



SANGAM (INDIA) LIMITED

INVESTOR PRESENTATION

Nov 10, 2022

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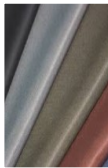
About Us

Sangam (India) limited was incorporated in 1984, promoted by Shri RP Soni, first generation entrepreneur & technocrat. SIL become a public limited company in 1992 and listed on both the major exchanges of India in NSE and BSE.

- SIL main business activities are Textile & garment manufacturing. Company has expanded its products portfolio into full value chain in textile, manufacturing of yarn, fabric, fabric processing and Garment, etc.
- Company has build 4 state of the art manufacturing facilities situated in Bhilwara & Chittorgarh, Rajasthan, India
 - Yarn (PV Fiber dyed, Grey yarn, & Cotton Yarn) : 96,150 MT
 - Fabric Production (Denim & PV fabric) : 78 MMPA
 - Fabric Processing : 72 MMPA
 - Knitted Fabric : 3,700 MTPA
 - Garments : 5.6 MPPA



PV blended
dyed/grey/cotton yarn



PV/denim fabric



Fabric processing



Garments

Unique Business Propositions of Sangam India Limited

- Long standing presence over 35 years & established brands.
- One of the largest producers of Poly Viscose Dyed Yarns in South East Asia, in oligopolistic market segment.
- Diversified product mix from Yarn (PV & Cotton), Fabric (PV woven, Denim, Knitted), Garments, etc. A rare company in India who is having such a large & diversified product mix.
- Key player in the organized PV Fabric segment. SIL is very strong contender having limited competition in large institutional supplies.
- Diversified customer base across segments & geography worldwide.
- Manufacturing centricity and Economy of scale
- One of the niche player in Seamless Garments manufacturing in India.
- Brand C9 Air wear brings of progressive seamless wear to maximize flexibility, mobility and performance, while enhancing comfort and confidence, as Intimate Wear, Active Wear, Yoga Wear, Shape Wear and Leisure Wear for women.

Vision & Mission Statement

Vision:

At Sangam, we strive to build enterprises driven by excellence which maximises customer satisfaction and create value for all stakeholders.



Mission:

To maximise customer value and expand customer base with focus on consumer business segment while keeping pace with changes in external environment.

On the back of our resilient business model and operational efficiencies, we continued to drive value for our stakeholders during the year. We remained steadfast on delivering the best quality and sustainable textile solutions, leading to a better tomorrow for everyone.

R.P. Soni

Our Values:

Commitment: We are committed to foster trusted client relationships and to enhance stakeholders' value. We enable others to trust us by delivering on our accountabilities and stand by decisions when they are made. We expect to follow ethical business practices with complete transparency and open communication.

Integrity: We carry our responsibilities in honest and trustworthy manner. We expect to uphold high standard of conduct and to have integrity in all our thoughts and actions.

Professionalism: We expect to conduct ourselves in professional manner even in the most challenging circumstances.

Quality: Our endeavour is to provide high quality products and adhere to world-class standards.

Adaptability: We remain steadfastly adaptable to changing dynamic environment.

Board of Directors

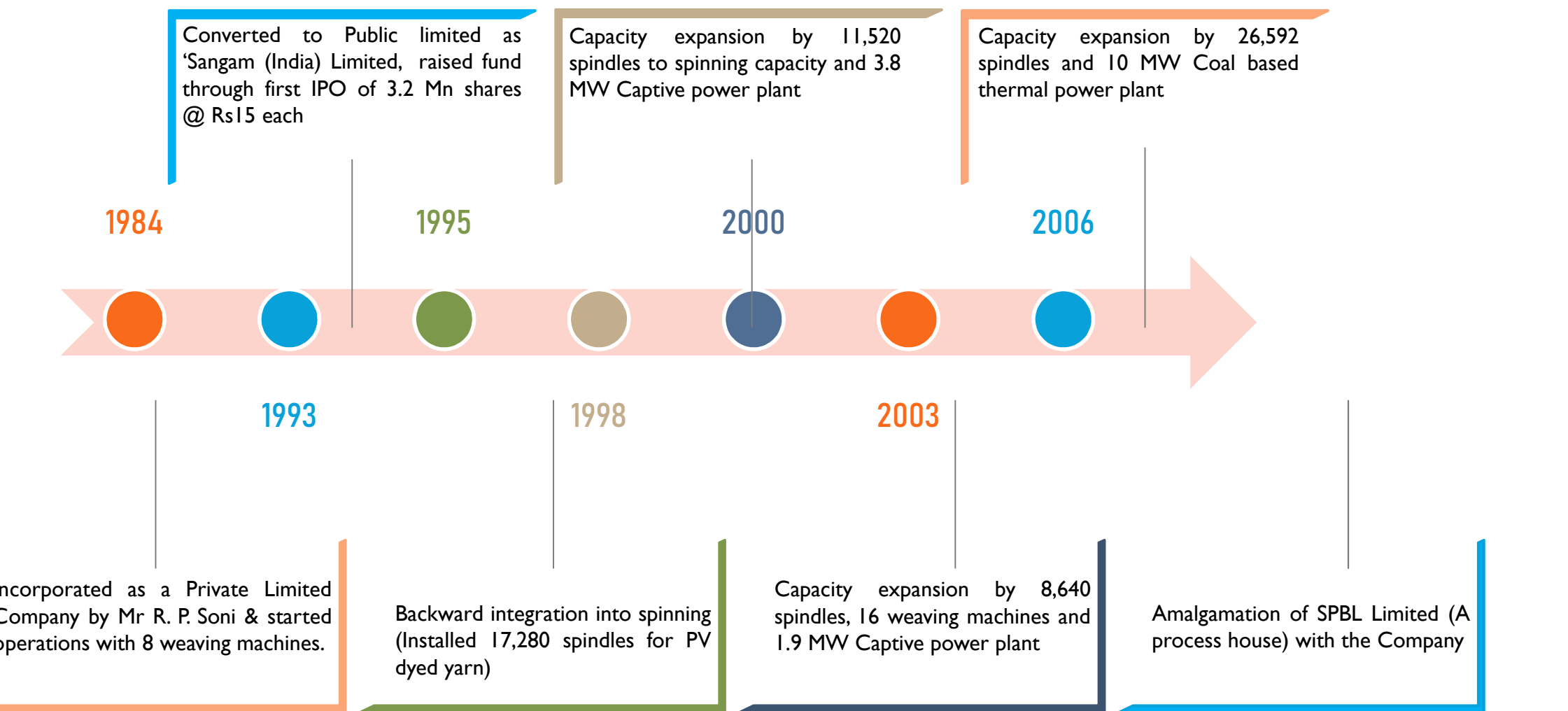
Names of the Directors	Designation	Brief
Shri R. P. Soni	Chairman	He is the Promoter and founder of Sangam group and has more than 50 years of rich experience in textile, civil and other sectors. He is a first generation entrepreneur, visionary leader & technocrat by profession. He is qualified science graduate and diploma in civil engineering. He admires social & philanthropic values and believes in giving back to the society, and has set up Hospital, School, University under various trusts.
Dr. S. N. Modani	Managing Director & CEO	He is responsible for managing the Yarn and Denim Business of SIL. He holds a Masters in Science (M. Sc.), with Honours in Chemistry, as well as an MBA and is associated with the textile industry since 1989. He is presently Chairman of Rajasthan Textile Mills Association & director in Confederation of textile industry "CITI". He is awarded doctorate in strategic management practices for Sustainable Future by Sangam University.
Shri Vinod Kumar Sodani	Executive Director	He is responsible for managing the weaving of Poly Viscose Fabric, the Processing Division and manufacturing of Seamless Garments. He is a B. Com. graduate and has completed his Chartered Accountancy.
Shri Anurag Soni	Whole Time Director & CFO	He is a commerce graduate and completed MS in Finance. He is entrusted with the responsibility overall finance & treasury management and streamlining operations for sustainable business growth.
Shri Achintya Karati	Independent Director	Having more than 51 years of work exp, worked in ICICI Ltd/ICICI Bank Ltd. holding responsible business development positions, head of Major Client Group - North and finally taking charge as Country Head of Government and Institutional Solutions Group.
Shri Tapan Kumar Mukhopadhyay	Independent Director	Having more than 48 years of work exp and worked as Chief General Manager and Country Head (Administration & Premises) in his previous assignment with from IDBI BANK and also held on various Senior Executive Positions.
Smt. Jyoti Sharma	Independent Director	She worked as Senior Vice President with Banking Codes and Standards Board of India since August 2015. Her forte is Corporate finance, resources mobilisation and monitoring of stressed assets.
Shri Yaduvendra Mathur	Independent Director	He was Officer of the Indian Administrative Service and retired in the year 2019 from the rank of Secretary to Govt. of India, Neeti Aayog, New Delhi. He was also associated with Exim Bank as CMD, with Rajasthan Financial Corporation as CMD, as Director General Revenue Intelligence, Principal Secretary Budget, Secretary Expenditure, Dy Secretary Finance as an Income Tax Officer, IRS and he was also associated with African Development Bank.

Production Capacity

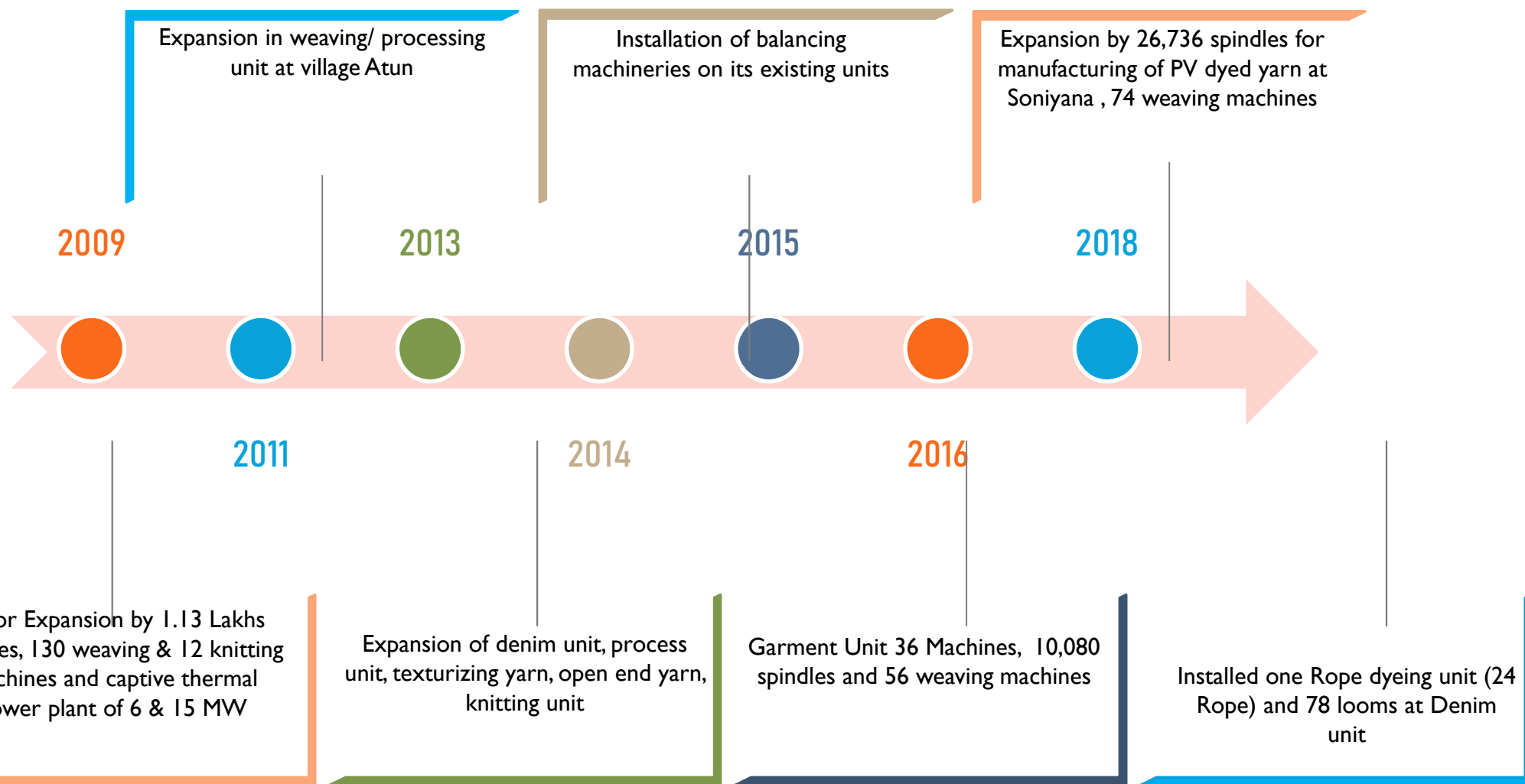
Company's totally integrated infrastructure equipped to produce quality products ; from yarn to garments, includes Spinning, Weaving, Processing, Denim, Knitting & Garments Manufacturing supported by innovative styles, cutting-edge technology. Company has also invested heavily in developing and upgrading its infrastructure for better productivity and quality.

Division	Assets	Production Capacity
Spinning	271440 Spindles & 2,568 Rotors	96,150 MT PA
Weaving	229 Weaving Machines	30 Million Meter Fabric PA
Denim	5 Processing lines & 295 Looms	48 Million Meter Fabric PA
Processing	7 Stenters-42 chambers	72 Million Meter PA
Circular Knitting	22 Machines	3,700 MT PA
Seamless Knitting	58 Machines	5.6 Million Pieces PA
Thermal Power	2 Plants	16.0 MW
Solar Power	2 Plants	13.0 MW
Wind Power	4 windmills	5.0 MW

Major Milestones



Major Milestones (contd.)



Product Portfolios

SIL focused to deliver the best-in class products across the textile value chain. Company's expanded portfolio includes



PV blended
dyed/grey yarn



Cotton spun yarn



Cotton open end
yarn



Texturized yarn



Synthetic blended
fabric



Denim fabric



Fabric processing

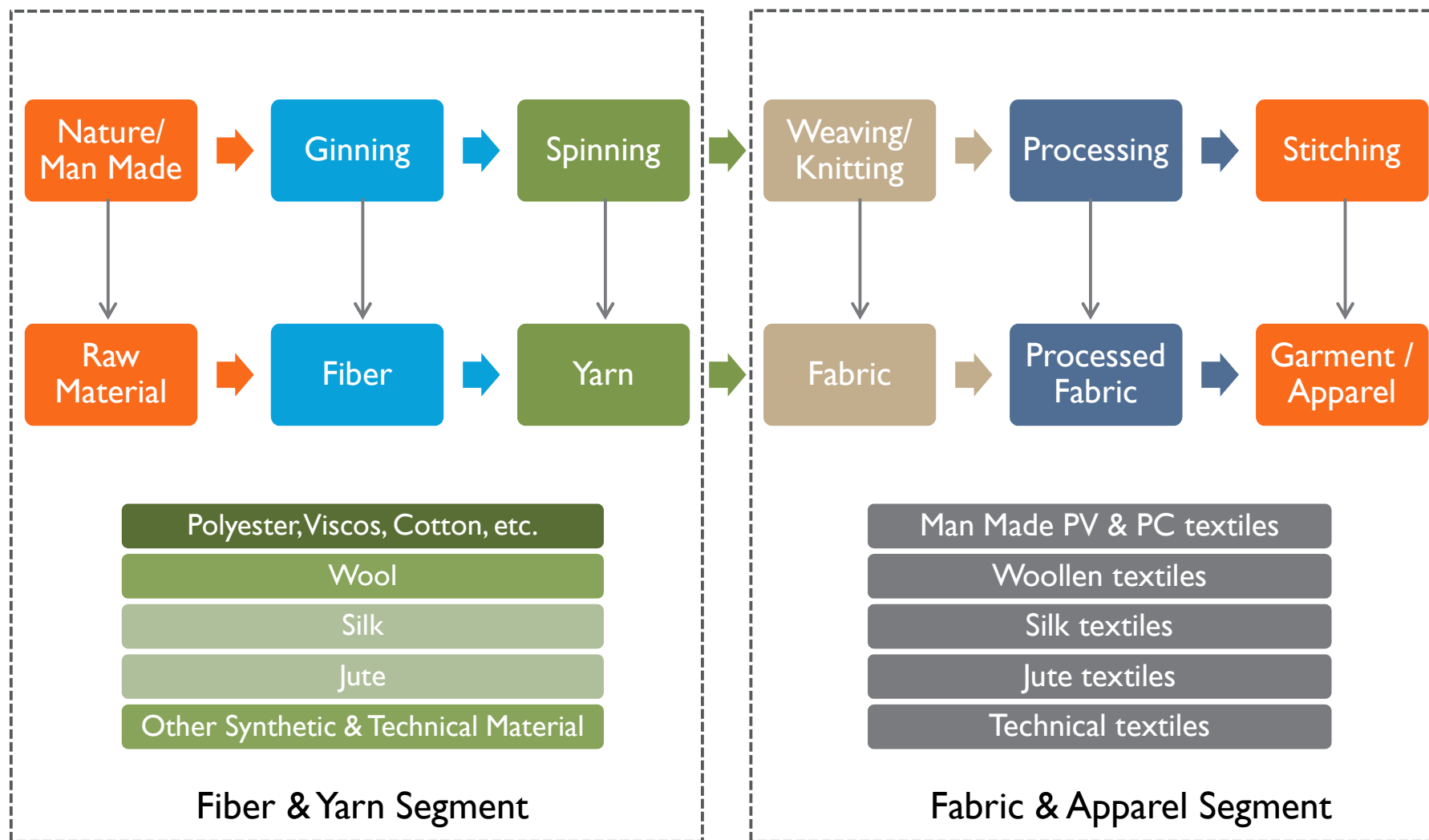


Cotton knitted
fabric



Garments

Textile Value Chain



Manufacturing Facilities



Atun, Bhilwara :
Weaving,
Processing &
Garment Plant



Atun, Bhilwara:
Seamless
Garment Unit



**Biliya Kalan,
Bhilwara:**
Spinning Plant
Unit-I, Denim
Weaving &
Processing Plant



Sareri, Bhilwara:
Spinning Plant
Unit-II



**Soniyana,
Chittorgarh**
Spinning Plant
Unit-III

Company has five manufacturing facilities located at Bhilwara and Chittorgarh in Rajasthan.

Quarterly Result Snap Shots

INR Cr

REVENUE (INR Cr)

FY22,Q2

635

FY23,Q2

709

12% YOY



EBITDA (INR Cr)

FY22,Q2

74

FY23,Q2

79

7% YOY



CASH EPS (INR Cr)

FY22,Q2

14.93

FY23,Q2

14.5

-3% YOY



EPS (INR)

FY22,Q2

6.86

FY23,Q2

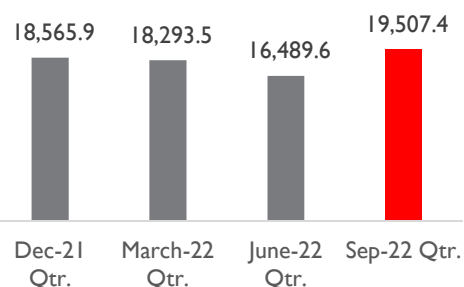
7.69

12% YOY

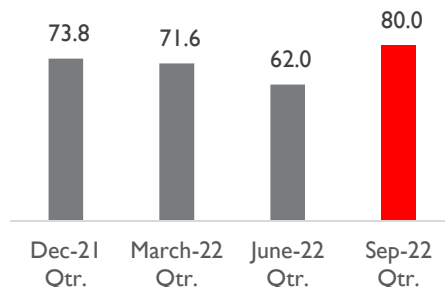


Business Segments Quarterly Trend

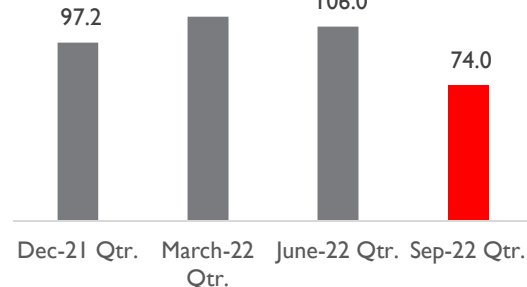
Yarn (MT)



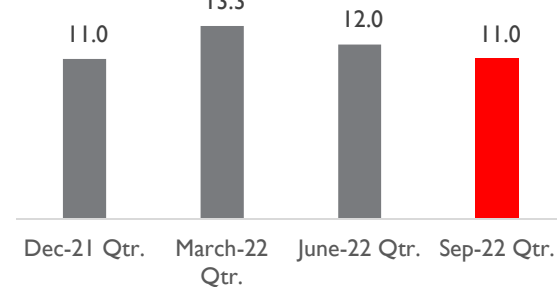
PV Fabric (Lakh Meter)



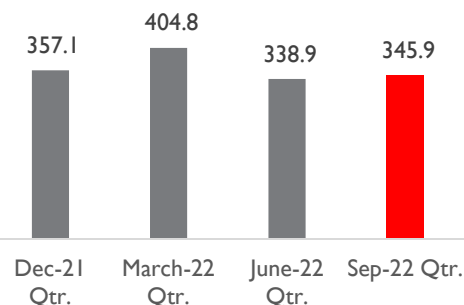
Denim Fabric (Lakh Meter)



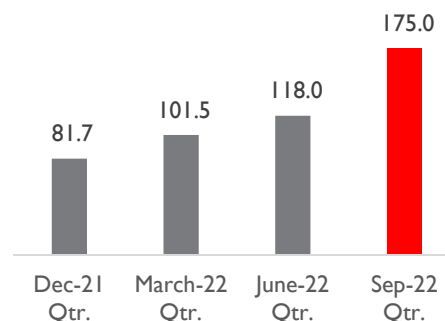
Garment (Lac Pcs)



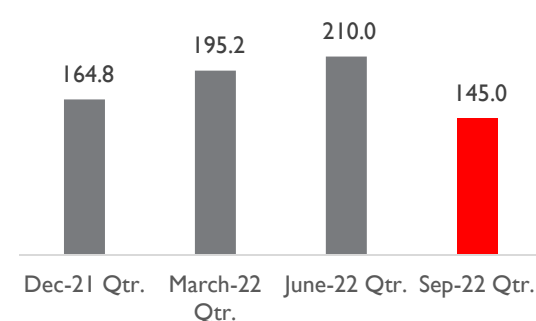
Yarn (INR Cr)



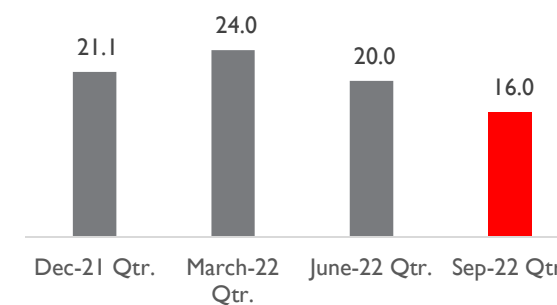
PV Fabric (INR Cr)



Denim Fabric (INR Cr)

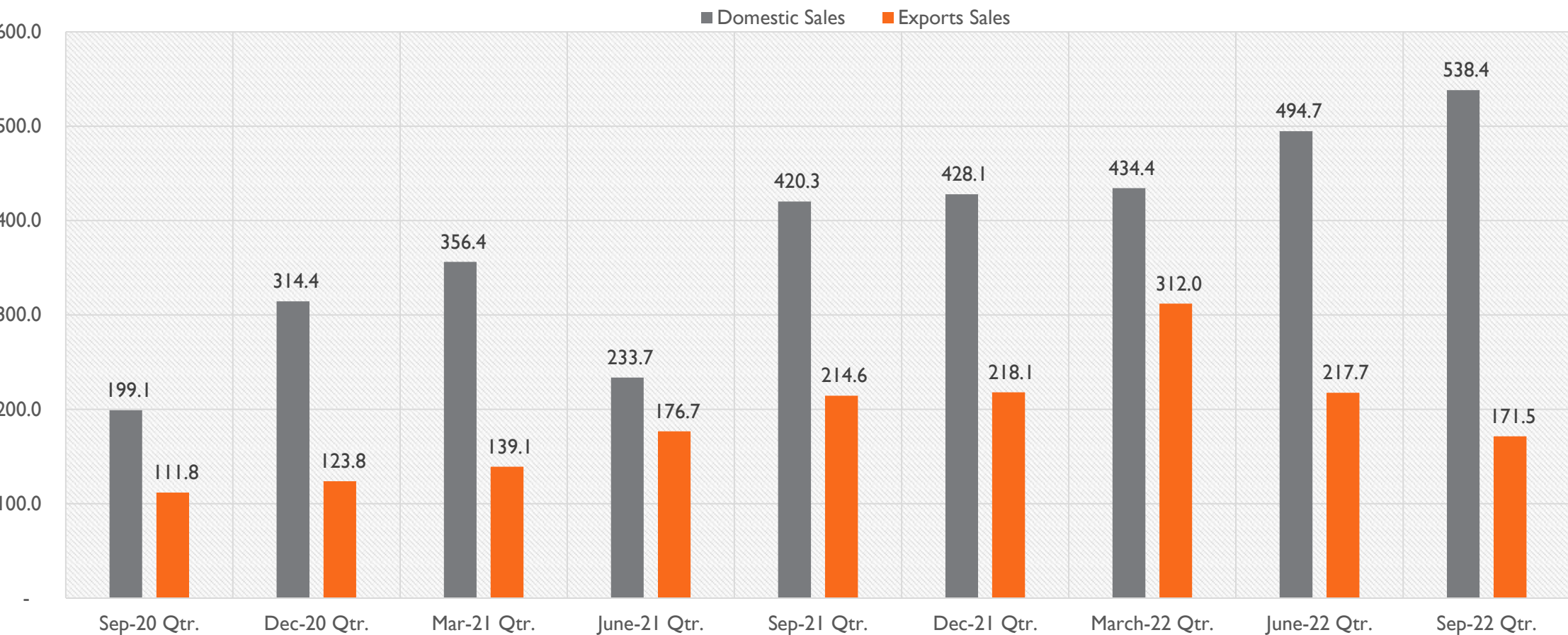


Garment (INR Cr)



Market wise sales chart

Inr Cr



Income Statement: Q2 FY 2023 (standalone)

INR Lakhs

Particulars	Quarter Ended				For Year Ended		
	30.09.2022	30.06.2022	30.09.2021	YoY Qtr	30.09.2022	30.09.2021	YoY Period
Income							
Revenue from Operations	70,932	71,328	63,492	12%	1,42,260	1,04,528	36%
Expenses							
COGS	55,401	55,116	48,814	13%	1,10,517	80,491	37%
Operating Profit	15,531	16,212	14,678	6%	31,743	24,037	32%
<i>Operating Profit Margin %</i>	<i>21.9%</i>	<i>22.7%</i>	<i>23.1%</i>		<i>22.3%</i>	<i>23.0%</i>	
Other income	309	465	352		774	531	
EBITDA	8,175	9,783	7,686	6%	17,958	12,804	40%
<i>EBITDA Margin</i>	<i>11.5%</i>	<i>13.7%</i>	<i>12.1%</i>		<i>12.6%</i>	<i>12.2%</i>	
Finance costs	1,644	1,429	1,203		3,073	2,357	30%
Cash Profit	6,531	8,354	6,483	1%	14,885	10,447	42%
<i>Cash Profit Margin</i>	<i>9.2%</i>	<i>11.7%</i>	<i>10.2%</i>		<i>10.5%</i>	<i>10.0%</i>	
Depreciation and amortisation expense	2205	1850	1809		4055	3738	8%
Profit Before Tax	4326	6504	4674	-7%	10830	6709	61%
Tax expense:	974	1254	1694		2238	2407	
Profit After Tax	3352	5250	2980	12%	8592	4302	100%
Other Comprehensive Income/(Loss)	30	20	67		51	95	
Comprehensive Income for the period	3061	5270	3047		8322	4397	
Paid-up Equity Share Capital	4505	4342	4342		4505	4342	
Earning per Share	7.69	12.1	6.86	12%	19.7	9.9	99%
Cash EPS	14.50	19.2	14.93	-3%	33.0	24.1	37%

Balance Sheet : Q2 FY 2023 (standalone)

Particulars	For the Year	
	30.09.2022	31.03.2022
ASSETS		
Non-Current Assets		
Property, Plant and Equipment	64,975	59,475
Capital Work-in-Progress	7,515	7,098
Other Non-Current Assets	16,601	9,049
Total Non-Current Assets	89,091	75,622
Current Assets	1,02,775	1,06,604
Inventories	43,268	52,797
Trade Receivables	38,658	37,643
Cash & Bank Balance	5,419	2,126
Other Current Assets	15,430	14,038
Total Assets	1,91,866	1,82,226
EQUITY AND LIABILITIES		
Total Equity	83,531	71,621
Non-Current Liabilities	28,528	22,060
Borrowings	24,899	18,055
Lease Liability	143	219
Deferred Tax Liabilities (Net)	3,486	3,786
Current Liabilities	79,807	88,545
Borrowings	54,199	57,984
Trade Payables	7,165	13,370
Other Current Liabilities	18,443	17,191
Total Equity and Liabilities	1,91,866	1,82,226

Cash Flow Statement : Q2 FY 2023 (standalone)

Particulars	For the Year	
	30.09.2022	30.09.2021
Cash Flow from Operating Activities		
Net Profit Before Tax	10,509	6,709
Depreciation and Amortisation Expense	4,055	3,738
Finance Costs	3,073	2,357
Other Items	-1,038	143
Operating Profit before working capital changes	16,599	12,947
Movements in Working Capital	1,746	-5,955
Cash Generated from Operations	18,345	6,992
Taxes Paid / (Refund) (Net)	2,388	1,024
Net Cash Inflow / (Out Flow) from Operating Activities	16,039	5,968
Cash Flow from Investing Activities		
Purchase of Fixed Assets	-15,898	-3,942
Sale of Fixed Assets	1,425	129
Other Items	-2,744	264
Net Cash Inflow / (Outflow) from Investing Activities	-17,217	-3,549
Cash Flow from Financing Activities		
Proceeds from issue of Share/ Warrant	-225	2,000
Net/Repayment of Long Term Borrowings	6,845	-3,585
Increase / (Decrease) in Short- Term Borrowings	-3,785	4,206
Finance Costs	-3,057	-2,426
Dividend Paid (Including Tax on Dividend)	-	-430
Net Cash Inflow / (Out Flow) from Financing Activities	4,471	-2,235
Net Increase/(Decrease) in Cash & Cash equivalents	3,293	184

Historical Financial Performance

INR C

Particulars	Sep-20	Dec-20	Mar-21	Jun-21	Sep-21	Dec-21	Mar-22	Jun-22	Sep-22
Sales	310.9	438.2	495.5	410.4	634.9	646.1	746.3	713.3	709.3
Cost of Materials consumed	154.1	220.1	275.4	251.7	334.7	366.2	427.1	447.4	409.4
(Increase)/ Decrease in Inventories	21.2	35.5	-16.1	-46.8	23.9	-9.0	-3.9	-48.9	-17.9
Employee benefits expense	34.1	41.7	48.5	43.4	51.8	52.5	53.2	55.0	59.5
Power & Fuel	36.4	46.3	53.4	49.2	59.6	67.8	68.8	79.2	80.9
Other expenditure	41.2	52.8	60.4	62.9	91.1	91.5	93.4	87.4	98.7
Total Expenses	287.0	396.4	421.7	360.5	561.1	569.0	638.6	620.1	630.6
Net Income (Exclusively Operating EBIDTA)	23.8	41.9	73.8	50.0	73.8	77.1	107.8	93.2	78.7
Other Income									
Net Income (Operating EBIDTA)	23.8	41.9	73.8	50.0	73.8	77.1	107.8	93.2	78.7
Non operating income/exp	0.9	2.6	5.1	1.2	2.4	2.7	-0.8	4.7	3.1
EBIDTA	24.7	44.4	78.9	51.1	76.2	79.8	107.0	97.9	81.8
Finance Costs	9.7	11.8	13.9	11.5	11.4	13.0	11.2	14.3	16.4
PBDT (Cash Profit)	15.0	32.6	65.1	39.6	64.8	66.8	95.8	83.6	65.3
Depreciation & Amortisation expense	20.5	20.3	19.2	19.3	18.1	18.0	15.0	18.5	22.1
Profit / Loss Before Tax	-5.6	12.3	45.9	20.4	46.7	48.8	80.8	65.1	43.3
Tax Expenses	-1.5	4.8	11.7	7.1	16.9	5.1	14.2	12.5	9.7
PAT	-4.1	7.5	34.1	13.2	29.8	43.7	66.6	52.5	33.5
Extraordinary item - Gain / (Loss)							-12.3	0.0	-3.2
Net Profit/ (Loss) for the period	-4.1	7.5	34.1	13.2	29.8	43.7	54.3	52.5	30.3
Other Comprehensive Income (After Tax)	0.1	0.6	2.3	0.3	0.7	1.6	-1.5	0.2	0.3
Total Comprehensive Income for the period	-4.0	8.09	36.4	13.5	30.5	45.3	52.7	52.7	30.6

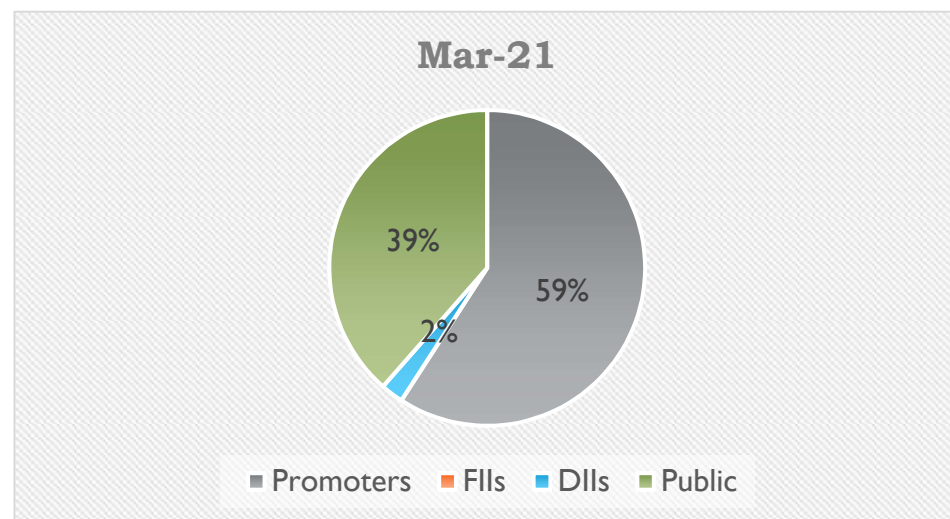
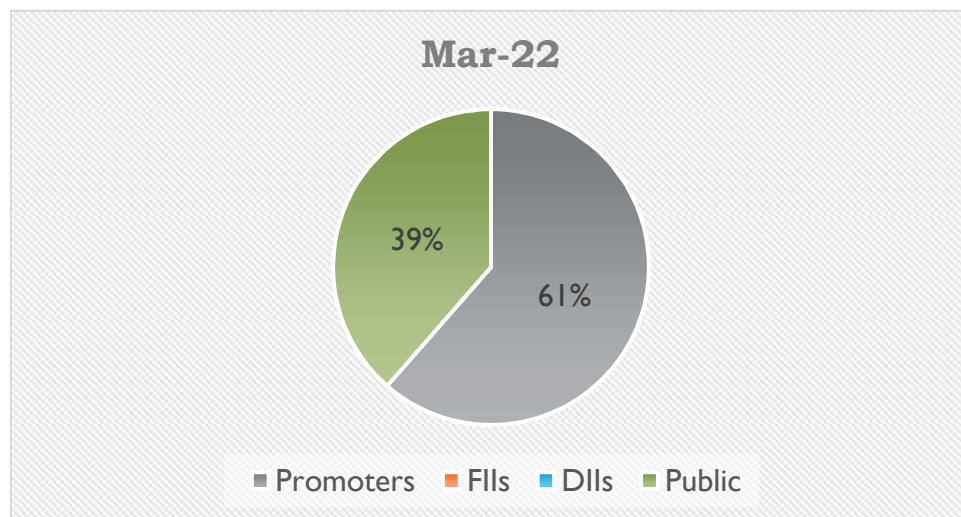
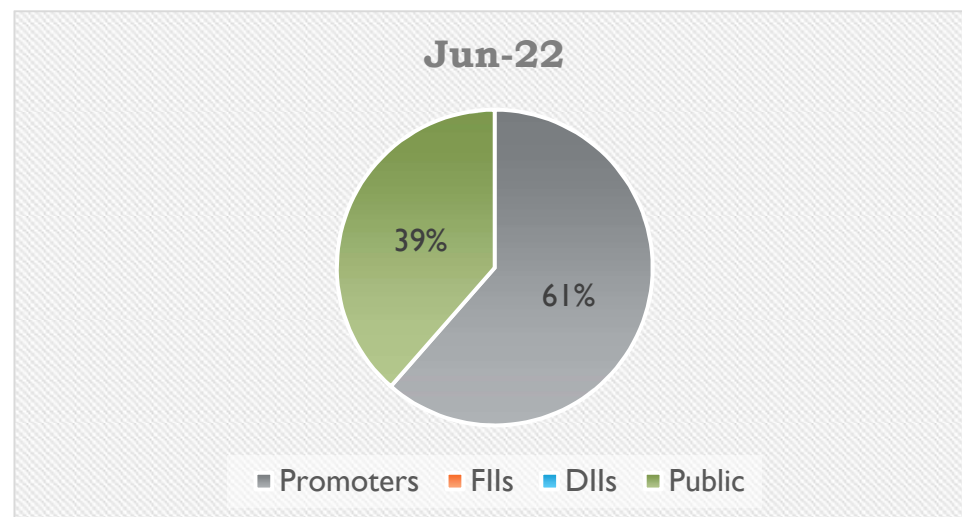
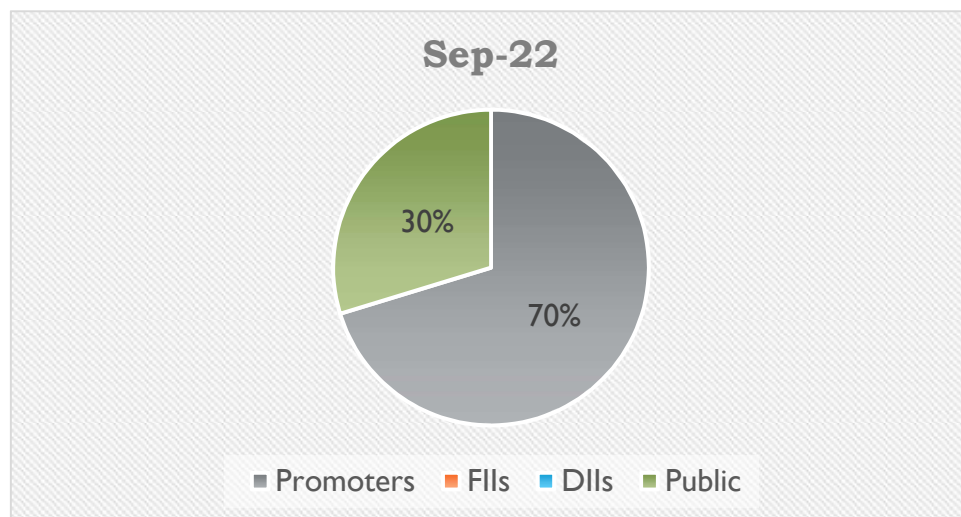
SANGAM Way Forward



On Going Expansion Plan

1. **Phase 2 Cotton Expansion Project** outlay of 138 cr: it will add capacity of 10,500 MT per annum and generate appx 300cr of revenue at full year of operation. Project expected COD at 1st April 2023.
2. **Garment Project** outlay of 157 cr, 106 machines under wholly owned subsidiary SVL : will around 200 cr of revenue at full year of operation project will be commenced in a phased manner from next financial year.
3. **Denim Expansion Project** costs outlay INR180 cr – 81 Looms for Denim Fabric manufacturing for captive consumption for further processing, Sizing machines & agriculture waste based two Boilers for cost optimization and green energy solution, project is expected to pay back in 3-4 years as part of costs saving & improve realization.
4. **PV Fabric Expansion Project:** company has envisaged further expansion in weaving unit. The project out lay of 108cr, putting 67 new advance technology looms in the existing weaving blocks. The plant capacity shall be increased by finished fabric~ 9.6 MM “million meters” of fabric per annum, this will increase the fabric production capacity by one third from existing 30 MM to 40 MM per annum.

Shareholding Pattern As on 30.09.2022



SANGAM : External Credit Rating

Instrument Type	Maturity Date	Size of Issue (million)	Rating/Outlook	Rating Action
Term loan	July 2022	INR120 (reduced from INR355)	IND A/Stable	Affirmed
Term loan	December 2028	INR2,019.2 (reduced from INR2,555.8)	IND A/Stable	Affirmed
Term Loan	January 2032	INR2,040	IND A/Stable	Assigned
Fund-based limits	-	INR3,800	IND A/Stable	Affirmed
Non-fund-based limits	-	INR1,541.4	IND A1	Affirmed
Proposed fund-based limits	-	INR700	IND A/Stable	Assigned

Rating	Issued on 23.03.2022	
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Name of the Rating Agency :	India Ratings and Research Pvt. Limited (A Fitch Group Company)
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Instruments with this rating are considered to have adequate degree of safety regarding timely servicing of financial obligations. Such instruments carry low credit risk.

Earlier Company was Rated		
Date	Long Term Facilities	Short Term Facilities
03.02.21	Ø Affirmed at 'IND A' Outlook Stable	Ø Affirmed at 'IND A1'
11.12.19	Ø Affirmed at 'IND A' Outlook Negative	Ø Affirmed at 'IND A1'
29.11.18	Ø Downgraded to 'IND A'	Ø Affirmed at 'IND A1'
13.10.17	Ø Affirmed at 'IND A+'	Ø Downgraded to 'IND A1'
26.10.16	Ø Affirmed at 'IND A+'	Ø Affirmed at 'IND A1+'
01.10.15	Ø Upgraded to 'IND A+'	Ø Upgraded to 'IND A1+'
13.09.14	Ø Upgraded to 'IND A-'	Ø Upgraded to 'IND A1'
04.12.13	Ø Upgraded to 'CARE BBB+'	Ø Upgraded to 'CARE A2'

Thank you