



RELIANCE CHEMOTEX INDUSTRIES

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Press Release
09th February, 2022

Reports Robust Q3 FY22 Results



- » Total Revenue at Rs. 88.18 Crores; YoY growth of 20%
- » Recorded EBIDTA of Rs. 12.22 Crores; YoY growth of 38%
- » EBIDTA Margin stood at 13.86%; YoY growth of 15%
- » Profit Before Tax of Rs. 6.38 Crores; YoY growth of 44%
- » Profit after Tax of Rs. 4.31 crores; YoY growth of 68%

Mumbai, February 09, 2022: Reliance Chemotex Industries Ltd., a leading Synthetic Yarn Manufacturer, has announced its Financial Results for the Quarter and nine months ended December 31, 2021.

Financial Highlights:

Particulars (Rs. Crores)	Q3FY22	Q3FY21	YoY(%)	Upto Q3 FY22	Upto Q3 FY21	Cumulative YoY (%)
Total Revenue (incl. Other Income)	88.18	73.67	19.70	261.02	178.08	46.57
EBITDA	12.22	8.87	37.73	32.72	15.59	109.88
EBITDA Margin (%)	13.86	12.04	15.07	12.54	8.75	43.31
PBT	6.38	4.43	44.21	17.39	3.06	468.30
PAT	4.31	2.57	67.87	11.76	1.15	922.60
PAT Margin (%)	4.88	3.48	40.25	4.51	0.65	593.84
Long Term Debt				35.12	19.54	79.73
Equity				114.71	98.62	16.31
Net Long-term Debt / Equity				(0.23)	(0.05)	

^Includes Current Maturities of Long-Term Borrowings and excludes Unsecured Loans.

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Commenting on the results, Mr. Sanjiv Shroff, Managing Director of Reliance Chemotex Industries Limited said:

“I am pleased to report that the Company’s performance in the third quarter of this fiscal has been strong, building on the momentum generated in the last few quarters. The Company has reported a 19.7 % growth in Revenue and a 37.7% growth in EBITDA in comparison to the corresponding quarter in the previous financial year.

The quarter under review has witnessed uncertainties caused by the rapid spread of the omicron covid variant around the world, a sharp escalation in raw material prices, continued difficulty with container availability and geo-political tensions in Eastern Europe. Despite these challenges, the Company has reported a strong EBITDA margin of 13.86%. This has been possible due to our two-pronged strategy: a continued focus on further improving our already versatile, value-added product mix and on strategic cost reduction.

Our ongoing expansion and modernisation project, which was delayed by the pandemic, is expected to be completed before the end of this financial year. We are planning to further expand our capacity by 6,240 spindles. The proposed expansion will focus on technical textiles and other value-added products. The Company is pleased to report that the proposed expansion project has been appraised by the Export Import Bank of India (EXIM Bank) and EXIM Bank has sanctioned a term loan of Rs. 37 Crores at very favourable terms. This project will allow the company to take further advantage of economies of scale thereby reducing operating costs, expand our product offerings and improve profitability.

The Company is committed to expanding its Solar Power Capacity. During the last fiscal, we had enhanced our Solar Power Capacity to 1.4 MW. We will be strategically scaling this capacity up to 3.5 MW. We have commenced with this enhancement project (an additional 2.1 MW) and endeavour to have this completed in the next 2-3 months. This project will reduce the Company’s carbon footprint, lead to significant cost savings and will, to a certain extent, insulate the Company from fluctuations in Industrial Power Tariff Rates.

The Company’s Net Debt stood Rs. (26.04) Crores on December 31, 2021 as compared to Rs. (5.13) Crores on December 31, 2020 and Rs. (9.54) Crores on 31st March 2021.

Given the Company’s product-centric approach, versatile and value-added product mix, long- standing customer relationships and robust balance sheet, we are confident of continuing our growth journey.”

About Reliance Chemotex Industries



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Reliance Chemotex Industries Ltd. (“Reliance Chemotex”) was established in 1977. The Company manufactures Synthetic, Blended Yarn. The Company currently operates 54,816 spindles and a high temperature / high pressure fibre-dyeing plant. The Company has been exporting yarn since 1987 and has a loyal customer base around the world. Its competitive advantage lies in its versatile product range and commitment to quality. The Company manufactures 100% Polyester, 100% Viscose, 100% Acrylic, 100% Bamboo Viscose as well as Polyester / Viscose, Polyester / Acrylic, Polyester / Viscose / Acrylic blended yarns which are used for knitting, weaving, upholstery, carpet, medical and other industrial end-uses.

For more information about Reliance Chemotex, please visit www.reliancechemotex.com

Safe harbor statement

Statements in this document relating to future status, events, or circumstances, including but not limited to statements about plans and objectives, the progress and results of research and development, potential project characteristics, project potential and target dates for project related issues are forward-looking statements based on estimates and the anticipated effects of future events on current and developing circumstances. Such statements are subject to numerous risks and uncertainties and are not necessarily predictive of future results. Actual results may differ materially from those anticipated in the forward-looking statements. The Company assumes no obligation to update forward-looking statements to reflect actual results changed assumptions or other factors.



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