

# K.P.R. MILL LIMITED

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

05.02.2021

The Listing Department  
Bombay Stock Exchange Ltd  
1st Floor, Rotunda Buildings,  
Phiroze Jeejeebhoy 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 31.12.2020

**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 31<sup>st</sup> December, 2020 is uploaded in our Company website [www.kprmilllimited.com](http://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 Q3 FY21



# Safe Harbor



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# Manufacturing Facilities

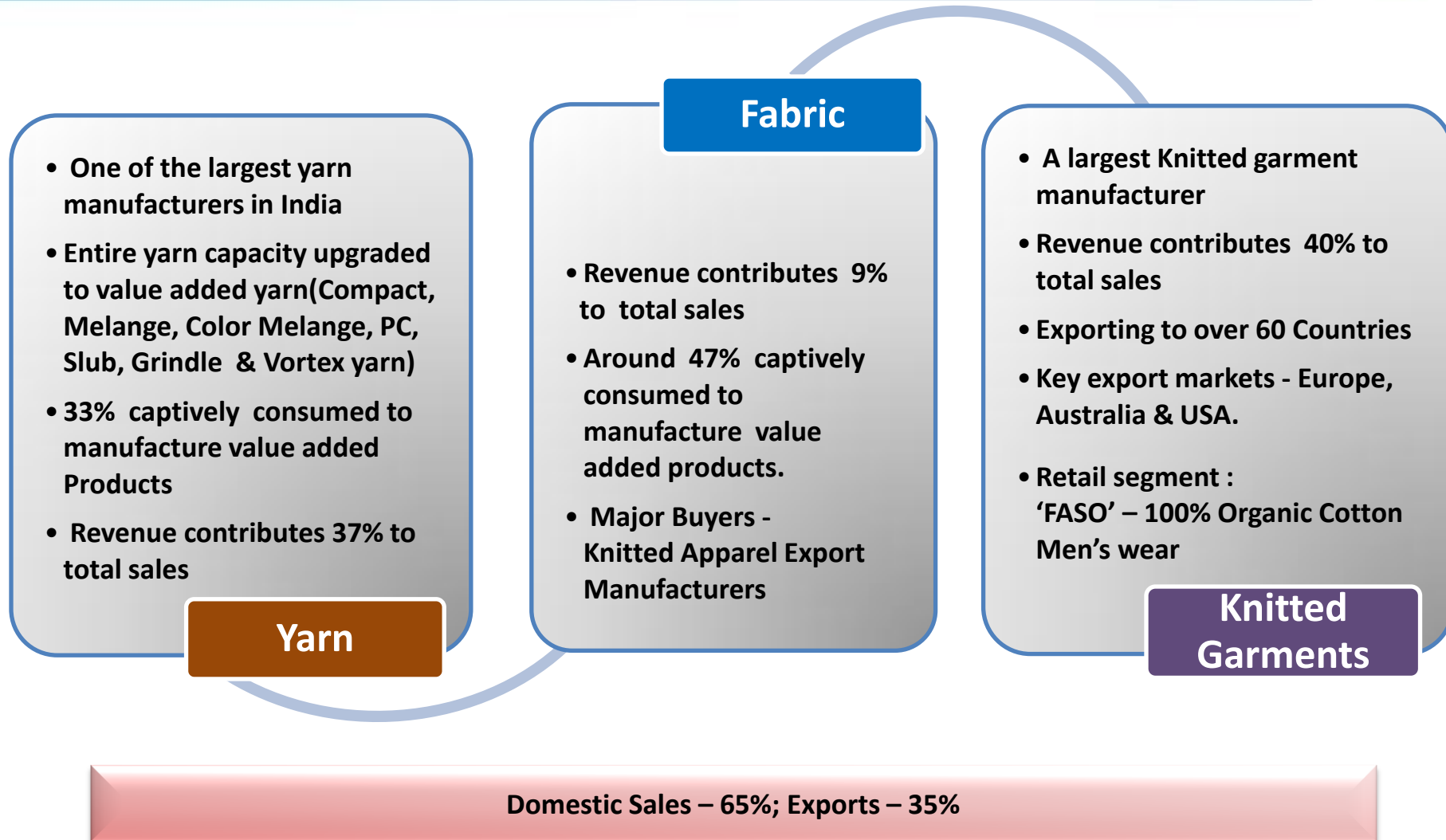


# An Overview



- 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 more than 1,200 regular domestic clients for yarn and fabric and around 60 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. New Garment facility with 42 Million knitted garments per annum is planned
- 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



# 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
- During Covid-19, KPR employees stayed back acknowledging KPR's parental care, though the industry faced return of migrant employees to home town

### Strong client base

- More than 1,200 Customers for yarn & fabric
- Around 60 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. New garment facility with 42 million knitted garments per annum is planned
- 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



# Key Growth drivers of Indian Textile Industry

## 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 115 mn garment capacity. New garment facility with 42 mn garments per annum is planned
- 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

**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 of 26 Million garments 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 at Thekkalur Plant III

❖ 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 in existing facilities

**2018-19**



## Evolution Contd...

- ❖ 2019 – Set up 130 KLPD Ethanol Plant along with 10 MW Co-gen power
- ❖ 2019 –Retail segment : ‘FASO’ 100% Organic Cotton Men’s inner wear Sports wear and Athleisure
- ❖ 2019 - To enlarge export activities in Asia, established a Wholly owned Subsidiary Company at Singapore

2019

- ❖ 2020 – Knitting facility of 13000 MT at karumathampatti
- ❖ 2020 – Vortex Viscose Yarn capacity of 4000 MT at Neelambur

2020

# Key Highlights of Q3 FY 2021

- Q3 FY21 Garments Production up by 21.92% YoY to 27.87 Mn Garments as against 22.86 Mn Garments
- Q3 FY21 Revenue up by 20.78% YoY to 940.53 Crores from 778.74 Crores
- Q3 FY21 EBITDA up by 79.02% YoY to ₹ 262.16 Crores as against ₹ 146.44 Crores
- Q3 FY21 PBT up by 116.74% YoY to ₹ 218.21 Crores as against ₹ 100.68 Crores
- Q3 FY21 PAT up by 65.53% YoY to ₹ 156.26 Crores as against ₹ 94.40 Crores



# Consolidated P&L



₹ Crore	Q3 FY21	Q3FY20	YoY %	FY2020	
<b>Revenue</b>	<b>940.53</b>	<b>778.74</b>	<b>20.8%</b>	<b>3389.09</b>	
Raw Material	466.05	440.33		1987.19	
Employee Expenses	111.28	103.93		394.40	
Other Expenses	101.04	88.04		349.09	
<b>EBITDA</b>	<b>262.16</b>	<b>146.44</b>	<b>79.02%</b>	<b>658.41</b>	
EBITDA Margin	27.9%	18.8%		19.4%	
Interest & Finance Charges	7.52	11.70		49.65	
Depreciation	36.43	34.06		137.09	
PBT	218.21	100.68		471.67	
Tax	61.95	6.28		94.99	
<b>PAT</b>	<b>156.26</b>	<b>94.40</b>	<b>65.5%</b>	<b>376.68</b>	
PAT Margin	16.6%	12.1%		11.1%	

# Self sufficiency in Power with 102 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 40 MW

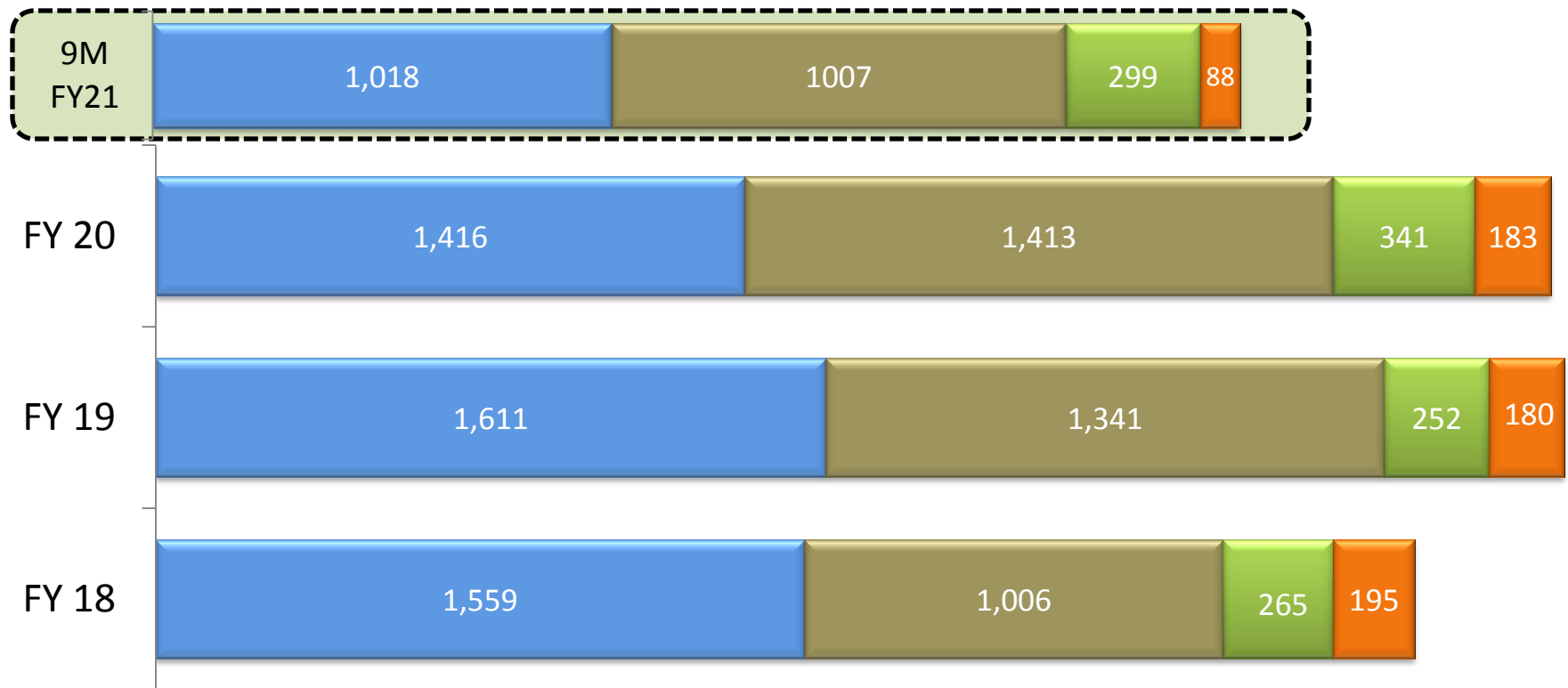
- Invested in 40 MW Co-Gen Power Project
- With Co-gen Power, KPR attained self sufficiency in meeting its substantial power requirement throughout the year



# Segment Wise Revenue contribution

■ Yarn & Fabric 
 ■ Garments 
 ■ Sugar 
 ■ Others

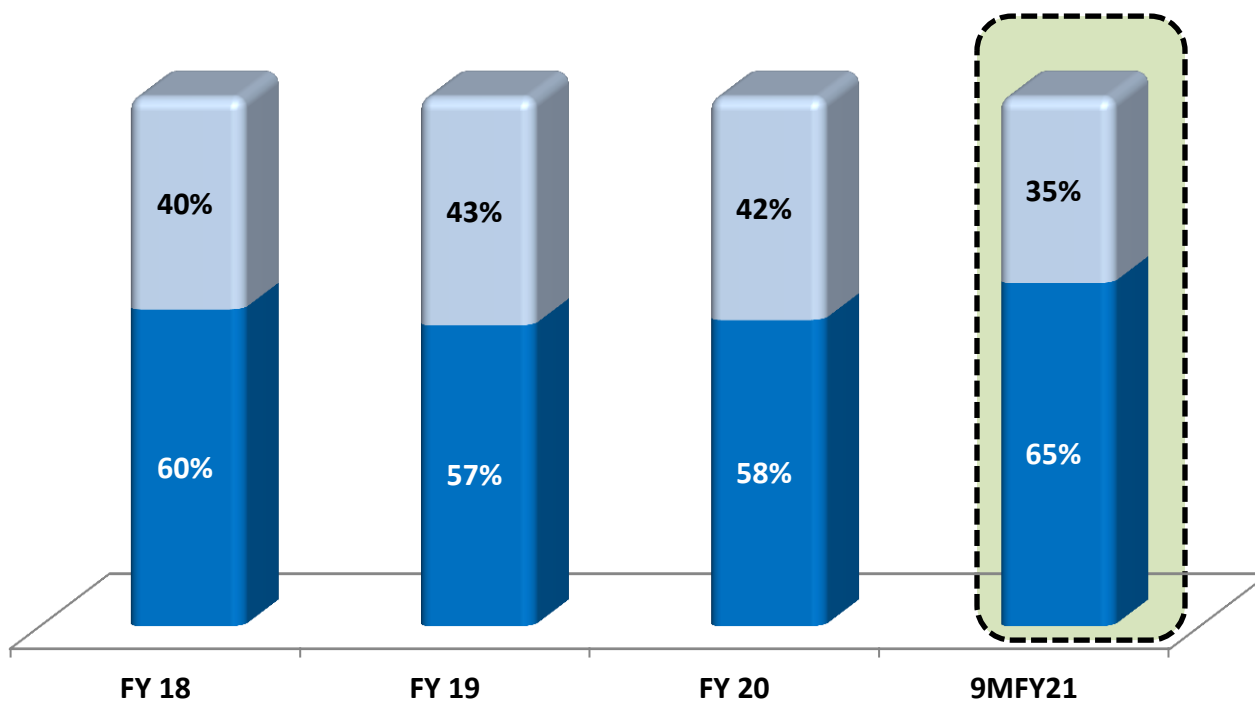
₹ in Crore



# Geographical Split

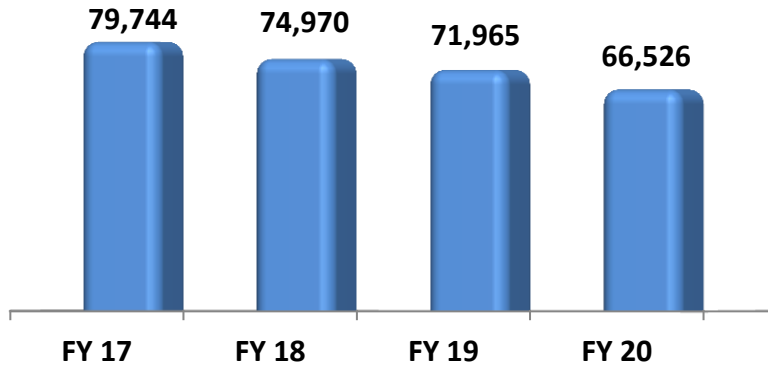


■ Domestic Sales    ■ Exports

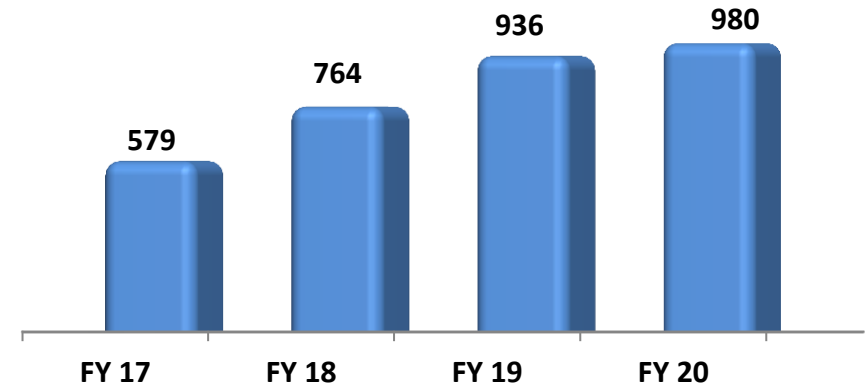


# Historical Performance

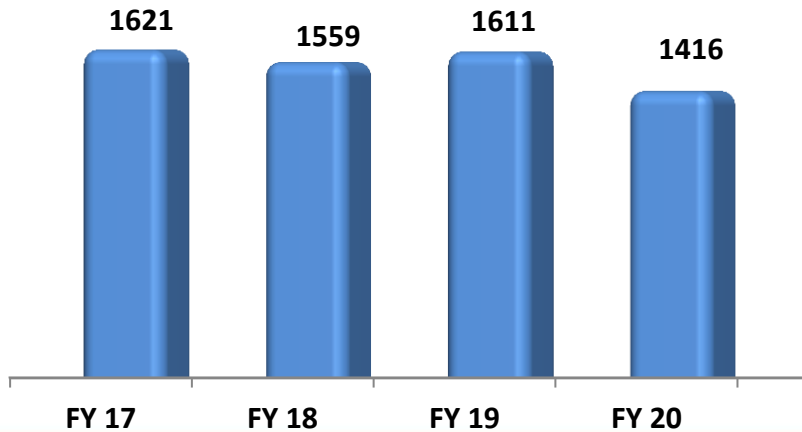
**Yarn & Fabric Sales [MT]**



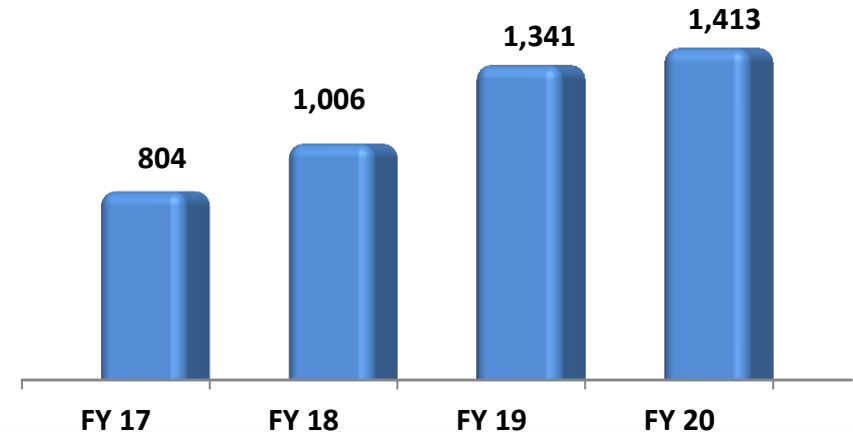
**Garment Sales [No. of Garments in Lacs]**



**Yarn & Fabric Sales [₹ Crore]**



**Garment Sales [₹ Crore]**



Note : Captive consumption of Yarn & Fabric increased in FY 2020

## Profit distributed to Share Holders



Particulars	FY 17	FY 18	FY19	FY20	9MFY21
Profit After Tax - ₹ Crores	286.82	290.38	334.87	376.68	329.10
- Buyback - ₹ Crores	97.02	108.13	263.31	--	--
- Dividend - ₹ Crores	6.67	6.54	6.54	36.27	25.80
- Dividend %	15	15	15	90	* 75

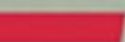
\* Interim Dividend declared on 03.02.2021



 **FASO**<sup>™</sup>  
ITALIAN AT HEART  

B O D Y W E A R

 100% ORGANIC COTTON

 COTTON STRETCH

For further information, please contact:

**Company :**

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KPR Mill Limited  
CIN - L17111TZ2003PLC010518  
Mr. PL Murugappan, CFO  
[murugappan@kprmill.com](mailto:murugappan@kprmill.com)  
  
[www.kprmilllimited.com](http://www.kprmilllimited.com)

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