



RELIANCE CHEMOTEX
INDUSTRIES LIMITED

Press Release



August 12, 2023



Reports Results for Q1 FY24

Press Release - Mumbai
August 12, 2023

Reliance Chemotex Industries Limited, a leading Synthetic Yarn Manufacturer, has announced its unaudited financial results for the quarter ended on June 30, 2023.

01 Total Revenue
at Rs. 91.10 Crores

02 EBITDA
at Rs 10.08 Crores

Financial Highlights

Particulars (Rs. Crores)	Q1 FY24	Q4 FY23	Q-o-Q (%)	Q1 FY23	Y.o.Y (%)
Total Revenue (Incl. Other Income)	91.10	81.14	12.28	101.08	-9.87
EBITDA	10.08	10.29	-1.99	9.76	3.31
EBITDA Margin (%)	11.07	12.68		9.66	
PBT	2.81	2.77	1.49	4.32	-34.84
PAT	2.23	2.77	-19.38	3.21	-30.37
PAT Margin (%)	2.45	3.42		3.18	
EQUITY	134.25	132.01		124.73	
Net Long-term Debt / Equity (#)	0.16	-0.02		-0.11	

#Long-Term Debt less Cash and Bank Balance / Equity.



From the Managing Director's Desk



Mr. Sanjiv Shroff

Managing Director

Reliance Chemotex Industries Limited

“The textile spinning industry has experienced an extremely challenging business environment for the last few quarters – continued geo-political tensions in Eastern Europe, and high inflation and recessionary pressures in major export markets have resulted in subdued demand across geographies. These challenges have adversely impacted domestic demand as well, exacerbating the sector’s predicament.

Despite these headwinds, your Company performance for the quarter under review has been robust. Our revenue has remained steady at 91.10 crores (compared to 81.14 crores in the preceding quarter) as has our EBITDA of 10.08 crores (compared to 10.29 crores in the preceding quarter). This has been possible due to ability to quickly adapt to the changing business environment and 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.

We remain positive about the future and our ability to thrive in the challenging yet promising textile industry. This is reflected in our continued focus on growth and on expanding our production capacity. The implementation of our Rs. 100 crores expansion project is progressing well and will be completed during this financial year. This expansion will expand our capacity by approximately 12,480 spindles, will focus on the modernization and expansion of our dyeing facilities and will also add machinery to help debottleneck certain production processes. It will increase operational efficiencies, reduce operating costs, improve profitability, and expand our product offering. We envisage a revival in demand in the second half of this fiscal and hope to have our capacities ready to take advantage of the expected upturn.

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 in this financial year. 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 and multi-market approach, long-standing customer relationships and robust balance sheet, we are confident of continuing our growth journey.”



Safe Harbour 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.

About the Company

Reliance Chemotex Industries Limited ("The Company") was established in 1977 and manufactures Synthetic, Blended Yarn. The Company currently operates 59,616 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, please visit www.reliancechemotex.com.





RELIANCE CHEMOTEX
INDUSTRIES LIMITED

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