



**RELIANCE CHEMOTEX**  
INDUSTRIES LIMITED

# Investor **Presentation**

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May 26, 2023



# Safe Harbour

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# RCIL : A **Leading** Synthetic Yarn **Manufacturer**

## Experienced Management

RCIL is led by industry veterans with over 40 years of experience. The third generation is actively involved in the business.

## Technical Textiles and High Value-Added Yarns

Our yarn is used in a wide array of products - Carpets, Upholstery, Awnings, Artificial Leather, Suiting, Automotive and Aerospace Applications, Medical and Industrial End-Uses.

## Diverse Portfolio of Tailored Product Offerings

At RCIL, our goal is to work with flexibility and versatility to provide tailor-made products that best meet the unique needs of our customers. We are GRS and Oeko-Tex certified.

## Robust Manufacturing Infrastructure

RCIL's state-of-the-art manufacturing facility is located in Udaipur, Rajasthan. We have a spinning facility with a capacity of 50 MT/Day and a Zero-Discharge, Fibre-Dyeing Facility with a capacity of 12 MT/Day.

## Export Focused

A majority of the Company's revenue comes from exports to developed markets like North America and Europe.





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# Our **Competitive Edge**



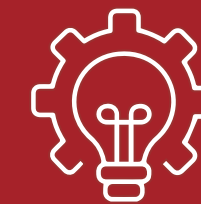
## **Quality**

Our unwavering commitment to quality is fuelled by our extensive industry experience, cutting-edge manufacturing infrastructure, and a dynamic work culture that embraces change, lean ideologies, and continuous improvement.



## **Customer Centricity**

We have forged meaningful relationships with key customers built on the solid foundation of Quality, Mutual Learning, Respect and Trust.



## **Innovative Research and Product Development Methodology**

Our robust Research and Development efforts, coupled with our exceptionally close collaborations with customers, enable us to create, develop, refine, and optimize products. In many cases, our involvement extends to enhancing our customers' subsequent processes.



## **Consistency**

We consistently deliver yarns that are the preferred choice in diverse and demanding applications across a wide range of textile-related industries worldwide.





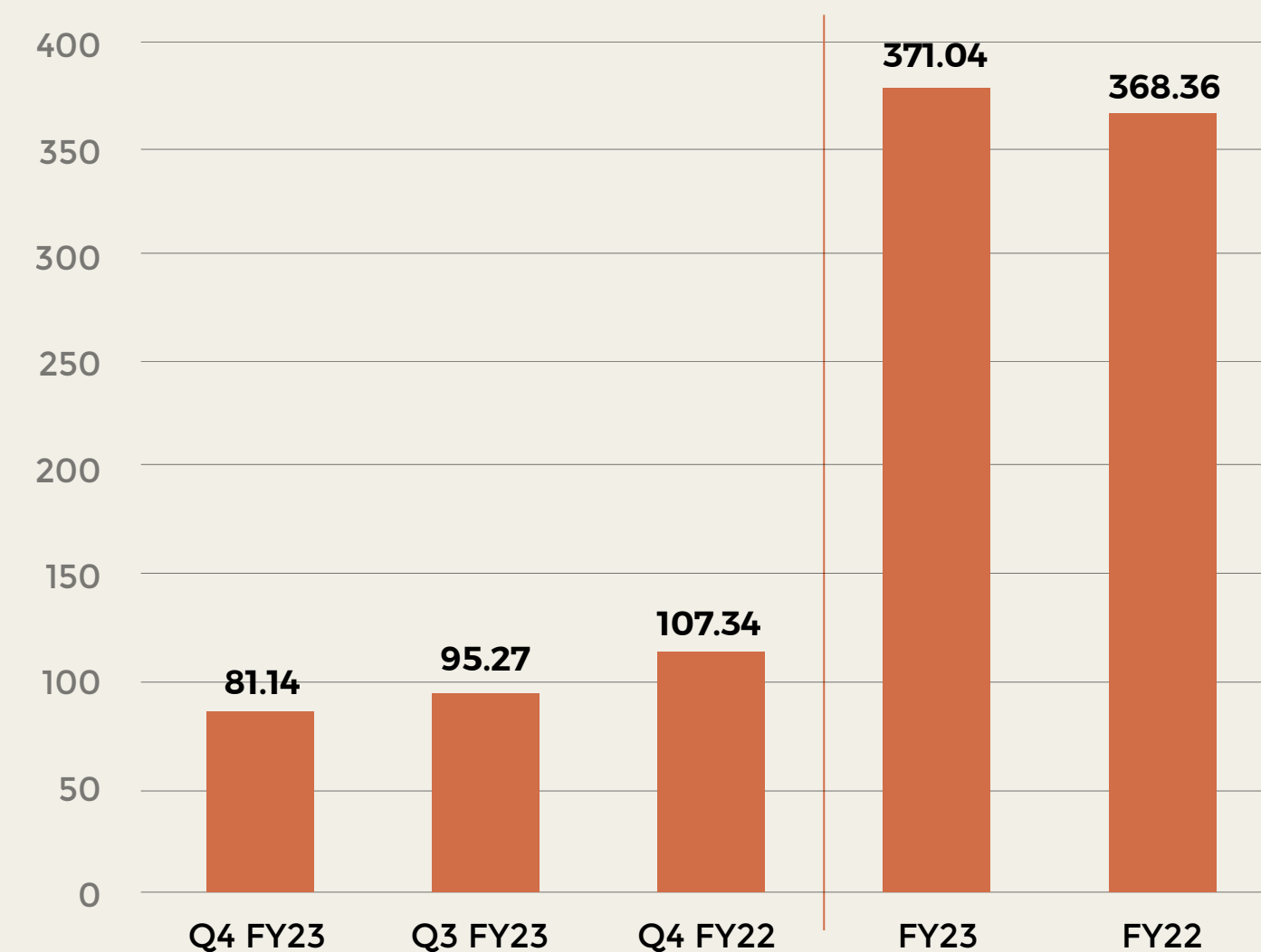
# Quarterly Highlights

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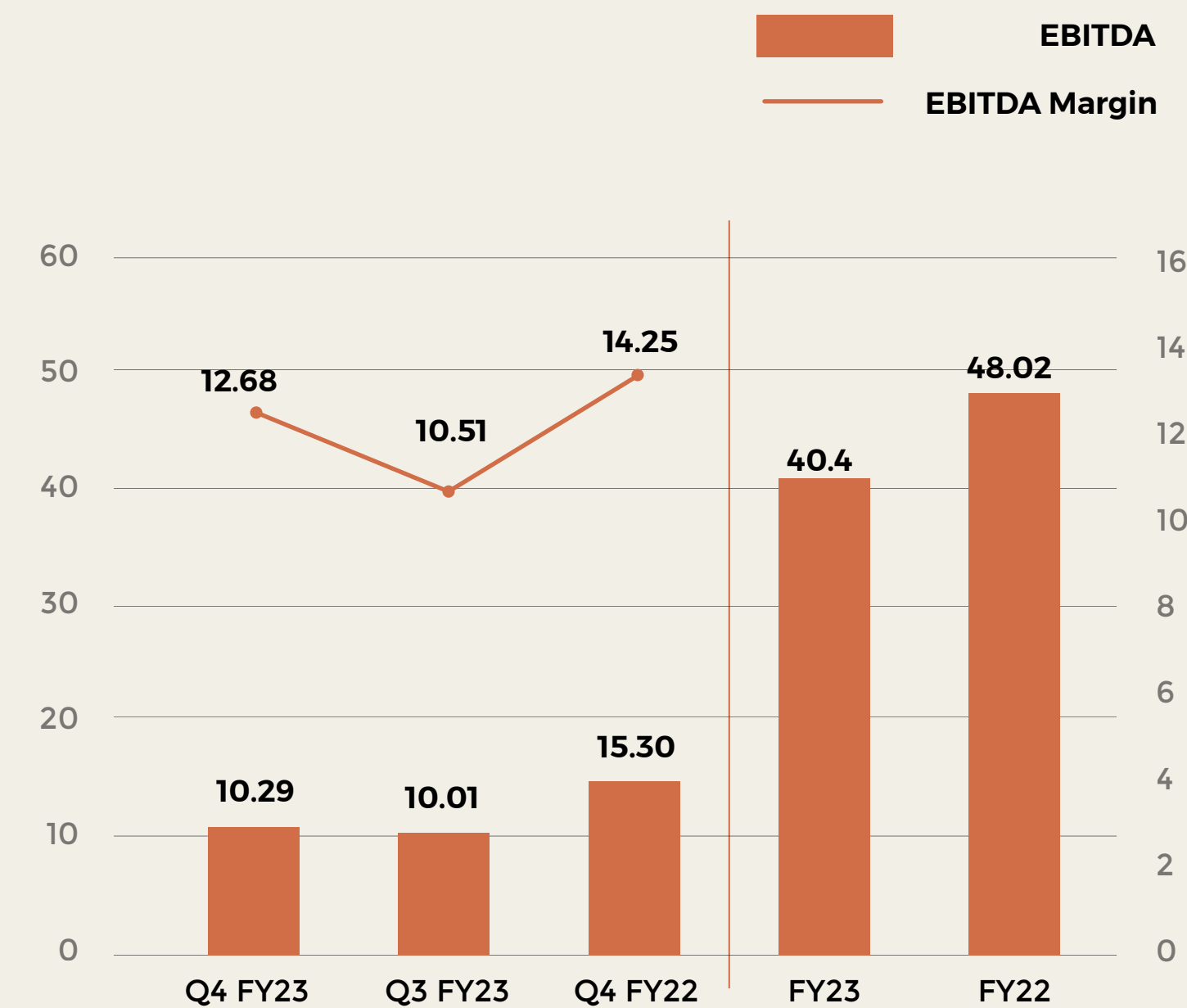
Q4 FY23

# Q4 FY23

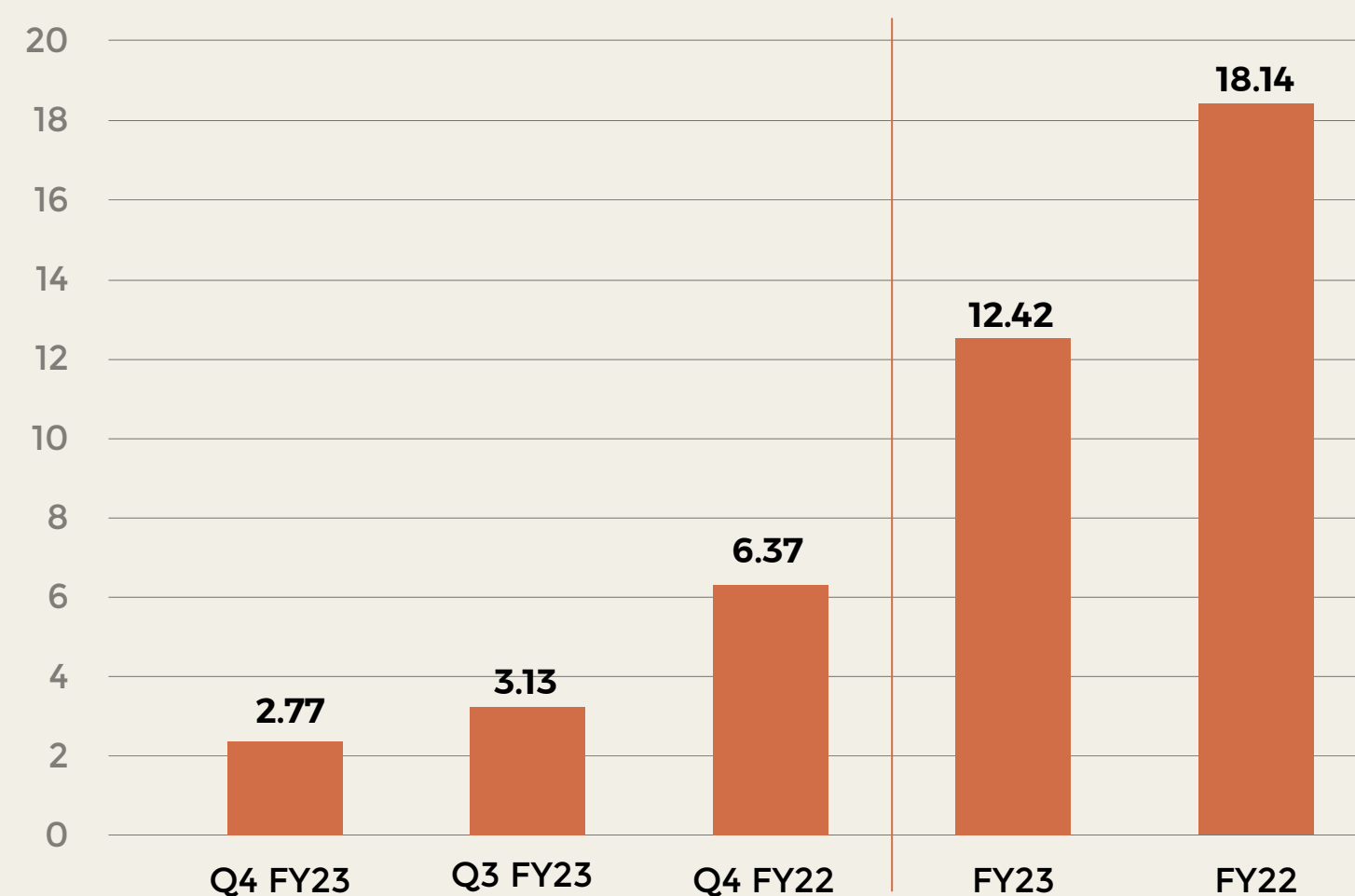
## Financial Highlights



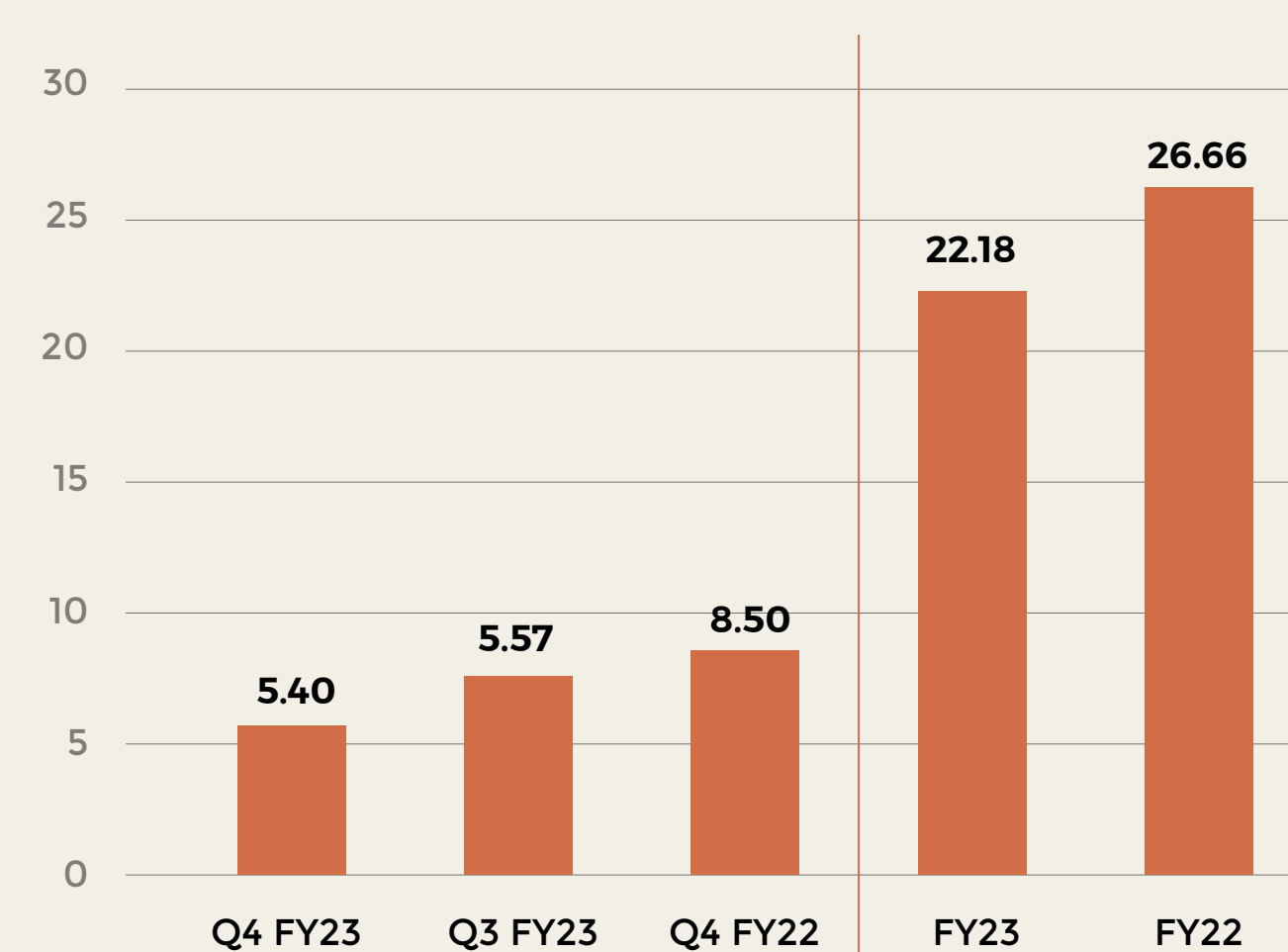
TOTAL REVENUE (Rs. In Crore)



EBITDA (Rs. In Crore) & EBITDA MARGIN (%)



PAT (Rs. In Crore)



CASH PAT (Rs. In Crore)





# Profit & Loss Statement



Rs. Crores.	Q4 FY23	Q3 FY23	Q.o.Q %	Q4 FY22	Y.o.Y %	FY 23	FY 22	Y.o.Y %
Net Revenue	79.68	92.14	-13.53	103.51	-23.02	364.88	361.77	0.86
Other Income	1.46	3.12	-53.42	3.83	-62.05	6.16	6.59	-6.53
Total Revenue	81.14	95.27	-14.83	107.34	-24.41	371.04	368.36	0.73
Direct Expenses	38.90	51.02	-23.76	51.16	-23.97	190.32	177.54	7.20
Employee Expenses	14.99	12.19	22.95	14.32	4.68	51.09	47.11	8.45
Power & Fuel	8.55	8.62	-0.82	7.69	11.17	32.65	30.80	6.01
Other Expenses	8.41	13.42	-37.29	18.87	-55.41	56.58	64.89	-12.81
EBITDA	10.29	10.02	2.70	15.30	-32.75	40.40	48.02	-15.87
EBITDA Margin	12.68%	10.51%		14.25%		10.88%	13.04%	
Depreciation	2.63	2.44	7.78	2.13	23.17	9.76	8.53	14.42
Finance Costs	4.89	2.90	68.61	3.20	52.44	13.93	12.14	14.74
PBT	2.77	4.68	-40.78	9.96	-72.19	16.71	27.35	-38.90
PBT Margin	3.41%	4.91%		9.29%		4.50%	7.42%	
Tax	0.00	1.55	-99.92	3.59	-99.96	4.29	9.21	-53.47
PAT	2.77	3.13	-11.45	6.37	-56.51	12.42	18.14	-31.53
PAT Margin	3.41%	3.28%		5.93%		3.34%	4.92%	
Other Comprehensive Income	-0.26	0.10	-347.81	0.35	-173.17	0.05	0.41	-87.80
Total Comprehensive Income for the Period	2.51	3.23	-22.17	6.72	-62.60	12.47	18.54	-32.73



# Balance Sheet



Rs. Crores	Mar-23 Audited	Dec-22 Unaudited	Mar-22 Audited
Shareholders Fund	132.01	129.49	121.42
Share Capital	7.56	7.56	7.56
Other Equity	124.45	121.93	113.86
Non-Current Liabilities	99.51	97.34	77.50
Financial Liabilities	66.40	64.86	47.05
Borrowings	2.20	2.20	2.42
Other Financial Liabilities	2.71	2.30	2.52
Provisions	0.48	0.49	0.49
Deferred Tax Liabilities (Net)	27.71	27.49	25.02
Current Liabilities	165.44	139.88	134.28
Borrowings	130.67	100.24	70.80
Trade Payables	14.37	12.78	27.60
Other Financial Liabilities	14.48	16.71	24.31
Other Current Liabilities	4.99	8.78	10.71
Provisions	0.93	1.37	0.86
Total Equity & Liabilities	396.96	366.71	333.21

Rs. Crores	Mar-23 Audited	Dec-22 Unaudited	Mar-22 Audited
Non-Current Assets	250.83	226.77	202.33
Property, Plant and Equipment	154.73	152.52	139.02
Capital Work In Progress	38.94	18.66	10.16
Investment – Property	2.00	2.01	2.03
Other Intangible Assets	0.43	0.05	0.05
Right of Use Assets	38.77	38.60	39.81
Other Financial Assets	6.17	5.39	5.99
Other Non Current Assets	9.79	9.54	5.27
Current Assets	146.13	139.94	130.88
Inventories	45.27	39.71	44.44
Trade Receivables	7.41	6.88	5.43
Cash and Cash Equivalents	4.04	0.22	0.07
Bank Balances	57.50	57.87	57.73
Other Financial Assets	6.56	5.52	6.44
Current Tax Assets (Net)	1.91	0.78	0.56
Other Current Assets	23.44	28.96	16.21
Total Assets	396.96	366.71	333.21





# RCIL **Surging Ahead**



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## Future Growth

- The Company has embarked on an expansion project with a total project cost of Rs 100 crores.
- The project is being implemented in 2 Phases of 6,240 spindles each. The first phase is near completion and the second phase will be completed by September 2023.

### **This project will:**

- Expand the Company's capacity by 12,480 spindles i.e. ~24%.
- Modernise and Expand Company's dyeing facilities.
- Add machinery to help debottleneck certain production processes.
- Focus on the production of technical textiles and other value-added products.
- Allow us to expand our base in domestic market.
- Increase operational efficiencies, reduce operating costs, improve profitability and further increase the flexibility of the company's manufacturing capabilities.



# Enhancing Solar Power Capacity



- The Company remains committed to expanding its Solar Power Capacity.
- We have enhanced our Solar Power Capacity to 3.5 MW and will scale this capacity up to 5 MW by September 2023.
- 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.



# Led by **Industry Veterans** and an **Experienced** Management Team



**Mr. S. L. Shroff**  
**Chairman Emeritus**

A first generation entrepreneur, Mr. SL Shroff began his business career as a stock broker in 1950s. He established business interests in textiles in 1960s with the export of jute fibre to United States and, over the decades, diversified into yarn, fabric, readymade garments and home textiles. He established RCIL in 1977.



**Mr. Sanjiv Shroff**  
**Managing Director**

A Bachelor of Science in Chemistry (Honours) from Kolkata University, Sanjiv has been the Managing Director of the Company since 1988. His thorough operational expertise, industry insight and uncompromising value system have moulded the company into the widely-respected organisation it is today.



**Mr. Rahul Shroff**  
**Executive Director**

An SB and MEng from MIT, USA, Rahul has been instrumental in streamlining the company's manufacturing processes with a focus on lean ideologies and the Toyota Production System. He has spearheaded the company's export sales and its diversification into technical, industrial and medical textiles.



**Mr. Ameya Shroff**  
**Executive Director**

An SB and MEng from MIT, USA, Ameya has spearheaded the company's Financial Management, MIS and strategic cost-reduction efforts. He has focussed on research and development, on expanding the company's value-added product offering and has revitalised sales in the domestic market.



**Mr. Chandrasekaran  
Rajagopalan**  
**Chief Financial Officer**

A Chartered Accountant and Company Secretary, Chandrasekaran has more than 30 years of experience in various management positions in Finance and Accounts. In his past role, he was instrumental in the turnaround of IG Petrochemicals Ltd.





**RELIANCE CHEMOTEX**  
INDUSTRIES LIMITED

**Mr. Chandrasekaran Rajagopalan**

Chief Financial Officer

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