



# Reliance Chemotex Industries Limited

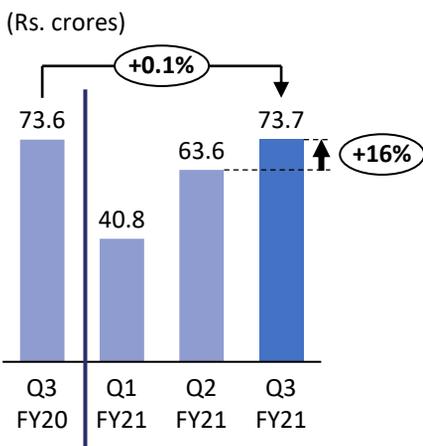
## Q3FY21 Results

- Total Revenue at Rs. 73.7 crore; QoQ growth of 16%
- Recorded EBITDA of Rs. 8.9 crore, QoQ growth of 100%
- EBITDA Margin stood at 12.0%; QoQ improvement of 506 basis points
- PAT at Rs. 2.5 crores as compared to Rs. 0.1 crore for Q2 FY21
- PAT Margin stood at 3.4%; QoQ improvement of 334 basis points

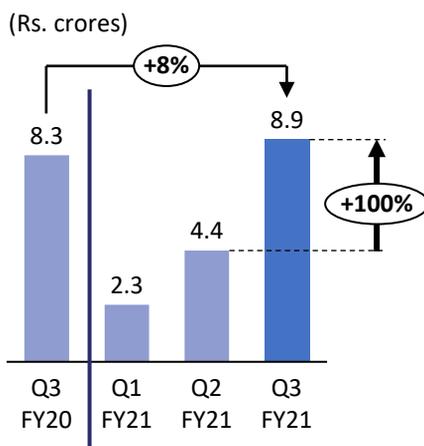
**Mumbai, 11 February 2021:** Reliance Chemotex Industries Ltd., a leading Synthetic Yarn Manufacturer, has announced its unaudited Financial Results for the Quarter and Nine Months ended December 31st, 2020.

### Financial Highlights:

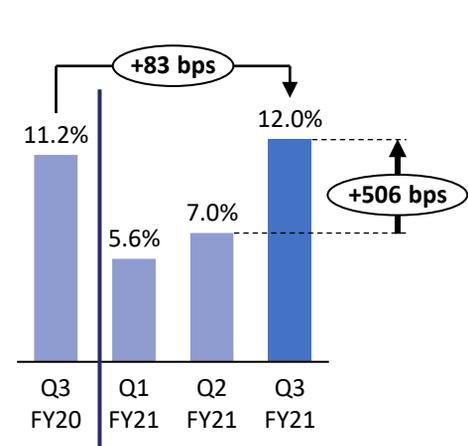
#### Total Revenue



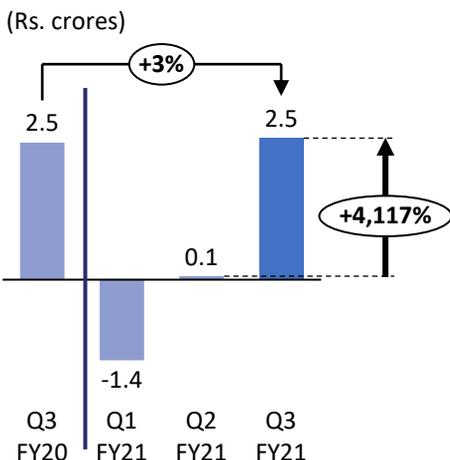
#### EBITDA



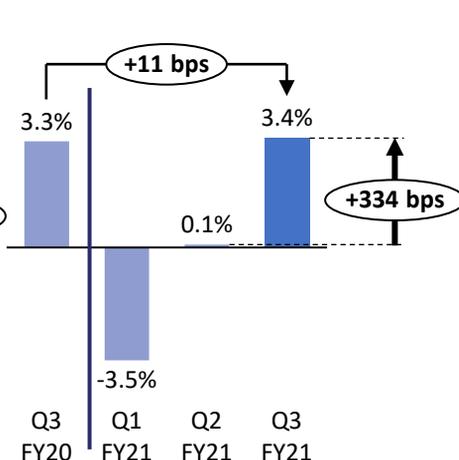
#### EBITDA Margin



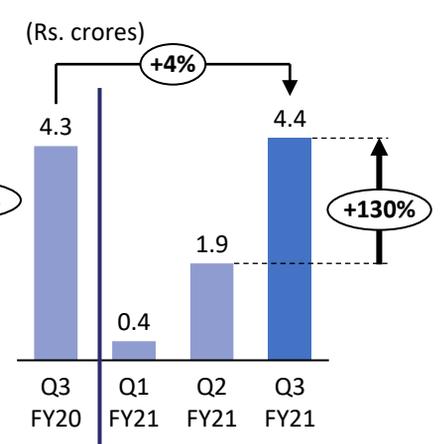
#### PAT



#### PAT Margin



#### Cash PAT





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

*“The Company’s performance in the third quarter of this fiscal has been in line with our expectation. We have witnessed strong demand from our customers (both internationally and within the country) post the gradual unlocking of the economy, which has allowed us to consistently increase our capacity utilisation each month in the quarter under review. Our export revenue, which had fallen sharply in the first half of this fiscal due to the lockdowns all over the world, has rebounded to near pre-Covid levels.*

*During the quarter we have seen a significant increase in raw material prices backed by renewed demand in the domestic market, however, we have been able to pass on this price increase to our customers. Despite the challenging start to this finance year, the Company has reported a strong EBITDA margin of 12%. 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.*

*We have commenced with the second phase of our expansion and modernisation project, which was delayed by the pandemic. In this phase we will be replacing over 10000 spindles in one of our older units and allocating some of the older spindles for research and development purposes. This project will significantly reduce operating costs, improve profitability and further increase the flexibility of the company’s manufacturing capabilities.*

*In an effort to further reduce our operating costs, the Company has begun to install Solar Panels on the rooftops of our manufacturing units in Udaipur. The first 300Kw of solar capacity has been successfully commissioned and is operating satisfactorily. We have commenced with the second phase (an additional capacity of 1.1 MW) of the installation and envisage to have this completed by the end of this financial year. We endeavour to strategically scale this capacity up to 3MW. 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 Total Long-Term Debt stood at 19.54 crores on December 31, 2020 as compared to 20.63 crores on September 30, 2020. The Total Long-Term Debt on December 31, 2020 includes debt of 9.49 crores availed for the expansion and modernization project. As on December 31, 2020, we have a net cash of Rs. 5.13 crores after adjusting for Long-Term Debt.*

*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 Ltd.**

Reliance Chemotex Industries Ltd. (“Reliance Chemotex”) was established in 1977. The Company manufactures Synthetic, Blended Yarn. The Company currently operates 53,280 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 Industries, please visit [www.reliancechemotex.com](http://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.

For further information, please contact

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#### **Company :**

**Reliance Chemotex Industries Ltd.**

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