- ❖ 2019 – Increased Processing capacity by 4000 MT
- ❖ 2019 – Brown field garment expansion by 10 Mn Garments

2018-19

- ❖ 2019 – Setting up 90 KLPD Ethanol Plant with an estimated Cost of Rs.120 Crores
- ❖ 2019 – Ventured into Retail segment launching Premium Men's innerwear '**FASO**'

2019-20

Key Highlights of Q1 FY 2020



- Garments Production up by 22.02% YoY to 26.93 Mn Garments as against 22.07 Mn Garments
- Q1 FY20 Revenue at 909.39 Crores
- EBITDA up by 15.20% YoY to ₹ 184.58 Crores as against ₹ 160.22 Crores
- PBT up by 21.38% YoY to ₹ 137.39 Crores as against ₹ 113.19 Crores
- PAT up by 13.49% YoY to ₹ 92.23 Crores as against ₹ 81.27 Crores



Consolidated P&L

₹ Crore	Q1 FY20	Q1 FY19	YoY %	Q4 FY19	QoQ %
Revenue	909	910	-0.1%	958	-5.1%
Raw Material	526	576		585	
Employee Expenses	106	89		96	
Other Expenses	93	85		110	
EBITDA	184	160	15.0%	167	10.2%
EBITDA Margin	20.2%	17.6%		17.4%	
Interest & Finance Charges	14	15		14	
Depreciation	33	32		32	
PBT	137	113	21.2%	121	13.2%
Tax	45	32		35	
PAT	92	81	13.6%	86	7.0%
PAT Margin	10.1%	8.9%		9.0%	

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

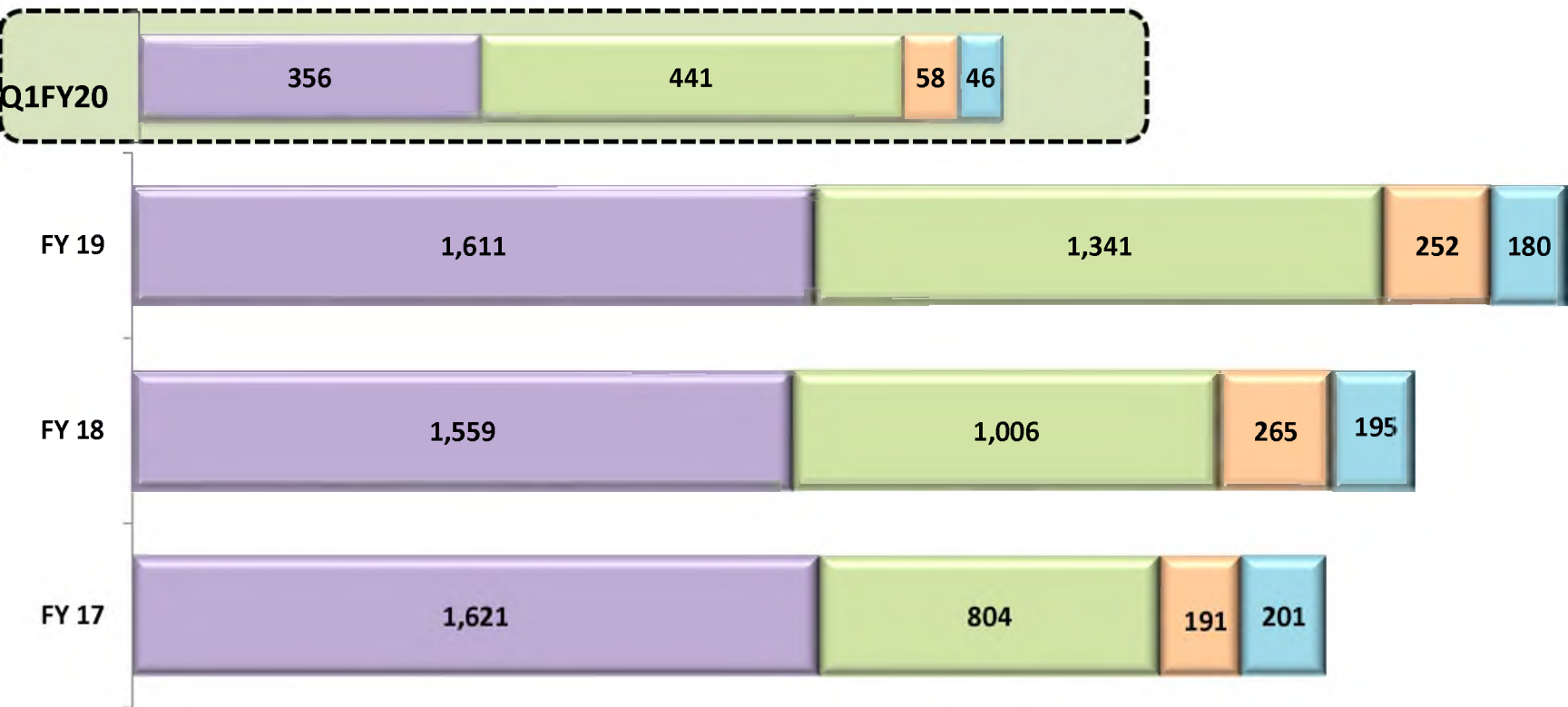
Investments in Co-Gen Power Project 30 MW

- 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

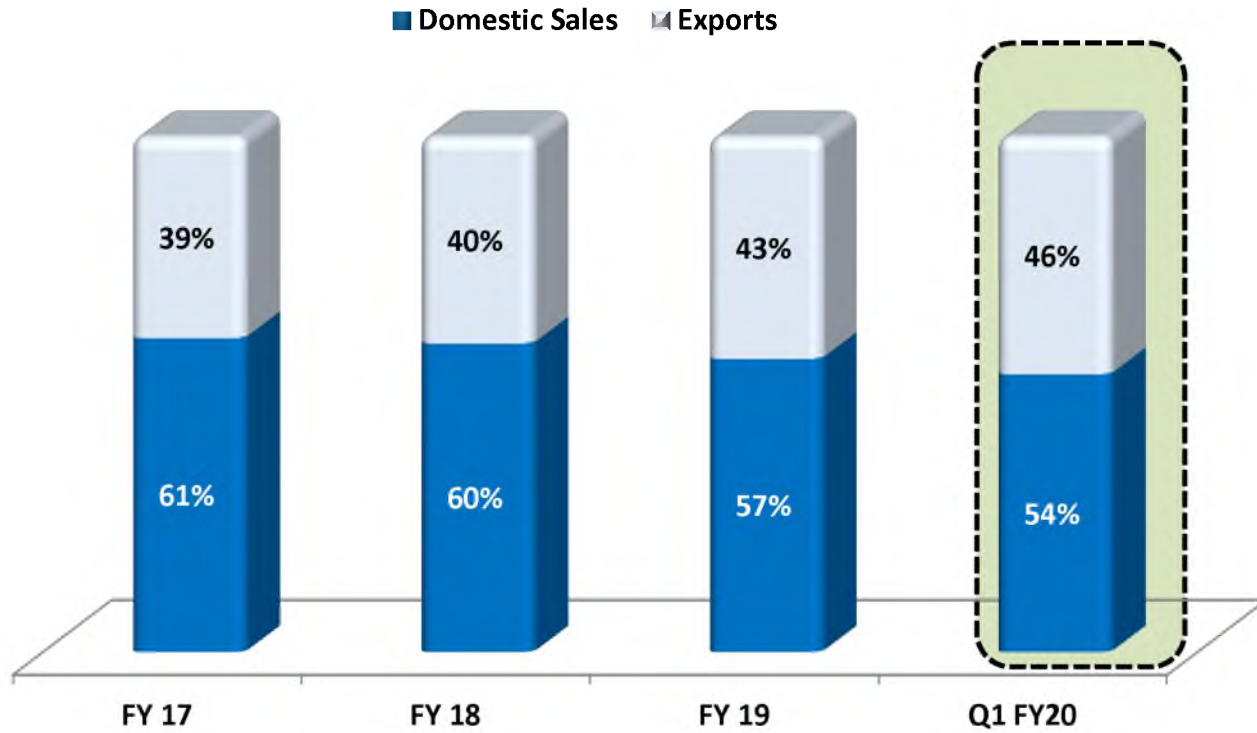
Segment Wise Revenue contribution

■ Yarn & Fabric
 ■ Garments
 ■ Sugar
 ■ Others

₹ in Crore

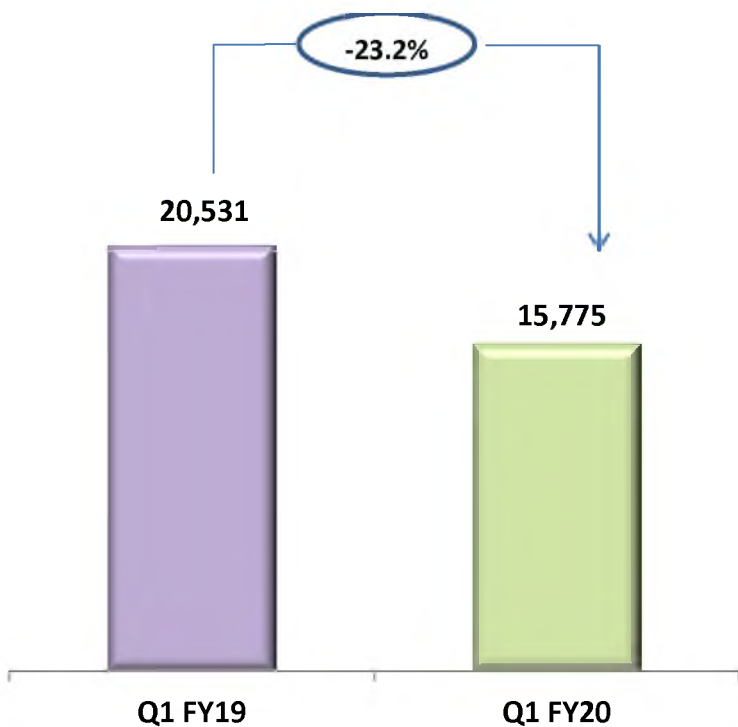


Geographical Split



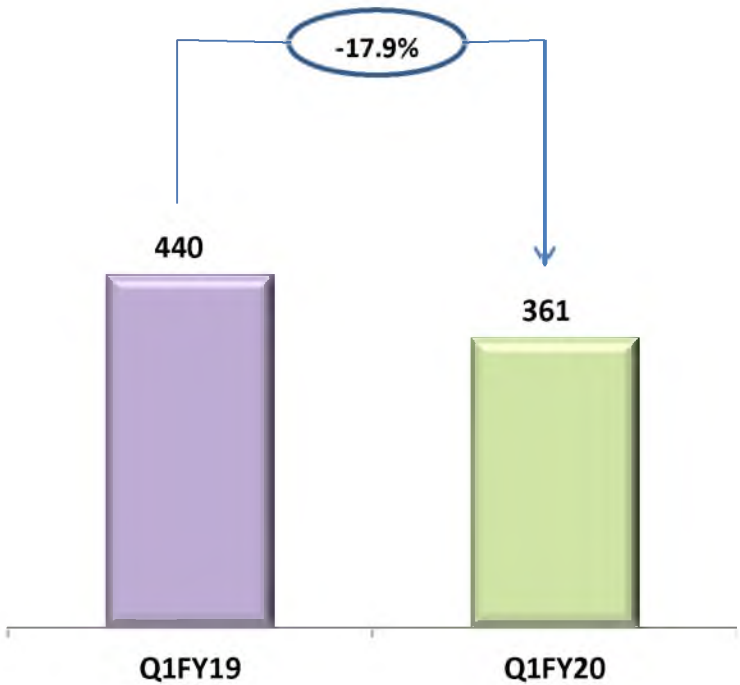
Yarn & Fabric

Yarn & Fabric Sales [MT]



Note : Captive consumption of Yarn

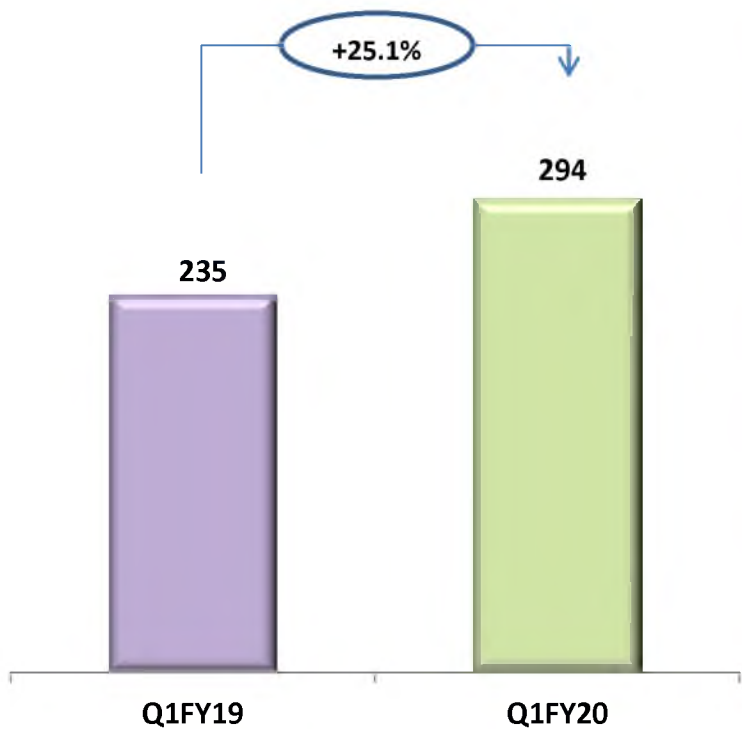
Yarn & Fabric Sales [₹ Crore]



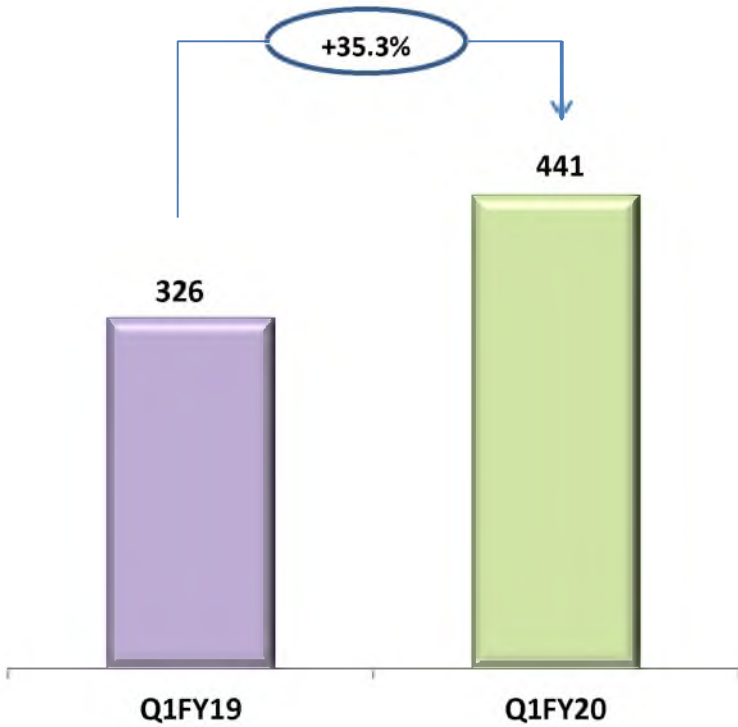
& Fabric increased for Q1FY20

Garments

Garment Sales [No. of Garments in Lacs]

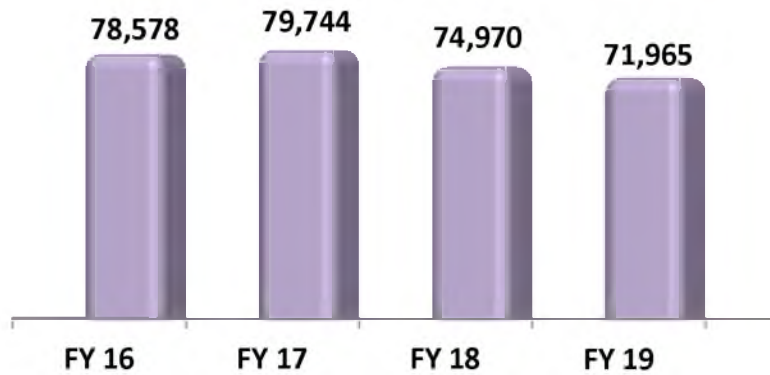


Garment Sales [₹ Crore]

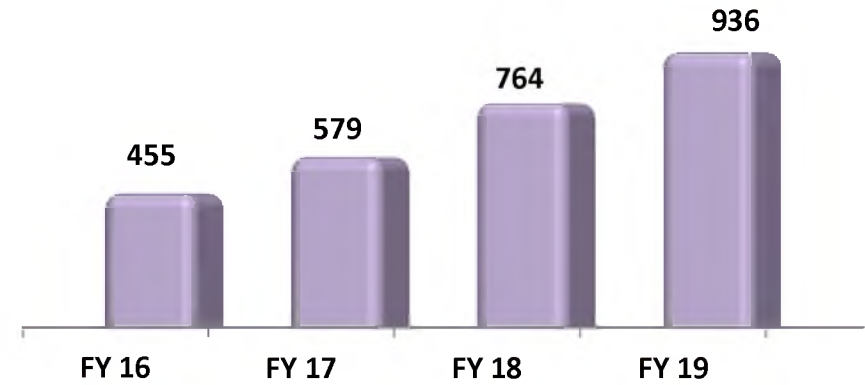


Historical Performance

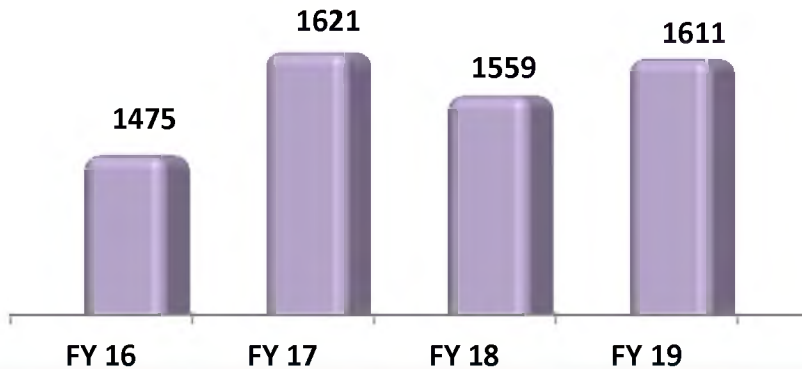
Yarn & Fabric Sales [MT]



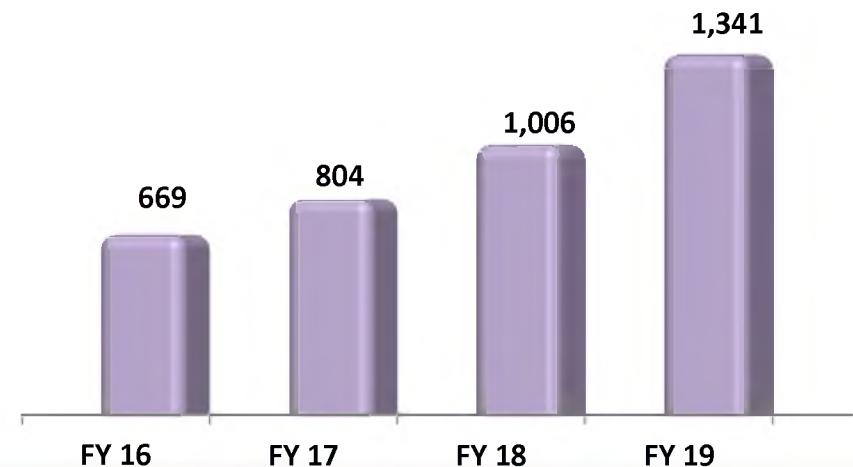
Garment Sales [No. of Garments in Lacs]




Yarn & Fabric Sales [₹ Crore]



Garment Sales [₹ Crore]



Note : Captive consumption of Yarn & Fabric increased for FY 2019



For further information, please contact:

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CIN - L17111TZ2003PLC010518

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