



RELIANCE CHEMOTEX INDUSTRIES

RELIANCE CHEMOTEX INDUSTRIES LIMITED

Press Release
11th November, 2021

Reports Robust Q2 FY22 Results



- » Total Revenue at Rs. 89.90 crores; YoY growth of 41%
- » EBITDA of Rs. 11.18 crores, YoY growth of 152%
- » EBITDA Margin of 12.44%, YoY growth of 546 bps
- » Profit Before Tax of Rs. 6.28 crores, YoY growth of 2817%
- » Profit After Tax of Rs. 4.40 crores, YoY growth of 4789%

Press Release, 11th November 2021, Mumbai: Reliance Chemotex Industries Ltd., a leading Synthetic Yarn Manufacturer, has announced its Financial Results for the Quarter and the Half Year ended September 30, 2021.

Financial Highlights:

Particulars (Rs. Crores)	Q2FY22	Q1FY22	QoQ	Q2 FY21	YoY
Total Revenue (incl. Other Income)	89.90	82.93	8%	63.64	41%
EBITDA	11.18	9.32	20%	4.44	152%
EBITDA Margin (%)	12.44	11.24	120 bps	6.98	546 bps
PBT	6.28	4.73	33%	0.22	2817%
PAT	4.40	3.06	44%	0.09	4789%
PAT Margin (%)	4.89	3.69	120 bps	0.14	475 bps
Cash PAT	6.68	4.95	35%	1.96	241%
Long Term Debt [^]	36.45	29.95		20.63	
Equity	111.4	100.5		96.05	
Net Long-term Debt / Equity (x)	-0.22	-0.13		0.02	

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

Reports Robust Q2 FY22 Results



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 second quarter of this fiscal has been robust, building on the momentum generated in the last few quarters. The Company has reported a 41% growth in Revenue and a 152% growth in EBITDA in comparison to the corresponding quarter in the previous financial year.

During the quarter, we have witnessed rapid increases in raw material prices, shortage of containers, steep escalation of ocean freight, and a sharp, sudden increase in coal prices. Despite these challenges, the Company has reported a strong EBITDA margin of 12.44%. 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 nearing completion. We are now planning to further expand our capacity by 6,240 spindles. The proposed expansion will focus on technical textiles and other value-added products. 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 endeavour to strategically scale this capacity up to 3.5 MW. 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. (24.29) Crores on September 30, 2021 as compared to Rs. 2.09 Crores on September 30, 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.”

Ltd

Reliance Chemotex Industries Ltd. (“Reliance Chemotex”) was established in 1977 and is a leading manufacturer of synthetic (raw white, fibre-dyed and dope-dyed) yarn. The Company’s state-of-the-art manufacturing facility is located in Udaipur, Rajasthan. The Company has a spinning facility with a capacity of 54,816 spindles and a Zero-Discharge, Fibre-Dyeing Facility with a capacity of 12 MT/Day. The Company has been exporting yarn since 1987 and has a loyal customer base around the world – it currently exports over 55% of its revenue to developed markets like North America and Europe.

The Company manufactures 100% Polyester, 100% Viscose, 100% Acrylic, 100% Bamboo Viscose as well as Polyester / Viscose, Polyester / Acrylic, Polyester / Viscose / Acrylic blended yarns with a focus on technical textiles and high, value-added end-uses. The company’s yarn is used in a wide array of products - Carpets, Upholstery, Awnings, Artificial Leather, Suiting, Automotive and Aerospace Applications, Medical and Industrial End-Uses.

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.



RELIANCE CHEMOTEX INDUSTRIES

For further information, please contact:

Reliance Chemotex Industries Ltd.

CIN: L40102RJ1977PLC001994

Mr. Chandrasekaran Rajagopalan

Email: finance@reliancechemotex.com

www.reliancechemotex.com