



RELIANCE CHEMOTEX INDUSTRIES

RELIANCE CHEMOTEX INDUSTRIES LIMITED

Press Release
30th May, 2022

Reports Robust Results for FY 2021-22



- » Total Revenue for the Year at Rs. 368.36 Crores; YoY growth of 42%
- » Annual EBIDTA of Rs. 48.03 Crores; YoY growth of 74%
- » Annual Profit Before Tax of Rs. 27.35 Crores; YoY growth of 164%
- » Annual Profit after Tax of Rs. 18.13 Crores; YoY growth of 162%
- » Exports Revenue of Rs 247.90 crores; YoY growth of 73%
- » Exports constitute 71% of total sales as compared to 58% in the previous fiscal
- » Dividend of 25% recommended by the Board of Directors

Mumbai, May 25, 2022: Reliance Chemotex Industries Ltd., a leading Synthetic Yarn Manufacturer, has announced its Financial Results for the Quarter and Year ended on March 31, 2022.

Financial Highlights:

Particulars (Rs. Crores)	Q4FY22	Q4FY21	YoY(%)	Year Ended FY22	Year Ended FY21	Cumulative YoY (%)
Total Revenue (incl. Other Income)	107.34	82.03	30.85	368.36	260.11	41.61
EBITDA	15.30	12.02	27.37	48.02	27.60	73.97
EBITDA Margin (%)	14.25	14.66	(2.66)	13.04	10.61	22.84
PBT	9.96	7.30	36.48	27.35	10.37	163.96
PAT	6.37	5.78	10.19	18.14	6.93	161.51
PAT Margin (%)	5.93	7.05	(15.79)	4.92	2.66	84.66
Long Term Debt				36.59	23.34	56.75
Equity				121.42	104.39	16.32
Net Long-term Debt / Equity				0.30	0.22	34.76

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

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

“The Company’s performance in the fourth quarter of this fiscal has been strong, as has the Company’s performance for the entire financial year under review. The Company has delivered robust performance despite escalating geo-political tensions in Eastern Europe, a sharp increase in raw material and commodity prices, persistent issues with container availability, higher inflation, and mounting interest rates.

The Company has reported a 30.85% growth in Revenue and a 27.37% growth in EBITDA in comparison to the corresponding quarter in the previous financial year. On an annual basis, the Company has reported its highest-ever turnover of Rs 368.36 crores (an increase of 41.61% year-on-year) and an EBITDA of Rs 48.03 crores (an increase of 73.97% year-on-year). Exports have risen to 71% in comparison to 58% in the previous fiscal. This has been possible due to our three-pronged strategy: a continued focus on technical textiles, on further improving our already versatile, value-added product mix and on strategic cost reduction.

Furthermore, the Board of Directors has recommended a Dividend of 25%, that is, Rs. 2.50/- per Equity Share of Rs 10/- each, subject to the approval of the shareholders in the ensuing Annual General Meeting.

Our ongoing expansion and modernisation project, which was delayed by the pandemic, has been completed. We are now planning to undertake another expansion project with a total project cost of approximately 100 crores. This project will expand our capacity by approximately 12,480 spindles, focus on the modernisation and expansion of our dyeing facilities and add machinery to help debottleneck certain production processes. This expansion 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 remains committed to expanding its Solar Power Capacity. We have enhanced our Solar Power Capacity to 3.5 MW and will be strategically scaling this capacity up to 5 MW. This 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.

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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