

**SANGAM (INDIA) Q3FY13 NET PROFIT AT RS.11.07 CRORE,
NET SALES UP 6.5% AT RS. 327.96 CRORE**

Media Release

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NSE Code: SANGAMIND

- Headquartered in
- Bhilwara
- 3 manufacturing
- units located at Bhilwara

FY12 Sales: Rs. 1,417.22 crore
FY12 Net Profit: Rs. 17.08 crore

Largest producer of PV dyed yarn in Asia at a single location with 25 percent market share in the country.

Signed leading actor, Sunil Shetty and young cricketer, Virat Kohli as Brand Ambassadors

A network of 200 dealers and 10,000 retailers

FY12 – Exports Revenues: Rs. 308.22 crore

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Mumbai, January 28th, 2013: Sangam (India) Ltd., one of the leading textile companies with presence in PV (Polyester/ Viscose) Dyed Yarn and Fabrics segment and a fully integrated company from yarn to branded Fabrics, post robust growth in the third quarter ended December 31, 2012.

For the third quarter ended 31st December 2012, the company reported total sales of Rs 327.96 crore as compared to Rs 307.92 crore in the corresponding previous quarter. EBIDTA for the quarter stood at Rs 51.30 crore as against Rs 31.10 crore in the corresponding period last year. Higher realisations in textile business with expiry of toll business in infra-segment led to higher EBITDA during the quarter.

Operating margins improved from 10.03 percent to 15.57 percent on back change in product mix to value added fabrics in PV and fabrics. The October-December 2012 quarter witnessed a higher demand for yarn and fabrics with stable raw material prices.

During the quarter, interest charges declined from Rs 18.11 crore to Rs 16.72 crore and the company has reported Profit after Tax of Rs 11.07 crore as compared to a net loss of Rs 1.84 crore in Q3FY12. The EPS for Q3FY13 stands at Rs 2.81 per share.

During the quarter, the sales of textile business grew by 29% to Rs 327.96 crore as compared to Rs 253.92 crore in the corresponding previous quarter. No revenues of the toll division accrued in Q3FY13 as compared to Rs 54 crore, on completion of road toll collection projects.

Operational Highlights

- Textile revenue increase by 29% on YOY basis
- Operating Profit increase by 65 %
- Company posted a profit of Rs 11.07 crore against loss of Rs 1.84 crore
- In the current financial year, the denim capacity has been doubled from 16 million meters to 32 million meters per annum.

For the nine-month period, company achieved sales of Rs 1123.11 crore, up 10% and the textile business has grown by 18.5% to Rs 1038.41 crore while toll revenue decline by 41 %, operating margin has improve by 339 basis point to 14.87 % and net profit for the period has jump by 253 % to Rs 38.93 crore . EPS for the nine-month period is at Rs 9.88.

Management Comment

Commenting on the quarter results, Mr. R. P. Soni, Chairman, Sangam (India) said, "The textile business has picked pace on favourable government policies to cotton price stabilisation and demand push for apparel sector. With the completion of the Denim expansion, the company has been able to capitalise by way of growth in the textile division. There are emerging opportunities for textile exporters which will enhance our growth in the sector near future ."

About Sangam (India)

(Reuters Code: SANG.BO; BLOOMBERG: SNGM@IN; BSE Scrip Code: 514234; NSE Scrip Code: SANGAMIND)

Promoted by first-generation entrepreneurs Mr R P Soni and Mr S N Modani, Sangam (India) is one of the largest manufacturers of polyester viscose dyed yarn in the country. At present, Sangam India has 162720 spindles of polyester-viscose dyed yarn and 31,200 spindles for cotton yarn installed in Bhilwara along with 257 weaving machines and a 31 MW thermal power plant. The company also has strong presence in the Indian synthetic blended fabric segment with brands like Sangam and Anmol. The company has an established client base like Reliance, Reid & Taylor, Siyaram and Grasim. Its fabric is marketed through a network of 200 plus dealers and thousands of retailers.