KPR Mill Limited

Result Update

Q3 FY2014

Safe Harbor

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Key Highlights of Q3 FY14

- **Gross Debt Reduction of Rs. 293 Crs in 9M FY14**
- **Consolidated Revenue of Rs. 573 Crores, YoY growth of 45%**
- **Consolidated EBITDA of Rs. 99 Crores, YoY increase of 8%**
- **Profit After Tax of Rs. 25 Crores**

Consolidated P&L

Rs.Crs	Q3 FY14	Q3 FY13	YoY %	Q2 FY14	9M FY14	9M FY13	YoY %
Revenue	**573**	**395**	**45%**	**684**	**1,740**	**1,111**	**57%**
Raw Material	409	306		364	1,096	757	
(Increase) / Decrease in Stock	(32)	(84)		124	62	(115)	
Employee Expenses	38	35		38	109	85	
Other Expenses	59	47		42	152	110	
EBITDA	**99**	**91**	**8%**	**116**	**321**	**275**	**17%**
EBITDA Margin	*17.3%*	*23.1%*		*16.9%*	*18.4%*	*24.7%*	
Other Income	3	2		1	6	4	
Interest & Finance Charges	25	22		26	83	67	
Depreciation	40	35		40	120	99	
PBT	36	35		51	125	113	
Tax	11	11		16	37	35	
PAT	**25**	**24**	**3%**	**35**	**88**	**79**	**12%**
PAT Margin	*4.3%*	*6.1%*		*5.1%*	*5.0%*	*7.1%*	

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 1,000 regular domestic clients for yarn and fabric and around 40 leading international brands for garments
- Trendsetting welfare policies 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

Manufacturing Facilities

	Location	Activity
Tamil Nadu	Sathyamangalam	Spinning
	Karumathampatti	Spinning, Compact Spinning & Melange
	Neelambur	Spinning & Knitting
	Arasur	Spinning, Knitting & Garmenting
	Tirupur	Garmenting
	Perundurai	Processing
	Tirunelveli, Tenkasi, Theni & Coimbatore	Windmills
Bijapur, Karnataka		Co-gen cum Sugar

Yarn :
90,000 MT

Fabric :
21,000 MT

Garments :
63 million pieces

Processing :
9,000 MT

Windmills:
61.92 MW

Co-gen & Sugar :
30 MW &
5,000 TCD

Key competitive advantages

Unique Raw Material Procurement Policy

- Strategic quality cotton procurement through .dedicated personnel at Cotton grown area is a key Factor for its sustained Quality
- Single variety of raw material (Shankar-6 cotton) provides consistent quality

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 available throughout the year

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

Stringent quality control measures & on-time delivery

- Mandatory usage of hand gloves, hair net, mask, aprons, etc. for the twin benefits of safety and quality
- Inspection at every stage to ensure stringent quality conformance
- Ensuring on-time delivery earned high reputation in the market.

Strategically located manufacturing facilities

- Facilities located within a 50km radius of Tirupur, largest apparel manufacturing clusters 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

Self sufficiency in Power with 92 MW portfolio

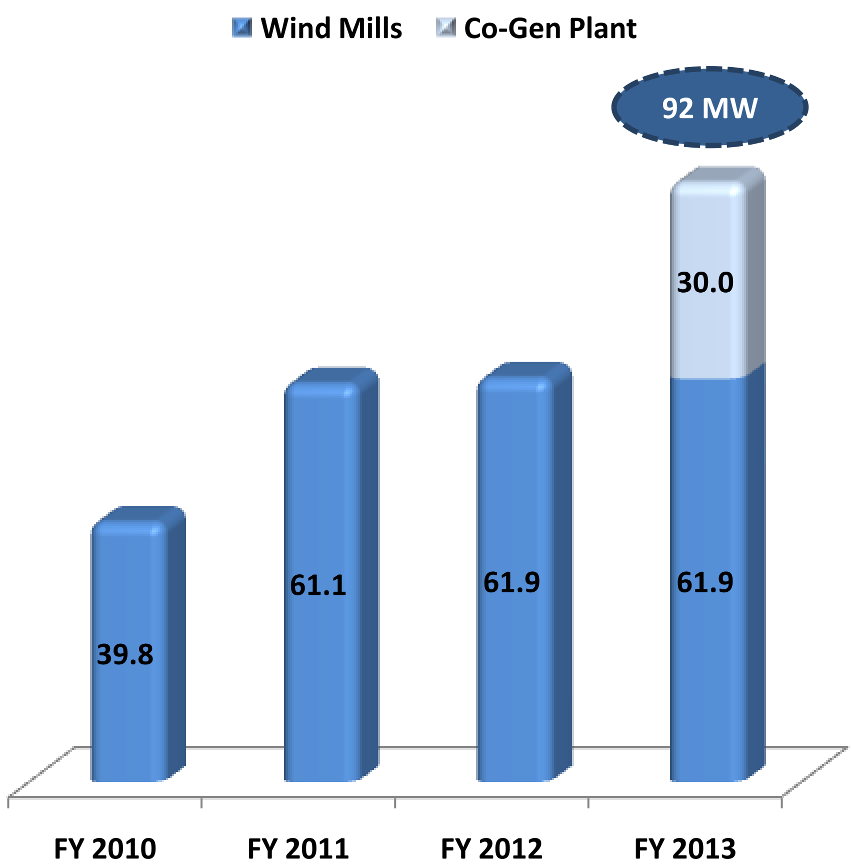
**Strategic Investment in Wind Power Project
61.92 MW**

- One of the largest Captive power generation capacities
- Investment in eco-friendly Wind Mills in Tirunelveli, Tenkasi, Theni & Coimbatore districts in Tamil Nadu
- Total Wind Power Capacity 61.92 MW
- 75% of power requirement of Textile business met through wind power

**Investments in Co-Gen Power Project
30 MW**

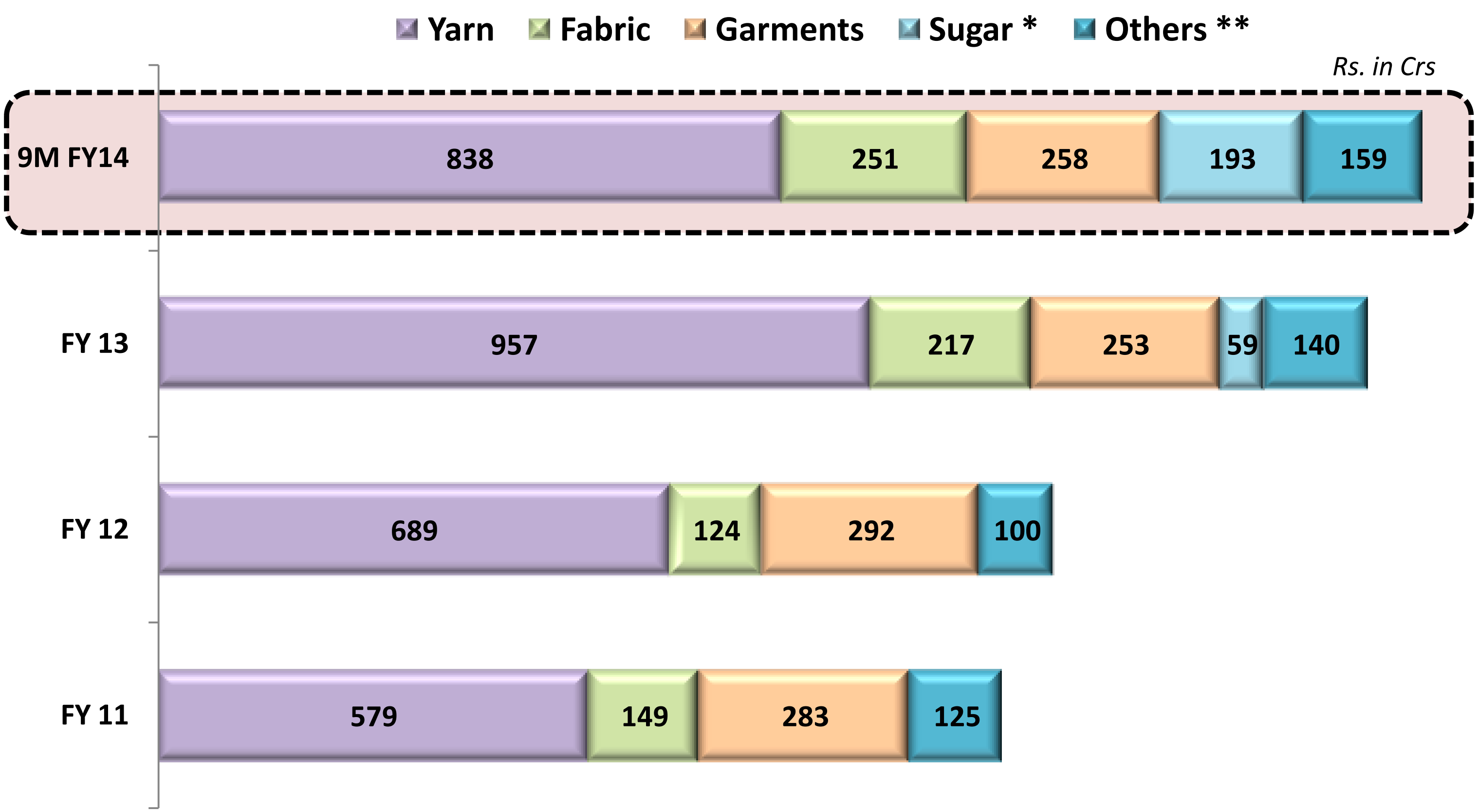
- Investments in Co-Gen Power Project of 30 MW
- 5,000 TCD Sugar plant at Bijapur, Karnataka
- With Co-gen Power Project, achieved self sufficiency in power requirement.

Cumulative Power Capacity (MW)



Annexure

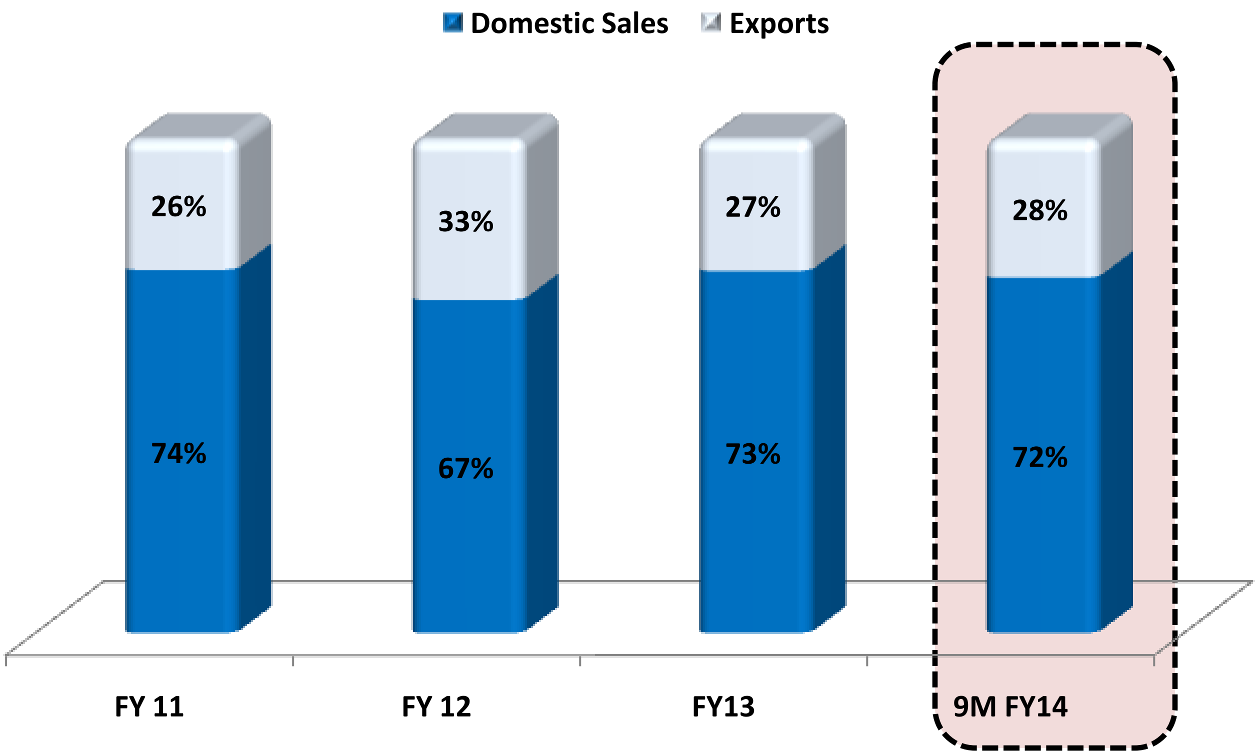
Segment Wise Revenue contribution



* Sugar includes sale from Sugar, Molasses and Co-gen power

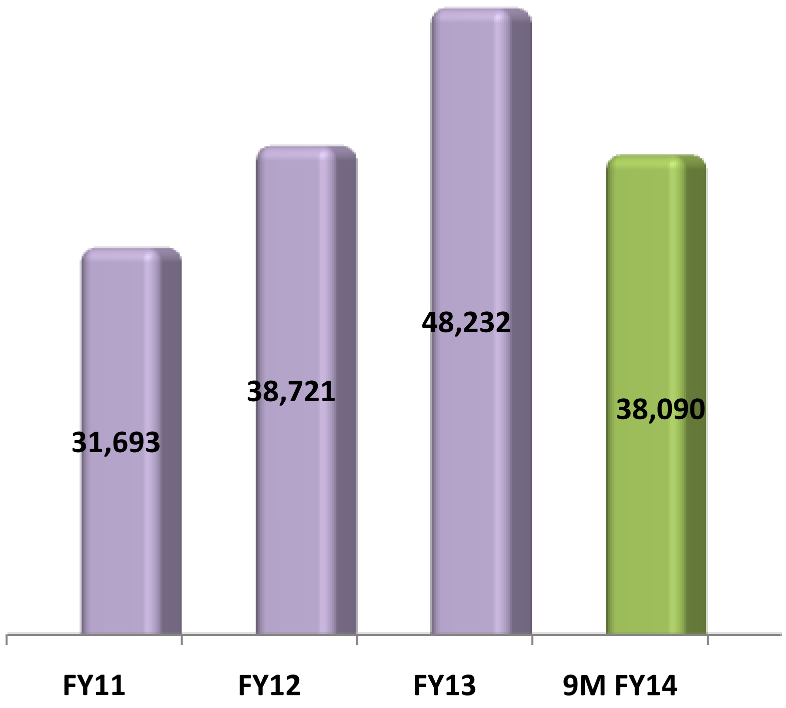
** Others include income from Cotton Waste, Processing, Accessories & Audi car

Geographical Split

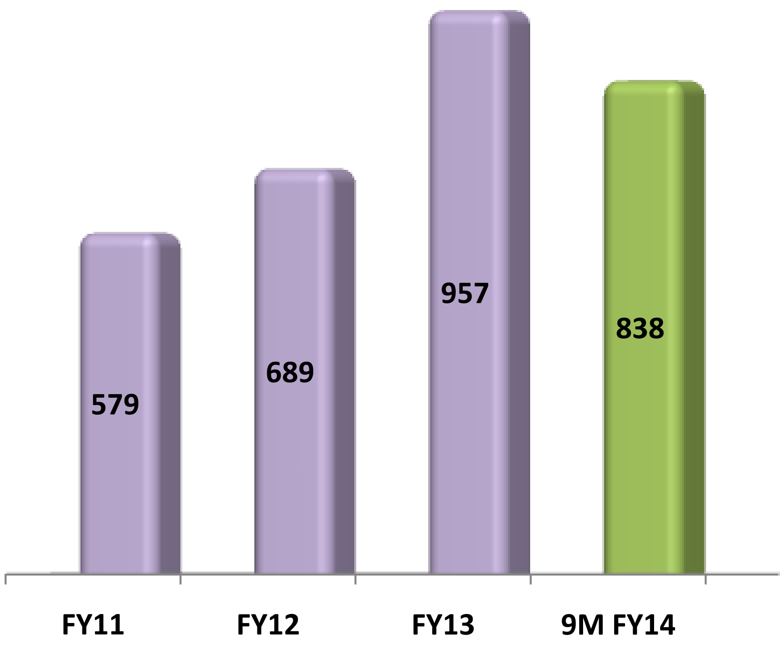


Yarn

Yarn Sales [MT]

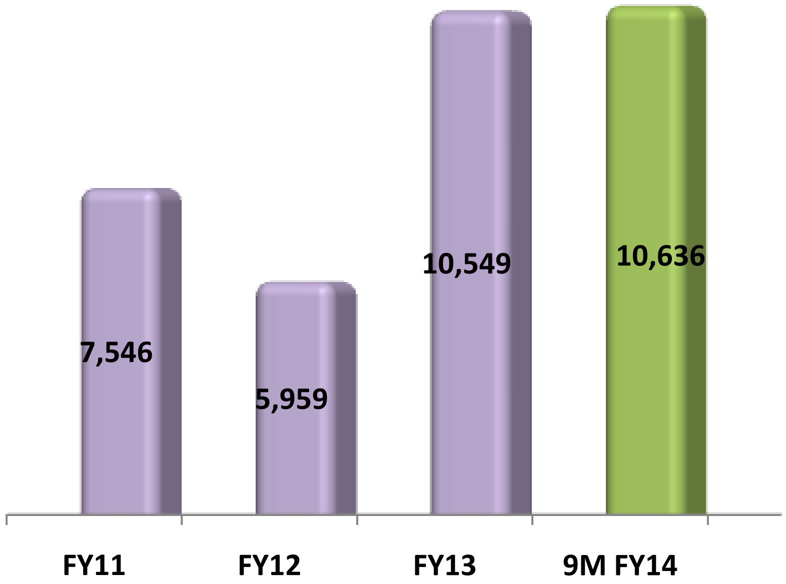


Yarn Realizations [Rs. Crs.]

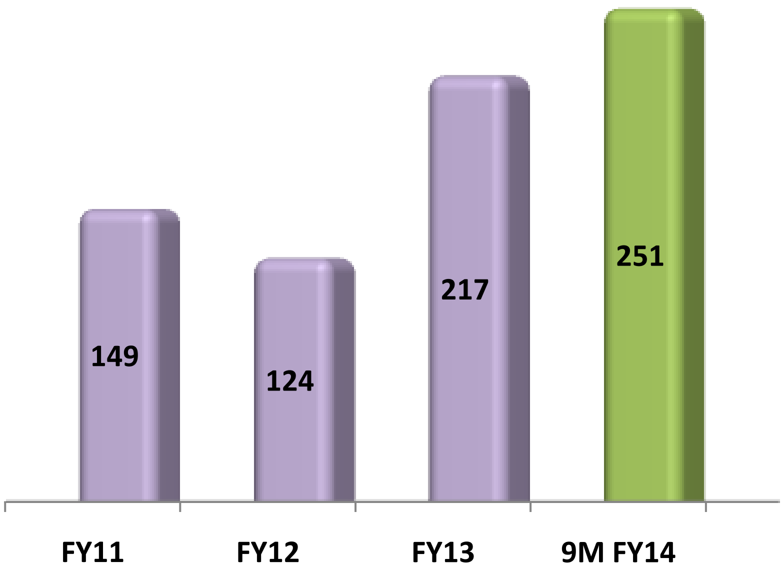


Fabric

Fabric Sales [MT]

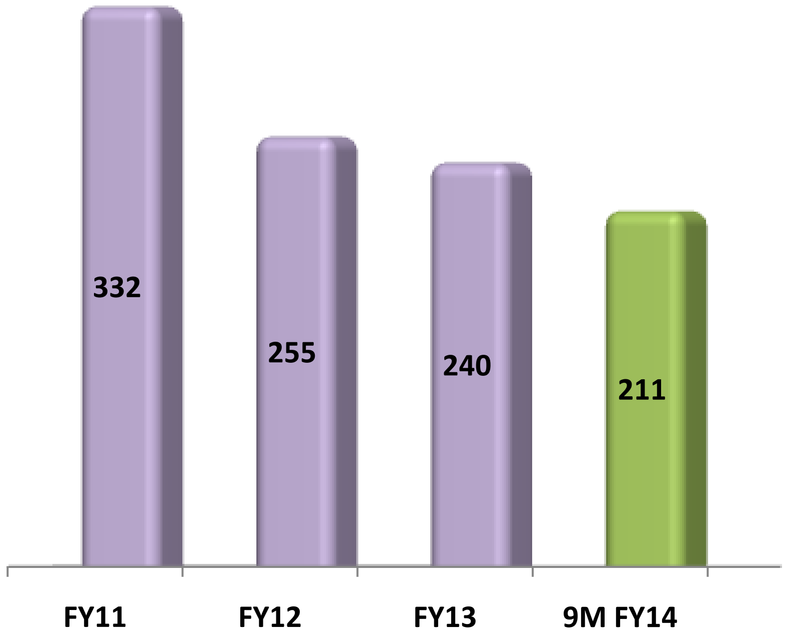


Fabric Realizations [Rs. Crs.]

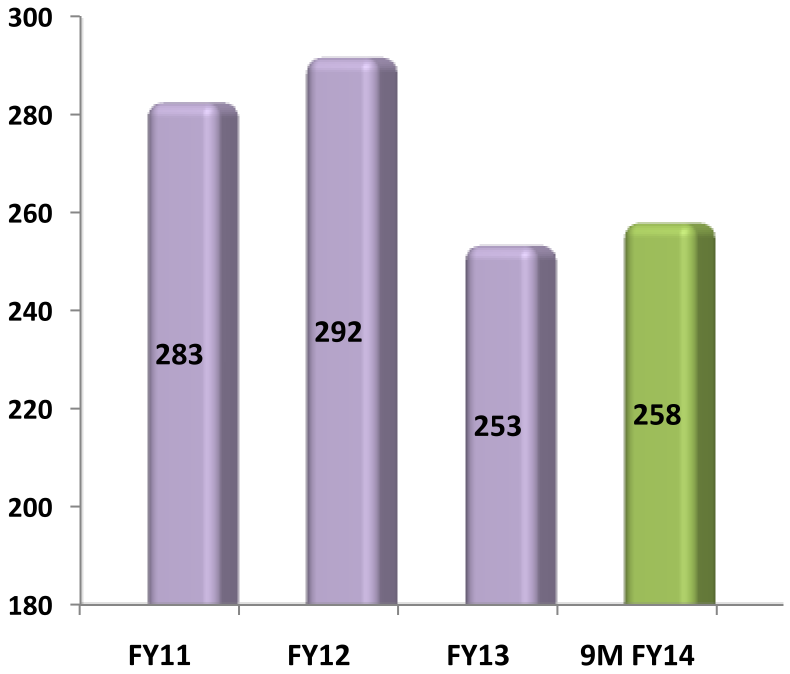


Garments

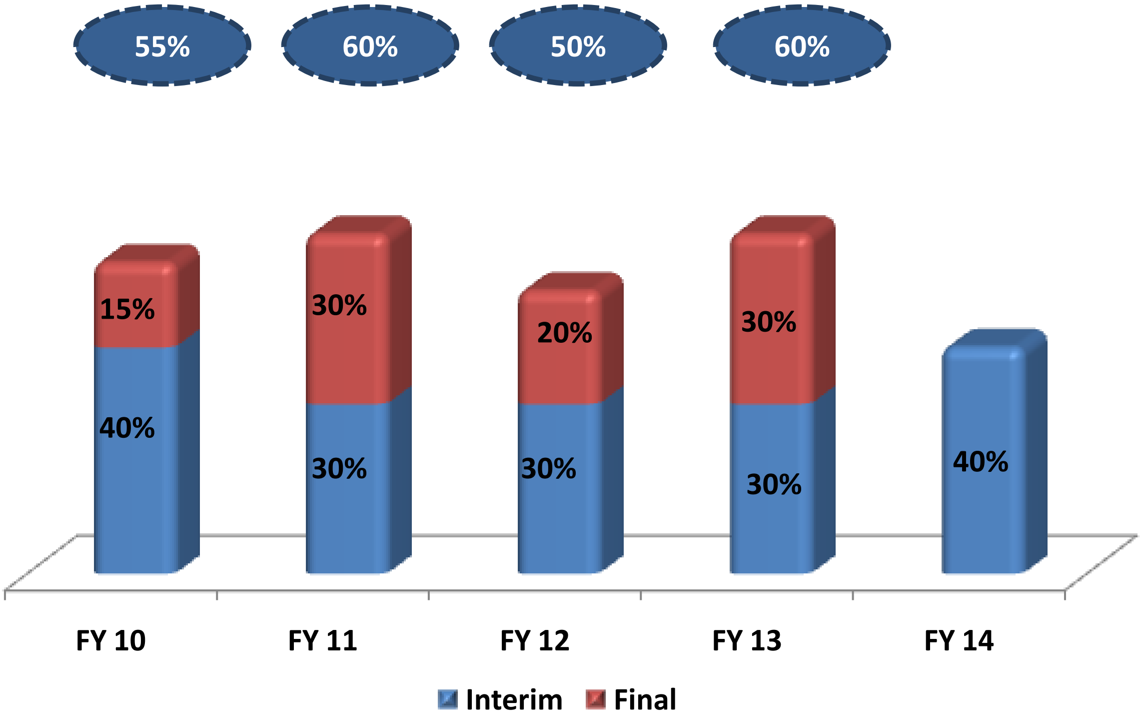
Garment Sales [No. of pieces in Lacs]



Garment Realizations [Rs. Crs.]



Dividend Track Record



Book Value (Rs.)	142.29	158.25	165.19	187.42
Earning Per Share (Rs.)	13.38	18.97	8.38	27.01
Dividend Per Share (Rs.)	5.50	6.00	5.00	6.00
Dividend Payout (%)	41%	31%	60%	22%

For further information, please contact:

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