



LAXMI COTSPIN LIMITED

Investor Presentation
Six Monthly comparison
March | 2019

We the Laxmi Cotspin Limited has the NSE name code
“LAXMICOT”

Having ISIN **INE801V01019** working in the Ginning and
Spinning sector as a Small And Midcap Enterprise (SME) Unit.



*SAFE HARBOUR

This presentation is not intended to be a “prospectus” (as defined under the Companies Act, 2013 and the relevant provisions of the rule, the Companies (Prospectus and Allotment of Securities) Rules, 2014). Certain statements made in this presentation may not be based on historical information or facts and may be "forward-looking statements" based on the currently held beliefs and assumptions of the management of the Company, which are expressed in good faith and in their opinion reasonable, including those relating to the Company's general business plans and strategy, its future financial condition and growth prospects and future developments in its industry and its competitive and regulatory environment. Further, past performance is not necessarily indicative of future results. This presentation is for general information purposes only, without regard to any specific objectives, financial situations or informational needs of any particular person. This presentation does not constitute an offer or invitation to purchase or subscribe for any securities of the Company by any person in any jurisdiction. Neither LAXMI COTSPIN LIMITED nor any of its affiliates, advisors, representatives shall have any liability whatsoever (in negligence or otherwise) for any loss howsoever arising from any use of this document or its content or otherwise arising in connection with this document. The Company may alter, modify or otherwise change in any manner the content of this presentation, without obligation to notify any person of such change or changes.

Business Process Overview

* PRODUCTION PROCESS



A



B



C



Newly started process earlier
sold to edible oil extractor Co.



Finish Goods



Raw Edible Oil which is
sold to refinery
companies



Animal Food sold to
retailers in the market

Capacity Utilizations Overview

❖ Capacity Utilization

GINNING SECTION CAPACITY

Particulars	Capacity Per day (Qtls)	Actual production Per day (Qtls)
Raw cotton Consumption	1,885.71	942.00
Bales Production	659.99	329.70
Seed production	1,187.99	593.46
Waste / Loss	37.71	18.84
Bales Production Per day (No's)	400.00	200.00
Bales Production Per annum (No's)	1,44,000.00	72,000.00
Note: 360 days in a year is taken as base for annual production.		



Bales Production

❖ Capacity Utilization

SPINNING SECTION CAPACITY

Particulars	Ring Frame (RF)	Open End (OE)
Total no. of machines	14	9
Total no. of spindles/rotors	16,800	3,024
Total installed capacity/day	6,300	13,550
Total actual production/day	6,111	13,260
Capacity utilization %	97.00%	97.86%
Production in kg's /year	21,69,45	47,07,300
Maximum production in kg's/year	22,36,500	9 48,10,250



Ring Frame



Open End

❖ Capacity Utilization

OIL PROCESSING SECTION CAPACITY

Particulars	Capacity Per day	Actual production Per day
Seed consumption per day	360	360
Oil Production day	32.4	28.8
Oil Cake prod per day	313.2	313.2
Note :1 Qtl. Seed results in production of 9 Kg's Oil and 91 Kg's Oil Cake		



Oil



Oil Cake

Financial Overview

❖ Balance Sheet Highlights- As on 30th Sept'18

Particulars (Rs. Million)	As on 30 th Sept-18	As on 31 st Mar-18
Shareholder's Funds	460.910	442.333
Share capital	171.477	171.477
Reserves and Surplus	289.433	270.856
Non-current liabilities	181.160	152.516
Long term borrowings	163.967	138.352
Deferred tax liability	13.390	10.313
Long term Provision	3.803	3.851
Current liabilities	313.076	515.885
Short Term Borrowings	235.042	364.791
Trade Payables	59.420	61.212
Other Financial Liability	13.114	67.503
Provisions	5.500	22.379
Total Equities & Liabilities	955.150	1110.734

Particulars (Rs. Million)	As on 30 th Sept-18	As on 31 st Mar-18
Non-current assets	360.609	393.185
Property , Plant & Equipment	358.448	393.185
Intangible Assets	0.000	0.000
Capital Assets under dev.	2.161	0.000
Financial Assets		
Other Investments	0.000	0.000
Other Financial Assets	0.000	0.000
Deferred tax assets (net)	0.000	0.000
Long term loans and advances	0.000	0.000
Other non-current assets	0.000	0.000
Current assets	594.541	717.548
Inventories	214.083	267.795
Financial Assets		
Trade receivables	326.749	379.569
Cash & Cash equivalents	10.913	12.568
Short term loans and advances	9.865	21.813
Other Current Assets	32.931	35.803
Total Assets	955.150	1110.733

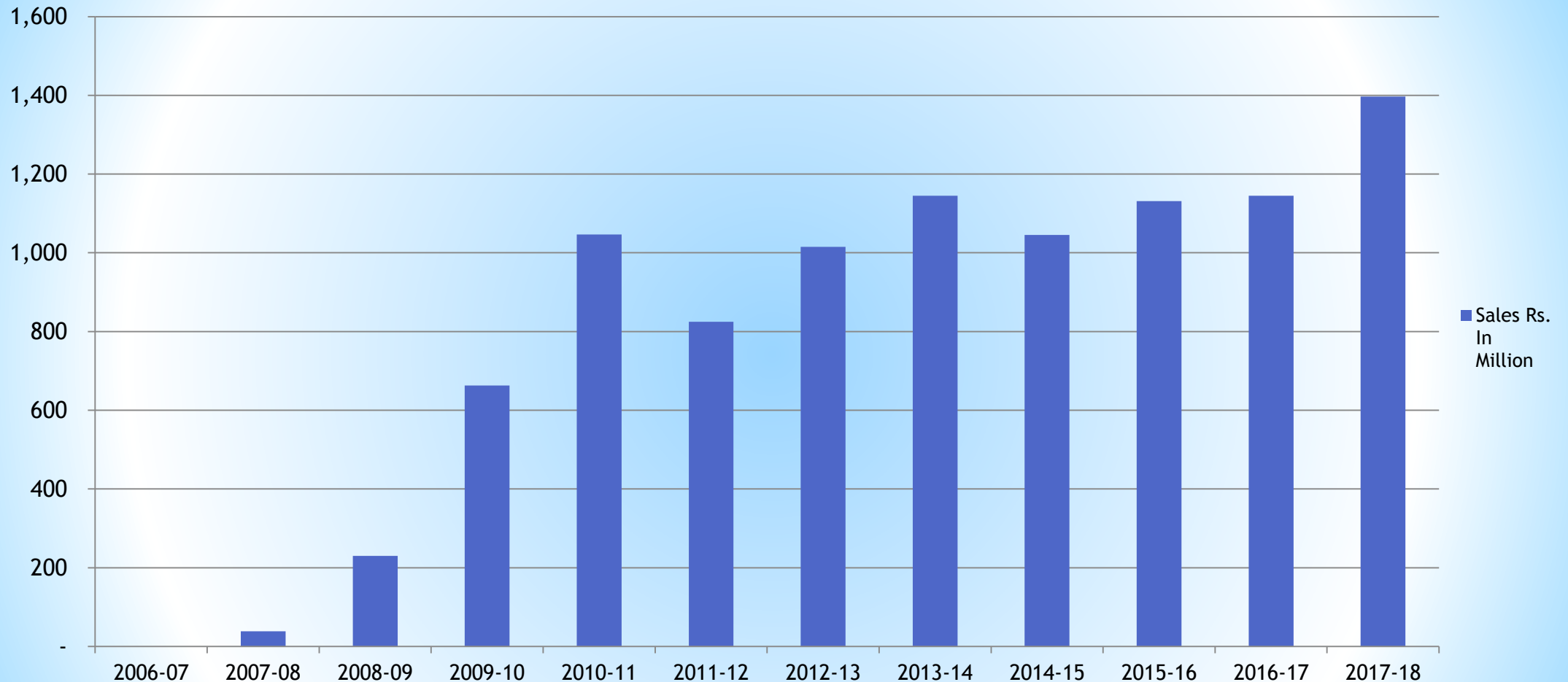
❖ Revenue Highlights- As on 30th Sept'18

Half yearly comparison			
Particulars (Rs. Million)	As on 30 th Sept-18	As on 31 st Mar-18	As on 30 th Sept-17
INCOME	846.87	871.72	548.95
Revenue from operations (Net)	837.60	856.96	540.06
Other Income	9.27	14.76	8.89
EXPENSES	758.82	803.95	466.64
Cost of materials consumed	667.22	670.25	399.76
Changes in inventories	(34.63)	13.39	(22.00)
Employee Benefit Expenses	36.88	38.54	32.42
Other expenses	89.35	81.77	56.46
EARNING BEFORE INTEREST DEPRECIATION AND TAX	88.05	67.77	82.31
Interest Expense	22.81	12.84	21.12
Depreciation and amortization expenses	37.74	37.75	36.55
EARNING BEFORE TAX	27.50	17.18	24.64
Tax expense	8.79	13	12.07
EARNING AFTER TAX	18.58	13.45	12.57

**Earning After Tax
(Rs. In Million)**



Sales (Rs. In Million)

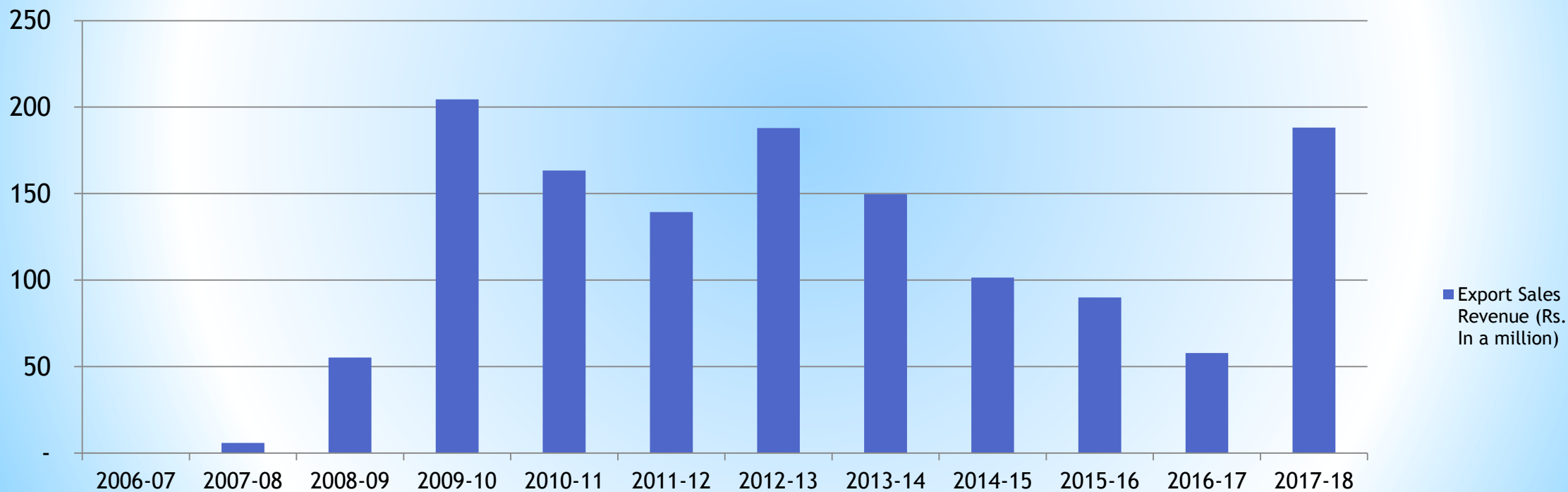


Particulars	2006-07	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18
Sales data	-	38.58	230.24	662.62	1,046.77	824.70	1,015.06	1,145.18	1,045.18	1,131.12	1,145.12	1,397.02



The company is recognized by the Govt of India as Star Rated of Export House.The company has good export records both for yarn and fabric.
 Yarn is being exported to Bangladesh, china, Japan, Korea, Bangkok, Srilanka, Vietnam etc..
 Fabric being exported to Korea, Bangkok, Bangladesh, Srilanka, china etc..

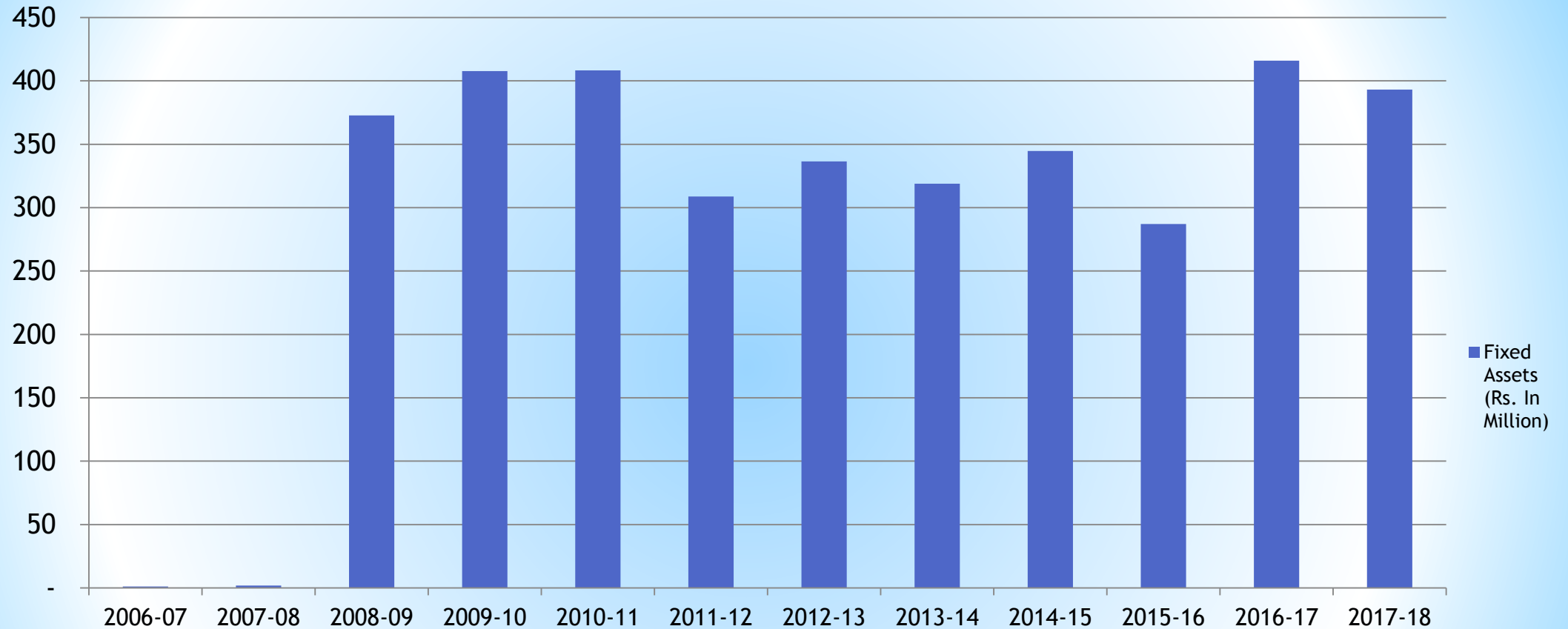
Export Sales Revenue (Rs. In a million)



Particulars	2006-07	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18
Export Sales	-	5.89	55.22	204.46	163.41	139.39	187.89	149.64	101.47	89.99	57.85	188.23

* Fixed Assets

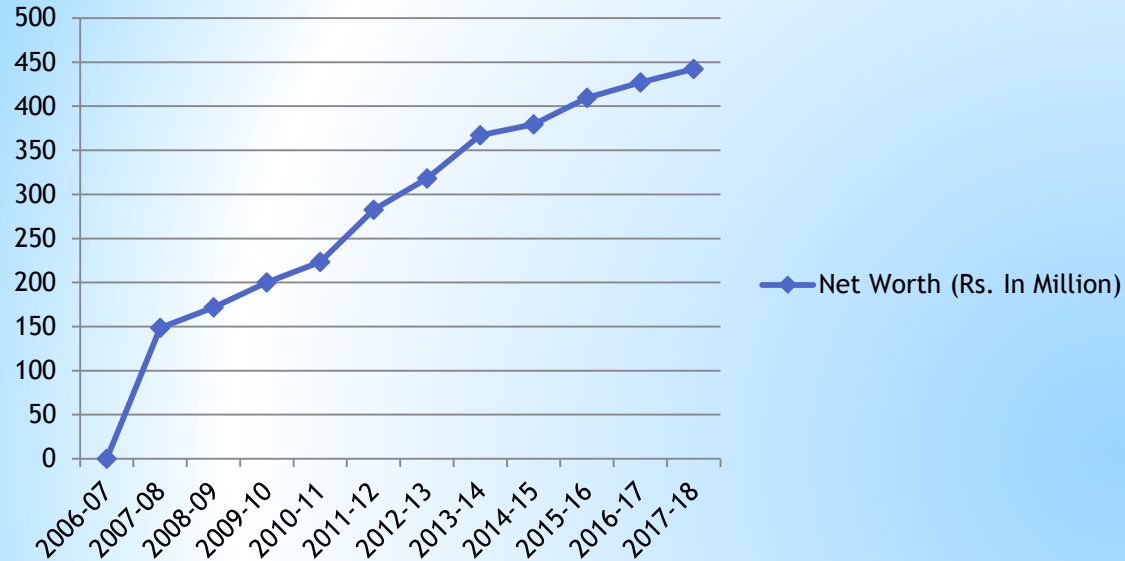
Net Block of Fixed Assets (Rs. In Million)



Particular	2006-07	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18
Fixed Assets	1.17	1.89	372.68	407.72	408.34	308.87	336.43	318.92	344.72	287.15	416.02	393.18

* Net Worth and Profitability

Net Worth (Rs. In Million)



Profit after tax (Rs. In Millions)

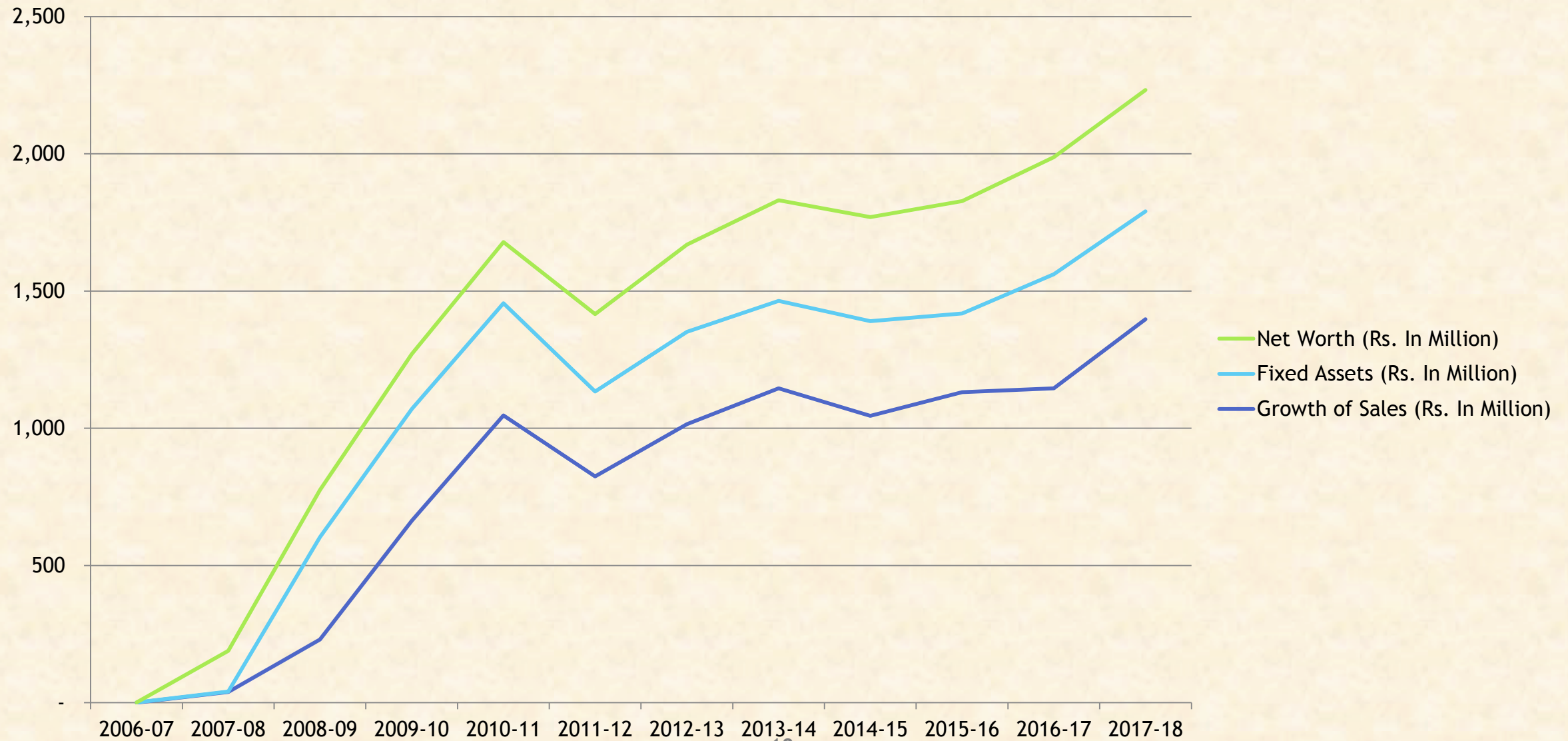


Particulars	2006-07	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18
Net Worth	-	148.4	171.8	199.9	223.3	282.6	318.0	367.0	379.3	409.5	426.8	442.3

Particulars	2006-07	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18
PAT	-	-1.1	1.3	25.9	25.2	4.5	22.4	37.4	22.2	31.3	26.8	25.8



Quick Snapshot of growth from Incorporation



* Key Ratios For Investor

Ratios	Analysis basis	30th Sept 2018	31st March 2018	30th Sept 2017
Price to Sales Per Share Ratio	Market Price/Sales per share	0.23	0.29	0.50
Current Ratio	Current Assts/ Current Liabilities	1.90	1.32	1.54
Quick Ratio	(Current Assets-inventory)/current Liabilities	1.22	0.80	0.85
Price to Earning Ratio	Market Price/ Earning per Share	10.19	18.59	21.64
Price to Book Value Ratio	Market Price/ Book Value per share	0.41	0.56	0.62
Liabilities to Assets Ratio	Total Liabilities/Total Assets.	0.5174	0.6018	0.5774

Snap Shot for investor Pricing Ratios

Per share Analysis	Analysis Basis	30 th Sept 2018	31 st March 2018	30 th Sept 2017
Market Price At year End	www.nseindia.com	Rs. 11.00	Rs. 14.50	Rs. 15.80
Book Value	(Total Assets-Liabilities)/No. of shares (As per BS)	Rs. 26.88	Rs. 25.80	Rs. 25.62
Earnings Per Share (EPS)	Earnings to equity shareholder/No. of shares	Rs. 1.08	Rs. 0.78	Rs. 0.73
Cash Earning Per Share (CEPS)	(Net Income + Depreciation)/No. of shares	Rs. 3.28	Rs. 2.99	Rs. 2.86
Sales Per Shares	Total Revenue /No. of Shares	Rs. 48.85	Rs. 49.98	Rs. 31.49
Net Worth of the Company	Total Assets - External Liabilities	Rs. 46.09 Crores	Rs. 44.23 Crores	Rs. 43.94 Crores

Note: Cash earning per share is calculated on the basis of 6 monthly turnover of the company and not on annual net income and depreciation basis.

New Product Overview

* New process and Newly added product

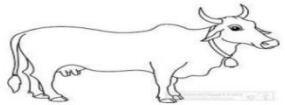
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" शुद्धतेची हमी हिच आमची ओळख "



पशु आहार

अधिक दुध उत्पादनासाठी
१०० % शुद्ध पोष्टीक सरकी खल्ली



निर्माता - मे. लक्ष्मी कॉन्स्ट्रिप्शन लिमिटेड, सामनगाव
काजळ फाटा अंबड रोड, सामनगाव जालना. (महाराष्ट्र)
फोन नं. ९७६५९९६३३

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As per the best and standard process equipped by our company in the procurement of the pure cotton to make the bales of cotton, there is a ratio that out of the procured cotton, from the farmers, there is a ratio of 35:65. i. e 35 % will be the cotton used to make bale (Lint) and 65 % is Cotton seeds. As the company procures the cotton and get in much enough quantity of the seeds, in the earlier practice it was sold to refineries and other customer but now, the company has purchased it's own machinery to process the cotton seed and to extract, raw edible oil and animal food which is sold under the name of Laxmi, by the company, the price of the animal food is subjected to the regulating daily market practice of the open market, the company sale it as per the best price governing in the market at the time of sale.



Company Overview

* Company Overview



Our Values

LAXMI COTSPIN LIMITED evolved from Hard working, Consistent and Stood for its Moral Values.

Listing

LAXMI COTSPIN LIMITED has been listed in NSE since 2017 and has 100% compliance from 31.03.2017 to till date.

Capex

The Company made a humble beginning in 2007 with commissioning of 13200 ring spinning spindles.

The company grew in capex turnover year on year without set backs Currently 16800 Spindle's and 3024 Open End Rotors.

Over a period of time, it had grown from 38 Cr capex to 90 Cr capex within 12 years.

Corporate Governance

The company always had independent directors who are visionaries and ensured that company is steered in the right direction.

The Company MD and whole time directors are well known for their hard work and integrity.

Quality Commitment

The company is committed to continuously improve the quality of its products and services so that it had met or exceeded customer expectations.

Grants / Subsidies

Even though company started commercial operations in 2008 their were few or nil subsidies from Indian Govt. The TUFs was introduced by Ministry of Textiles, Govt of India in 1999. The company availed TUFs for all its term loans. Further to give momentum Govt of Maharashtra sanctioned power subsidy in 2018.

Govt of India for the first time introduced 10% capital subsidy ,in the year 2015, in addition to 4% TUF interest subsidy. The company has received 35% subsidy for its upcoming expansion.

In Govt of Maharashtra introduced capital subsidy 10% in addition to TUF

Long Term Vision

The Company had chosen vertically integrated value addition so that the raw material fluctuation will have least impact on the finished product and margins of the company.

Vertical integration is not only helping meeting the raw material fluctuations but also engineering the down stream products suiting exactly the up stream process with minimum cost of manufacturing.

Zero Bad Debit Policy

The Company is conservative enough and never took risks on sale of finished products and there are No Major bad debts for the company during the last 12 years.

Customer Loyalty

The Company had loyal and committed customer base who keep buying company products month on month and year on year basis. simply company had repeat order from loyal customers.

Directors of the company visits customers on regular basis both in India and Abroad.

HR Policy

The Company employed committed professionals in manufacturing, technical, marketing, financial departments. The company believed in unmatched and best services to its customers.

The Company was accredited this year under "Pradhan Mantri Kaushal Vikas Yojana " where in we can train all the workers for their skill development under this programme.

Loyalty of Banks

Laxmi Group has been doing business with SBI , HDFC and SVC for the last 12 Years

LAXMI COTSPIN LIMITED, had its bankers and kept cordial relationship at all times.

The Company since inception had paid all its loan commitments in time and never defaulted on interest and principal repayments.

The bankers had always competing with lower interest rates and extend financial assistance at all times.

Constant
Technological
Upgradation

The Company invested in latest state of art technology with a view to manufacture best quality products with least man power, least power cost etc.

The Company always invested in new machinery and never resorted in buying used machinery.

The average life of the machinery is More than 15 years.

Strict Plant
Preventive
Maintenance
Program

The Company follows scheduled preventive maintenance programme for all its equipment with highly skilled Technicians.

Exports

The Company is a star export house recognized by the Ministry of Commerce, Govt. of India.

The Company had exports amounting to Rs 18 Cr for yarn and Cotton Bales during the FY 2017 - 18. During the current financial year the exports expects to cross Rs 50 Cr.

* Key Strengths



1

The management team is well experienced in all areas of operations and key members of the team are able to access to trend, forecasts and strategic planning at macro and micro levels.

2

Since cotton sourcing is the single most important element in the spinning industry, our focus has been to develop competencies in this area. We procure directly from the farmers and have created long- standing relationship with our suppliers. Our international relationships has given us, the leeway to source instantly from global markets if so desirable.

3

We use the latest machines and equipment, scientifically monitor our labor productivity and have adopted a policy of constant improvement. In addition, we also use MIS tools for operating at optimal efficiency. We have provided adequate attention to many other related areas, like shipping and logistics, spare parts sourcing and financial planning to increase our overall efficiency.

4

Most of our customers are repeat customers. This is testimony to our product quality and standardization. Our aim has been to always lead in the area of product development.

5

Our fair policies and consistent quality have earned us significant goodwill in the markets we operate in, giving us an advantage against competition.

6

By following a proactive labor policy, we have been able to develop a workforce that identifies themselves as a part of a family rather than as mere employees. Our units have enjoyed the distinction of never having suffered any labor unrest from inception.

7

With our quality yarn we can weave fabric at a competitive price and better quality. We also benefited by reducing packing cost and taxes.

8

There is a ample availability of land for future plans..

Internal Control System and Compliance Framework

The Company has an Internal Control System, commensurate with size, scale and complexity of its operations. The internal financial controls are adequate and are operating effectively so as to ensure orderly and efficient conduct of business operations.

The Internal Control System of the Company has been designed to provide for :

- Accurate recording of transactions with internal checks and prompt reporting.
- Adherence to applicable Accounting Standards and Policies.
- Compliance with applicable statutes, policies and management policies and procedures.
- Effective use of resources and safeguarding of assets.

The internal auditors carryout audit, covering inter alia, monitoring and evaluating the ethicacy and adequacy of internal control systems in the Company, its compliance with operating systems, accounting procedures and policies at all locations and submit their periodical internal audit reports to the Audit Committee, process owners undertake necessary actions in their respective areas.

The internal auditors have expressed that the internal control system in the Company is effective. The Board has also put in place requisite legal compliance framework to ensure compliance of all the applicable laws and that such systems are adequate and operating effectively.

The company is a certified and quarterly quality audits are conducted regularly by group of trained internal auditors. Deviations if any are immediately reviewed in MRC and corrective actions are taken there and then.

Disclosure of Accounting Treatment

Disclosure of Accounting Treatment in the preparation of the financial statements, the Company has followed the Accounting Standards referred to in Section 133 of the Companies Act, 2013. The significant accounting policies which are consistently applied are set out in the Notes to the Financial Statements.

We have adapted the Indian Accounting Standards (Ind AS) for the accounting period on or after 1st April 2017 as per the Companies (Indian Accounting Standards) Rules, 2015.

* Human Resource



Employees are the company's most valuable resource. The Company continues to create a favorable environment at work place. The Company has various welfare measures both government sponsored and privately envisaged. The Company is providing good accommodation facilitates by constructing quarters / apartments.

The company also recognizes the importance of training and consequently deputed its work force in various work related courses/seminars including important issues like 5'S , Total Quality Management (TQM). Because of these, The company is able to attract and retain well trained and dedicated workforce. The fact that the relationship with the employees continued to be cordial is testimony to the company's ability to retain high quality workforce. In view of the aforesaid relationship no man days were lost during the year under report.



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