13.08.2020

The Listing Department
Bombay Stock Exchange Ltd
1st Floor, Rotunda Buildings,
PhirozeJeejeebhoy 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.

SCRIP CODE: 532889

SYMBOL: KPRMILL

Dear Sir,

Sub: Investor Presentation for the Quarter ended 30.06.2020
Ref: Disclosure of Material Events

Pursuant to Regulation 30(6) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 the investor presentation for the Quarter ended 30\textsuperscript{th} June, 2020 is uploaded in our Company website www.kprmilllimited.com and being filed with the exchanges.

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 FY2021
Safe Harbor

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WHY ‘FASO’ (Specialities)

- 100% Organic Cotton • Super fine combed compact yarn
- Knitting by global standard “Mayer & Cie” machines
- Processing through hi-tech eco-friendly cold processing technology
- Garments
  - World’s best advanced technology Sewing Machines
  - With Super soft micro nylon elastics – By highly skilled & dedicated work force
  - In centralised Air-Conditioned Facilities.
- Stringent Quality control at every stages of production • Above all, the vertical integration reaps the benefits of own supply chain These key factors ensure ultra-soft comfort and skin friendly ‘FASO’ Products
Manufacturing Facilities

**Tamil Nadu**
- Sathyamangalam: Spinning
- Karumathampatti: Spinning, Compact, P.C, Melange, Color Melange, and Knitting
- Neelambur: Spinning, Knitting and Vortex-Viscose yarn
- Arasur: Spinning, Knitting & Garmenting
- Tirupur: Garmenting
- Thekkalur: Garmenting
- Perundurai: Processing & Fabric Printing
- Tirunelveli, Tenkasi, Theni & Coimbatore: Windmills
- Mekelle, Ethiopia: Garmenting
- Bijapur, Karnataka: Co-gen cum Sugar and Ethanol

**Processing & Fabric Printing**
- Yarn: 1,00,000 MT
- Viscose Yarn: 4,000 MT
- Fabric: 40,000 MT
- Garments: 115 million Garments
- Processing: 22,000 MT
- Fabric Printing: 7500 MT
- Windmills: 61.92 MW
- Co-gen & Sugar: 40 MW & 5,000 TCD 130 KLPD
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 more than 1,000 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 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. In addition, 10 million Knitted garment Capacity at Ethiopia.
- Eco-friendly Processing facility and sophisticated high resolution printing facility
- Retail segment - ‘FASO’ - 100% Organic Cotton Men’s innerwear Sportswear and Athleisure
- To enlarge export activities established a Company at Singapore
Presence across the textile value Chain

**Yarn**
- One of the largest yarn manufacturers in India
- Entire yarn capacity upgraded to value added yarn (Compact, Melange, Color Melange, PC, Slub, Grindle & Vortex yarn)
- 27% captively consumed to manufacture value added products
- Revenue contributes 28% to total sales

**Fabric**
- Revenue contributes 7% to total sales
- Around 55% captively consumed to manufacture value added products.
- Major Buyers - Knitted Apparel Export Manufacturers

**Knitted Garments**
- A largest Knitted garment manufacturer
- Revenue contributes 43% to total sales
- Exporting to over 60 Countries
- Key export markets - Europe, Australia & USA.
- Retail segment: ‘FASO’ – 100% Organic Cotton Men’s wear

Domestic Sales – 65%; Exports – 35%
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, the 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 & 40 MW Co-Gen
- Green power availability throughout the year

Scale of Economy

- Low power cost through captive green power
- Minimal finance cost through prudent 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

• More than 1,000 Customers for yarn & fabric
• Around 55 Top International Brands
• Exporting to over 60 Countries

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. In addition 10 million knitted garment capacity at Ethiopia
• Eco-friendly Processing facility and sophisticated high resolution printing facility
• Company at Singapore-To enlarge Export business
• Retail segment - ‘FASO’ - 100% Organic Cotton Men’s innerwear, Sportswear and Athleisure
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
- Enhanced realization
- Value Added Yarn - Compact, Melange, PC, Colour Melange, Slub & Grindle Yarn – Volume Driven Growth

**COMPANY SPECIFIC GROWTH DRIVERS**

- Consistent Modernization & Capacity Expansion – A largest Knitted garment manufacturer with 115 mn garment capacity.
- Eco-friendly Processing facility and sophisticated high resolution printing facility.
- 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 factory in Ethiopia
- Company at Singapore-To enlarge Export business
- Retail segment - ‘FASO’ 100% organic Cotton Men’s wear.
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

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 of 26 Million garments and Wind Mills

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

1984-1999
2000-2005
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
- **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
- **2014** – Expanded Garment capacity at Arasur by 10 Mn garments,
- **2015** – New green field Garment capacity at Thekkalur with 12 Mn garments

**2010-11**

**2012-13**

**2014-15**
2016 – Established New green field garment facility of 36 Mn garments at Thekkalur Plant III.

2017 Established new Eco-friendly Processing capacity with Advanced Technology - 9000 MT. Established Sophisticated high resolution printing division – 7500 MT

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
2019 – Set up 130 KLPD Ethanol Plant along with 10 MW Co-gen power

2019 – Retail segment: ‘FASO’ 100% Organic Cotton Men’s wear

2019 – To enlarge export activities in Asia, established a Wholly owned Subsidiary Company at Singapore

2020 – Knitting facility of 13000 MT at Karumathampatti

2020 – Vortex Viscose Yarn capacity of 4000 MT at Neelambur
## Consolidated P&L

<table>
<thead>
<tr>
<th><code>Crore</code></th>
<th>Q1 FY21</th>
<th>Q1FY20</th>
<th>FY2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenue</td>
<td>547</td>
<td>909</td>
<td>3387</td>
</tr>
<tr>
<td>Raw Material</td>
<td>287</td>
<td>526</td>
<td>1987</td>
</tr>
<tr>
<td>Employee Expenses</td>
<td>76</td>
<td>106</td>
<td>394</td>
</tr>
<tr>
<td>Other Expenses</td>
<td>57</td>
<td>93</td>
<td>347</td>
</tr>
<tr>
<td><strong>EBITDA</strong></td>
<td><strong>127</strong></td>
<td><strong>184</strong></td>
<td><strong>659</strong></td>
</tr>
<tr>
<td>EBITDA Margin</td>
<td>23.2%</td>
<td>20.2%</td>
<td>19.5%</td>
</tr>
<tr>
<td>Interest &amp; Finance Charges</td>
<td>9</td>
<td>14</td>
<td>50</td>
</tr>
<tr>
<td>Depreciation</td>
<td>39</td>
<td>33</td>
<td>137</td>
</tr>
<tr>
<td>PBT</td>
<td>79</td>
<td>137</td>
<td>472</td>
</tr>
<tr>
<td>Tax</td>
<td>19</td>
<td>45</td>
<td>95</td>
</tr>
<tr>
<td><strong>PAT</strong></td>
<td><strong>60</strong></td>
<td><strong>92</strong></td>
<td><strong>377</strong></td>
</tr>
<tr>
<td>PAT Margin</td>
<td><strong>11.0%</strong></td>
<td><strong>10.1%</strong></td>
<td><strong>11.1%</strong></td>
</tr>
</tbody>
</table>
### 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 40 MW

- Invested in 40 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

- **Q1 FY21**
  - Yarn & Fabric: 170
  - Garments: 236
  - Sugar: 114
  - Others: 21

- **FY 20**
  - Yarn & Fabric: 1,416
  - Garments: 1,413
  - Sugar: 341
  - Others: 183

- **FY 19**
  - Yarn & Fabric: 1,611
  - Garments: 1,341
  - Sugar: 252
  - Others: 180

- **FY 18**
  - Yarn & Fabric: 1,559
  - Garments: 1,006
  - Sugar: 265
  - Others: 195

₹ in Crore
Geographical Split

<table>
<thead>
<tr>
<th>Year</th>
<th>Domestic Sales</th>
<th>Exports</th>
</tr>
</thead>
<tbody>
<tr>
<td>FY 18</td>
<td>40%</td>
<td>60%</td>
</tr>
<tr>
<td>FY 19</td>
<td>43%</td>
<td>57%</td>
</tr>
<tr>
<td>FY 20</td>
<td>42%</td>
<td>58%</td>
</tr>
<tr>
<td>Q1FY21</td>
<td></td>
<td>35%</td>
</tr>
</tbody>
</table>

Domestic Sales and Exports percentages for FY 18 to Q1FY21.
<table>
<thead>
<tr>
<th>FY 17</th>
<th>FY 18</th>
<th>FY 19</th>
<th>FY 20</th>
</tr>
</thead>
<tbody>
<tr>
<td>79,744</td>
<td>74,970</td>
<td>71,965</td>
<td>66,526</td>
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</table>

Yarn & Fabric Sales [MT]

<table>
<thead>
<tr>
<th>FY 17</th>
<th>FY 18</th>
<th>FY 19</th>
<th>FY 20</th>
</tr>
</thead>
<tbody>
<tr>
<td>1621</td>
<td>1559</td>
<td>1611</td>
<td>1416</td>
</tr>
</tbody>
</table>

Yarn & Fabric Sales [` Crore]

<table>
<thead>
<tr>
<th>FY 17</th>
<th>FY 18</th>
<th>FY 19</th>
<th>FY 20</th>
</tr>
</thead>
<tbody>
<tr>
<td>579</td>
<td>764</td>
<td>936</td>
<td>980</td>
</tr>
</tbody>
</table>

Garment Sales [No. of Garments in Lacs]

<table>
<thead>
<tr>
<th>FY 17</th>
<th>FY 18</th>
<th>FY 19</th>
<th>FY 20</th>
</tr>
</thead>
<tbody>
<tr>
<td>804</td>
<td>1,006</td>
<td>1,341</td>
<td>1,413</td>
</tr>
</tbody>
</table>

Garment Sales [` Crore]

Note: Captive consumption of Yarn & Fabric increased in FY 2020
### Profit distributed to Share Holders

<table>
<thead>
<tr>
<th>Particulars</th>
<th>FY 17</th>
<th>FY 18</th>
<th>FY19</th>
<th>FY20</th>
<th>Q1FY21</th>
</tr>
</thead>
<tbody>
<tr>
<td>Profit After Tax - `Crores</td>
<td>286.82</td>
<td>290.38</td>
<td>334.87</td>
<td>376.68</td>
<td>60.30</td>
</tr>
<tr>
<td>- Buyback - `Crores</td>
<td>97.02</td>
<td>108.13</td>
<td>263.31</td>
<td>--</td>
<td>--</td>
</tr>
<tr>
<td>- Dividend - `Crores</td>
<td>6.67</td>
<td>6.54</td>
<td>6.54</td>
<td>36.27</td>
<td>--</td>
</tr>
<tr>
<td>- Dividend %</td>
<td>15</td>
<td>15</td>
<td>15</td>
<td>90</td>
<td>--</td>
</tr>
</tbody>
</table>

For further information, please contact:

**Company:**
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CIN - L17111TZ2003PLC010518
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www.kprmilllimited.com