

K.P.R. MILL LIMITED

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

30th July, 2018

The Listing Department,
BSE 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.

Dear Sir,

Sub: Concall on 31.07.2018 – Investor Presentation

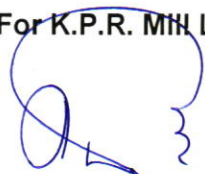
Further to our Letter of this day indicating Concall on 31st July, 2018 at 4.00 PM we are uploading the investor presentation for the Q1 FY 2019.

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 FY19



Safe Harbor



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Manufacturing Facilities

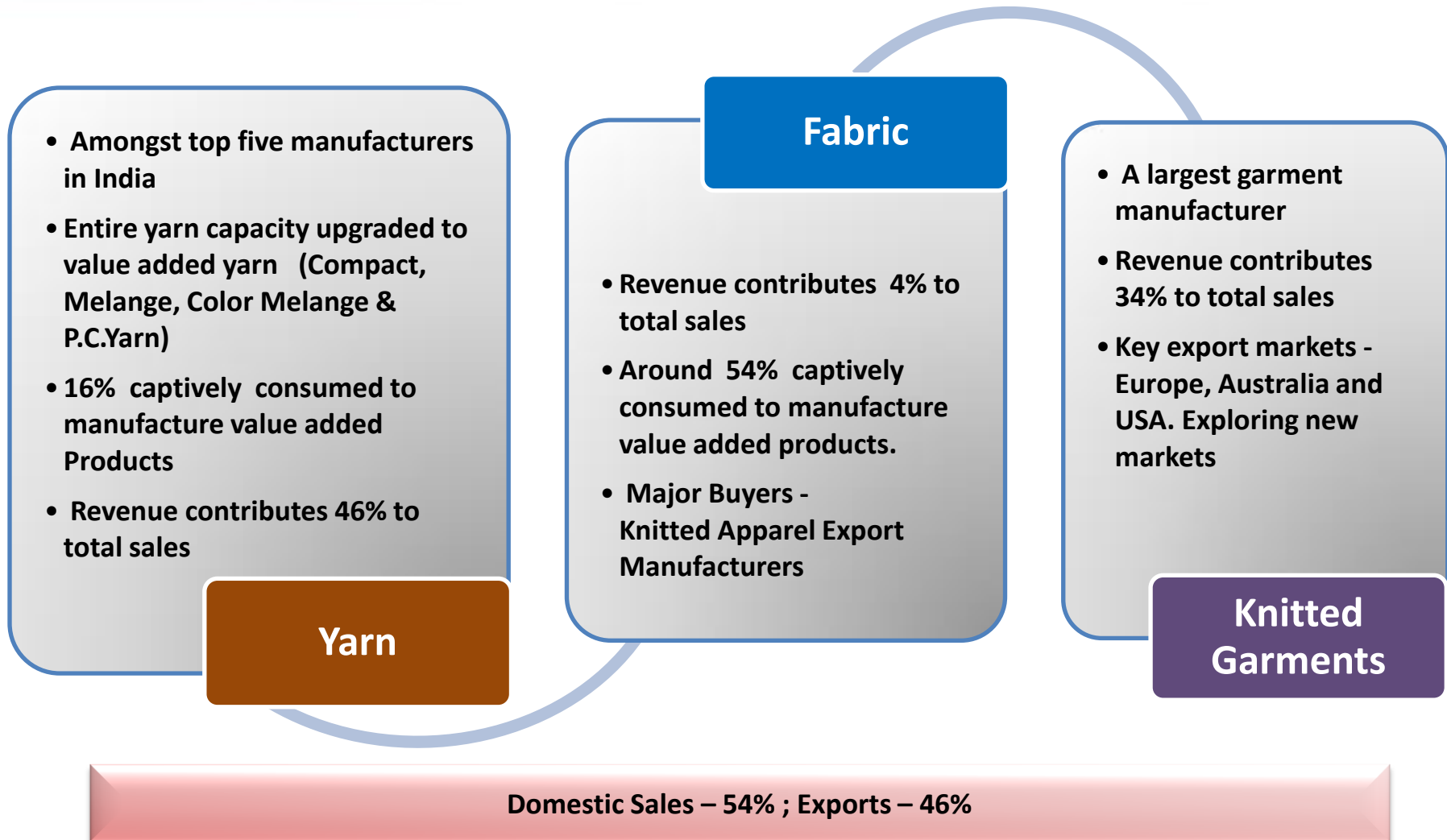


An Overview



- 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 1,200 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 95 million 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.
- Developing global footprint by establishing new Garment plant in Ethiopia.
- Preparing Road map to venture into Retail segment.

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 Winder 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 1200 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 95 million garments per annum – Making KPR a largest garment manufacturer in India. Garment Industry is upbeat with the Government Incentives
- Eco-friendly Processing 'Unit 2' and sophisticated high resolution printing division commenced its operations.
- Developing global footprint by establishing new Garment plant in Ethiopia.
- Preparing Road map to venture into Retail segment.

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

COMPANY SPECIFIC GROWTH DRIVERS

- Consistent Modernization & Capacity Expansion – enhanced realization
- Value Added Yarn - Compact, Melange, PC & Colour Melange Yarn – Volume Driven Growth
- A largest 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
- Developing global footprint by establishing new Garment plant in Ethiopia
- Preparing Road map to venture into Retail segment.

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 pcs,

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

2014-15

- ❖ 2015-16 – Established New green field garment facility of 36 Mn garments.

- ❖ 2016-17 Established new Eco-friendly Processing capacity with Advanced Technology - 9000 MT. Established Sophisticated high resolution printing division – 7500 MT

2015-17

Key Highlights of Q1 FY 2019

- Revenue up by 20.11% Year on Year to ₹ 901.85 Crores
- PBT up by 10.22% Year on Year to ₹ 113.19 Crores
- EBITDA for Q1 FY 19 ₹ 160.22 Crores as against ₹ 155.79 Crores for Q1 FY18
- PAT up by 11.19% Year on Year to ₹ 81.27 Crores as against ₹ 73.09 Crores for Q1 FY18
- Garment revenue up by 28.81% Year on Year to ₹ 326.46 Crores as against ₹ 253.44 Crores.
- Garment Production up by 26.46% Year on Year to 22.07 Million Garments as against 17.45 Million Garments
- A new Subsidiary Company '**KPR Exports PLC**' has been incorporated at Ethiopia to establish Apparel Manufacturing facility.
- Preparing Road map to venture into Retail segment.



Consolidated P&L

₹ Crore	Q1 FY19	Q1 FY18	YoY %	Q4 FY18	QoQ	
Revenue	902	751	20.1%	823	9.6%	
Raw Material	576	446		504		
Employee Expenses	81	74		77		
Other Expenses	85	75		89		
EBITDA	160	156	2.6%	153	4.6%	
EBITDA Margin	17.7%	20.8%		18.6%		
Interest & Finance Charges	15	15		11		
Depreciation	32	38		33		
PBT	113	103		109		
Tax	32	30		36		
PAT	81	73	10.9%	73	10.9%	
PAT Margin	9.0%	9.7%		8.9%		

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

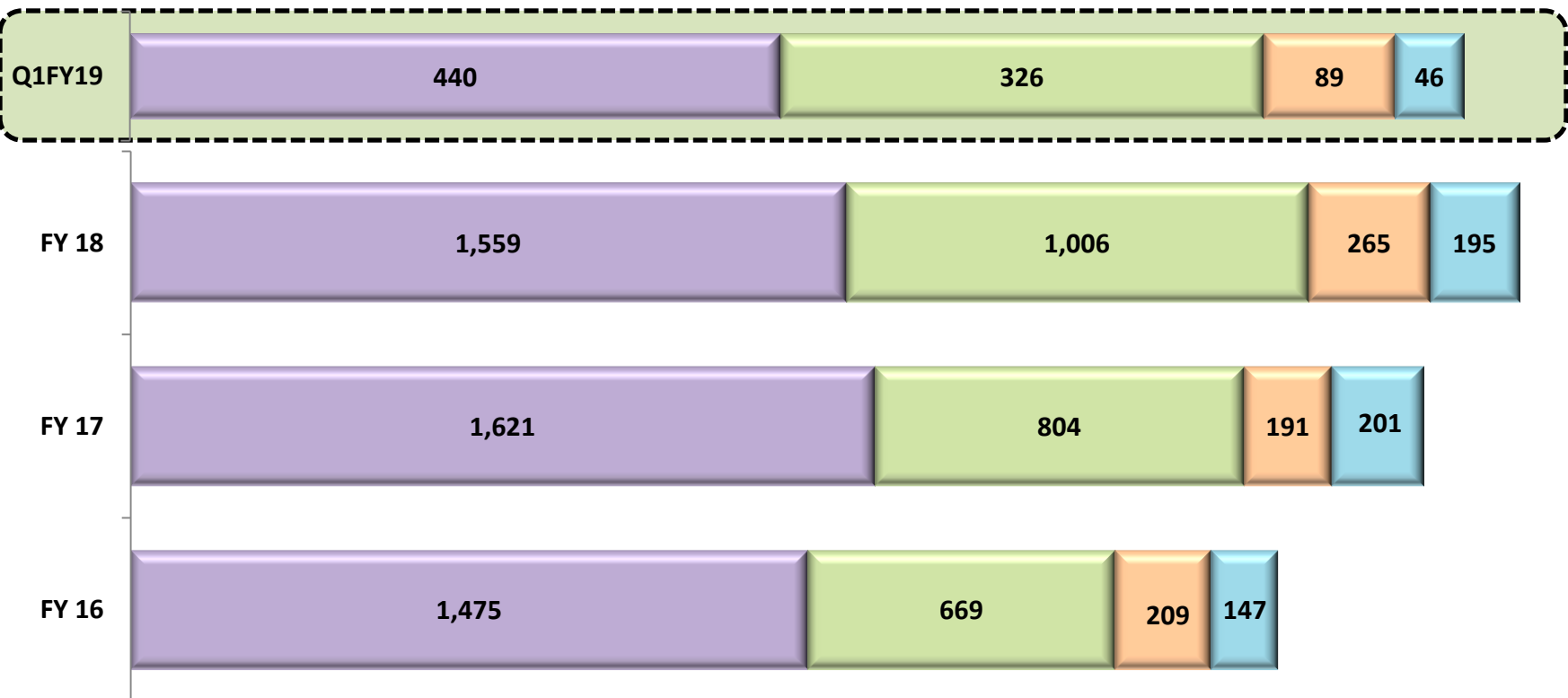
Investments in Co-Gen Power Project 30 MW

- 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

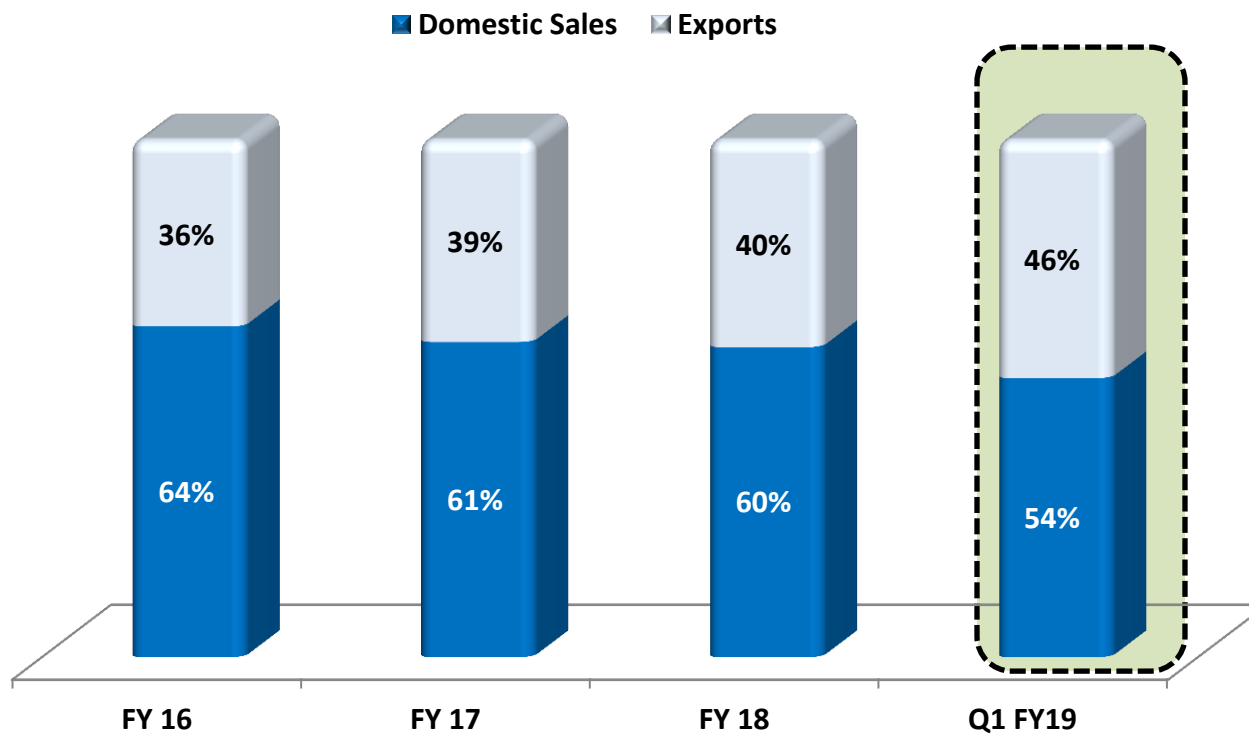
Segment Wise Revenue contribution

■ Yarn & Fabric
 ■ Garments
 ■ Sugar
 ■ Others

₹ in Crore



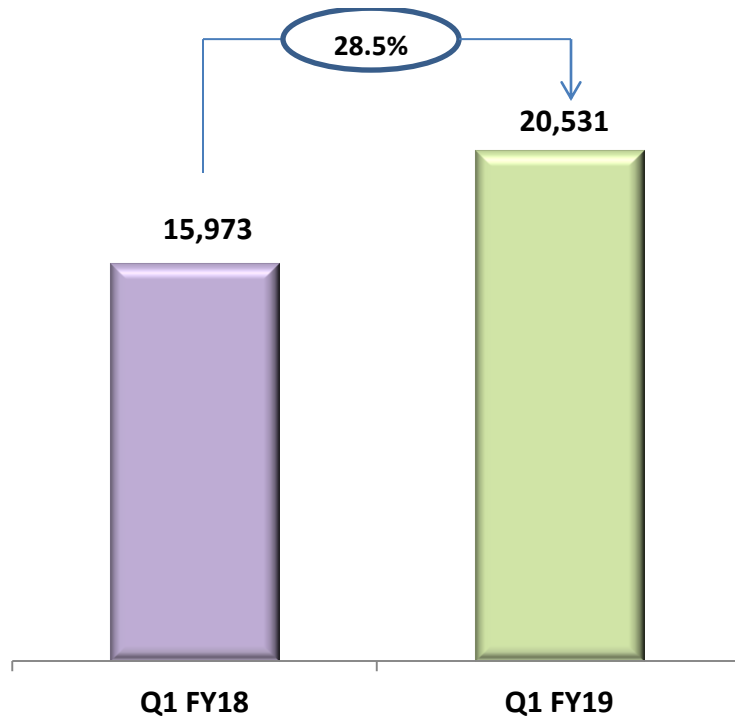
Geographical Split



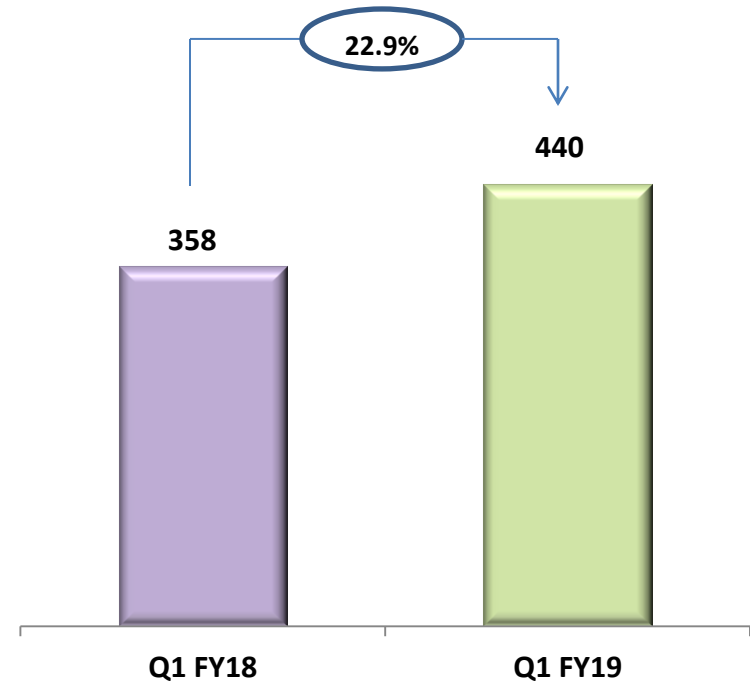
Yarn & Fabric



Yarn & Fabric Sales [MT]



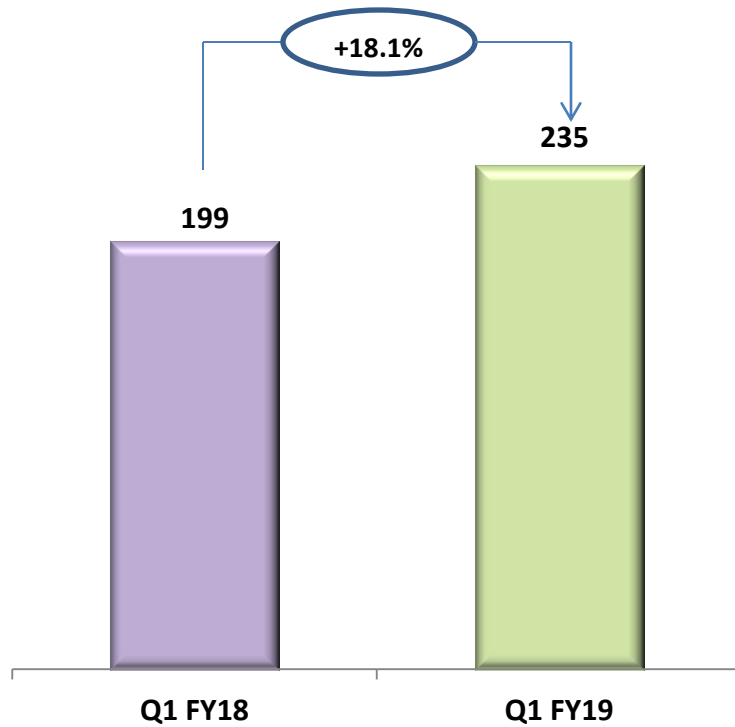
Yarn & Fabric Sales [₹ Crore]



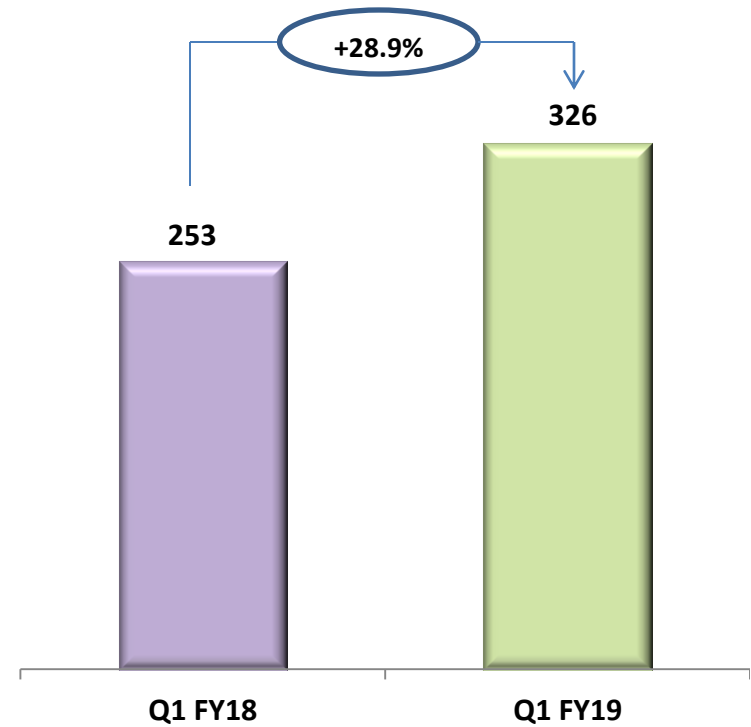
Garments



Garment Sales [No. of Garments in Lacs]

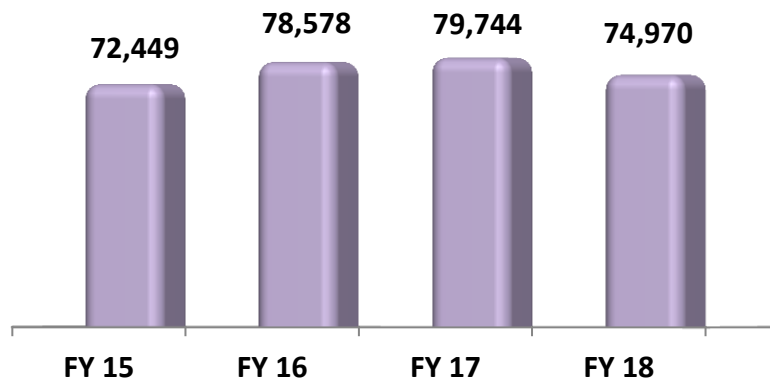


Garment Sales [₹ Crore]

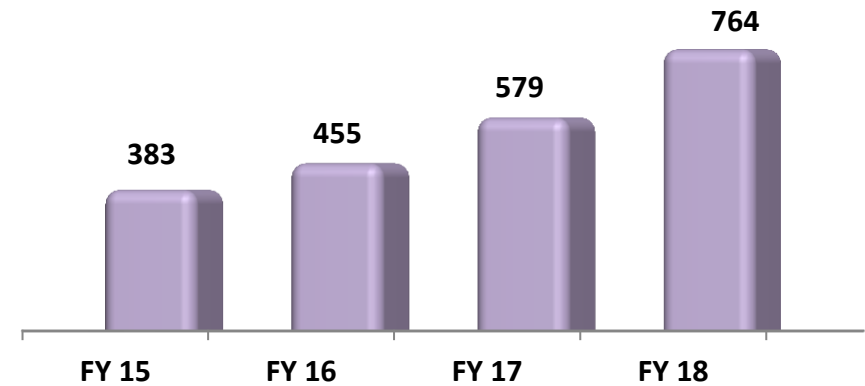


Historical Performance

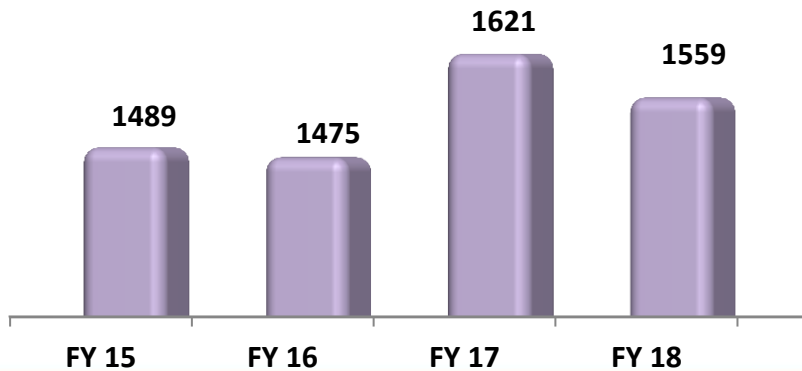
Yarn & Fabric Sales [MT]



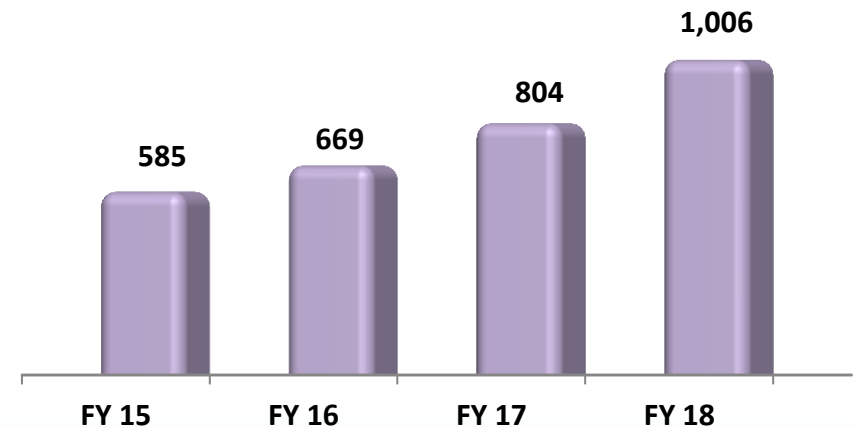
Garment Sales [No. of Garments in Lacs]



Yarn & Fabric Sales [₹ Crore]

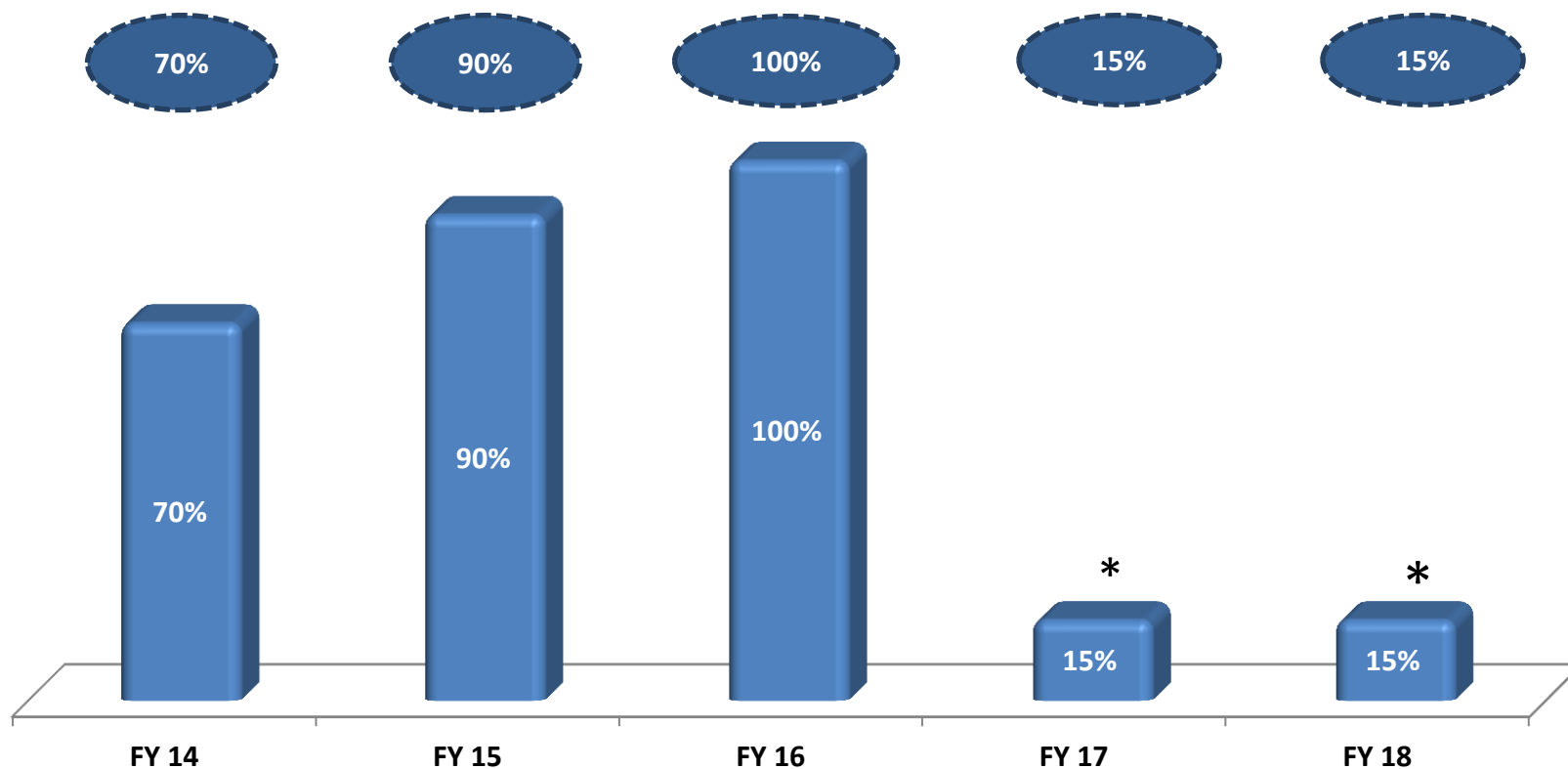


Garment Sales [₹ Crore]



Note : Captive consumption of Yarn & Fabric increased for FY 2018

Dividend track Record



* During the year Company resorted to buyback of shares with a consideration of ₹ 10,813 Lakhs (Previous year ₹ 9,702 Lakhs)

Book Value & EPS

Particulars	FY 15	FY 16	FY 17	FY18	Q1FY19
Book Value Per Share (₹)	125.42	146.03	174.01	212.45	212.67
Earning Per Share (₹)	22.86	27.86	38.17	39.30	11.17
Dividend Per Share %	90%	100%	* 15%	* 15%	
Dividend Per Share (₹)	9.00	10.00	* 0.75	* 0.75	

* During the year Company resorted to buyback of shares with a consideration of ₹ 10,813 Lakhs (Previous year ₹ 9,702 Lakhs)

For further information, please contact:

Company :

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