K.P.R. MILL LIMITED

Corporate Office : 1st Floor Srivari Shrimat, 1045, Avinashi Road, Coimbatore - 641018. India ✆ : 0422-2207777 Fax : 0422-2207778

26th July, 2016

The Listing Department,
Bombay Stock Exchange Ltd.
1st Floor, Rotunda Buildings,
Phiiroze Jeejeebhoy Towers,
Mumbai – 400 001.

The Listing Department,
National Stock Exchange of India Ltd.,
Exchange Plaza, Plot: C/1, G Block,
Bandra-Kurla Complex, Bandra (E),
Mumbai – 400 051.

Dear Sir,

Sub: Concall Invitation

Ref: Disclosure of Material Events

We wish to inform you that the B&K Securities shall hold a Conference call of the Company on 27th July 2016 from 04.00 pm to 5.00 pm. The invitation of the Concall & Investor Presentation is attached your kind information and dissemination.

Thanking you,

Yours faithfully
For K.P.R. Mill Limited

P.Kandaswamy
Company Secretary

Encl: As above

Regd. Office : No. 9, Gokul Buildings, A.K.S. Nagar, Thadagam Road, Coimbatore - 641 001. ✆ : 0422-2478090, Fax : 0422-2478050
Email : corporate@kprmill.com Web : www.kprmilllimited.com CIN : L17111TZ2003PLC010518

B&K SECURITIES
WE UNDERSTAND MONEY

CONCALL INVITE

B&K Securities shall hold
a Conference Call of

KPR Mill

to discuss the 1QFY17 Results
on **Wednesday, 27th July 2016**
from **04:00 pm - 05:00 pm IST**

The Management Team will be represented by:
Mr. P. Nataraj – Managing Director
and other members from the senior management

You are cordially invited

Dial-in Numbers
Primary Access: +91-22-3960 0619
Secondary Access: +91-22-6746 5839
Local Access: 3940 3977**

***Available in - Ahmedabad, Bangalore, Chandigarh, Chennai, Gurgaon (NCR), Hyderabad, Kochi/Cochin, Kolkata, Lucknow, Pune accessible from all carriers.**

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KPR MILL LIMITED

RESULT UPDATE Q1 FY2017

Safe Harbor

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Manufacturing Facilities

Tamil Nadu	Sathyamangalam	Spinning
	Karumathampatti	Spinning, Compact , P.C, Melange & Color Melange
	Neelambur	Spinning & Knitting
	Arasur	Spinning, Knitting & Garmenting
	Tirupur	Garmenting
	Perundurai	Processing
	Thekkalur	Garmenting
	Tirunelveli, Tenkasi, Theni & Coimbatore	Windmills
Bijapur, Karnataka		Co-gen cum Sugar

Yarn :
90,000 MT

Fabric :
27,000 MT

Garments :
95 million Garments

Processing :
9,000 MT

Windmills:
61.92 MW

Co-gen & Sugar :
30 MW &
5,000 TCD

An Overview

- One of the largest vertically integrated textile player with presence across the entire value chain - from "fibre to fashion"
- Best quality cotton 'Shankar 6' used as the raw material for consistent quality
- Strategic investment in Wind Power Projects & Co-gen plant for captive consumption
- Marquee relationships with about 1,200 regular domestic clients for yarn and fabric and around 50 leading international brands for garments
- Trendsetting welfare policies for employees & various CSR activities
- An exemplary and massive ETP in its Processing Unit to treat 2.5 Million litres a day
- Quality initiatives and consistent technology upgradation secured several International Accreditations
- Towards value addition, converted conventional yarn capacity into valued added yarn
- Enthused by the impressive growth trend in Apparel sector, KPR expands its garment business. Special package announced by Government to Garment Industry is encouraging

Presence across the textile value chain

Yarn

- Amongst top five manufacturers in India
- Completed conversion of conventional yarn capacities to value added yarn (Compact, Melange, Color Melange & P.C.Yarn)
- 25% captively consumed to manufacture value added Products
- Revenue contributes 46% to total sales

Fabric

- Revenue contributes 14% to total sales
- Around 21% captively consumed to manufacture value added products.
- Major Buyers - Knitted Apparel Export Manufacturers

Knitted Garments

- A largest garment manufacturer
- 100% exports
- Revenue contributes 29% to total sales
- Key export markets - Europe, Australia and USA. Exploring new markets

Domestic Sales – 62% ; Exports – 38%

Key competitive advantages

Strong Fundamentals

- Rich exposure in textile and apparel Industry
- Consistent better performer even during tough times and growth driven entity
- Dividend track record since listing

Largest vertically Integrated Apparel Manufacturer strategically located

- Assuring superior quality products meeting market requirement
- On time delivery – An essential factor for market reputation
- Facilities located within a 50 KM radius of Tirupur, largest apparel manufacturing cluster in Asia
- Proximity to buyers helps to reduce the material handling costs and facilitates immediate feedback
- Utilize the key technical personnel across all plant sites

Strategic Investment in Green Power

- Ability to maintain power cost through investment in Green Power
- 61.92 MW Winder Power & 30 MW Co-Gen
- Green power availability throughout the year

Scale of Economy

- Low power cost through captive green power
- Minimal finance cost through prudential financial planning

Key competitive advantages Contd…

Rejoiced Workforce

- Feel at home accommodation and amenities including Higher Education, Vocational training, yoga, meditation, library, sports, swimming pool, etc.
- The trendsetting welfare factors crowned by Five Star Certification &Higher Education facilities at KPR distinguishes it from Peer Group with higher efficiency level and lower attrition rate facilitating enhanced Productivity at optimized Operating cost

Strong client base

- Over 1200 Customers for yarn & fabric
- Around 50 Top International Brands
- A few more large customers from existing / new markets on pipe line

Growth Initiatives

- Converted conventional yarn capacity to value added yarn, carrying premium prices
- Expanded garment capacity to 95 million garments per annum – Making KPR a largest garment manufacturer in India. Special package announced by Government strengthens prospects
- Consequent on garment capacity accretion, to meet additional captive processing needs, doubling the processing capacity with Rotary Printing
- Positive outlook for Sugar Industry

KPR is well Poised to capture the opportunity

INDUSTRY GROWTH DRIVERS

- Most cost competitive Textile manufacture base
- Largest Cotton base – Number one in World
- Most efficient Spinning sector in the World
- Second biggest exporter of textile & apparel
- Growing Domestic & Global demand
- Challenges of growth in neighboring competing countries driving the Indian textile Industry
- India has an edge over other major competitors in Asia in respect of cost of production
- Recent negotiations for India - EU FTA
- Special package for Garment Industry creates positive outlook

COMPANY SPECIFIC GROWTH DRIVERS

- Consistent Modernization & Capacity Expansion – enhanced realization
- Move towards Value Added Yarn (Compact, Melange, PC & Colour Melange Yarn) – Volume Driven Growth
- A largest garment manufacturer with 95 mn capacity
- Comfortable cash position enabling reduction of high cost debt
- Doubling of processing capacity with Advanced Technology
- Self sufficiency in power generation
- Increased focus on exports
  - Enhanced garment production
  - Penetrate into newer markets for garments & yarn
  - Impressive response from existing clients, new buyers and new market

Evolution

1984-1999

- 1984 – Maiden business at Coimbatore, India
- 1989 – Knitted garment export at Tirupur.
- 1995 – First spinning unit at Sathyamangalam with 6,000 spindles. Increased to 30,240 spindles by 1999

2000-2005

- 2001 – Spinning mill at Karumathampatti with 30,240 spindles; Knitting facility & Wind mill for captive use
- 2003 – Spinning unit at Neelambur with 50,784 spindles; Knitting facility & Wind mill
- 2005 – At Arasur 1,00,800 spindles; Knitting facility, Garment Unit and Wind Mills

2006-2009

- 2006 – Private Equity participation by leading US Corporate 'Brandot Investments' & Two others - $ 25 Mn
- 2007 – IPO at a premium. Shares Listed at Bombay & National Stock Exchanges, India
- 2008 – Fabric Processing Unit at SIPCOT, Perundurai 9,000 MT per annum with trendsetter Effluent Treatment Plant

Evolution Contd…

2010-11

- 2010 – Exclusive value added **Compact** Spinning unit of 1,03,680 spindles at Karumathampatti & Wind Mills
- 2011 – Modernization & expansion of 21,216 spindles at Sathyamangalam

2012-13

- 2012 – Another Value added product **Melange** yarn. 16,128 spindles at Karumathampatti.
- 2013 - Co-gen cum Sugar Plant at Karnataka - 30 MW & 5000 TCD capacity

2014-15

- 2014 - Expanded Garment capacity at Arasur by 10 Mn pcs,
- 2015 - New green field Garment capacity at Thekkalur with 12 Mn Pcs

2015-17

- 2015-16 – Established New green field garment facility of 36 Mn garments.
- 2016-17 Doubling the Processing capacity with Advanced Technology – In Progress

Key Highlights of Q1 & FY 17

- Revenue Q1 up 6.4% YoY to ₹ 666 Crore;
- EBITDA Q1 up 8.2% YoY to ₹ 132 Crore;
- PBT Q1 up 11.0% YoY to ₹ 81 Crore;
- PAT Q1 up 23.5% YoY to ₹ 63 Crore;
- Cash Profit Q1 up 13.6% YoY to ₹ 100 Crore;
- 36 Mn new garment capacity is ramping up
- New Processing facility is Progressing as per plan
- Special package for Garment Industry creates a positive outlook
- Performance of Sugar division will improve on liquidation of sugar stock during this quarter

Consolidated P&L

₹ Crore	Q1 FY17	Q1 FY16	YoY %	Q4 FY16	QoQ %
Revenue	**666**	**626**	**6.4%**	**721**	**-7.6%**
Raw Material	397	377		445	
Employee Expenses	63	51		57	
Other Expenses	74	76		109	
EBITDA	**132**	**122**	**8.2%**	**110**	**17.3%**
EBITDA Margin	*19.8%*	*19.5%*		*15.3%*	
Other Income	6	6		7	
Interest & Finance Charges	20	18		13	
Depreciation	37	37		37	
PBT	81	73		67	
Tax	18	22		13	
PAT	**63**	**51**	**23.5%**	**54**	**12.9%**
PAT Margin	*9.5%*	*8.1%*		*7.5%*	

Self sufficiency in Power with 92 MW Green Power portfolio

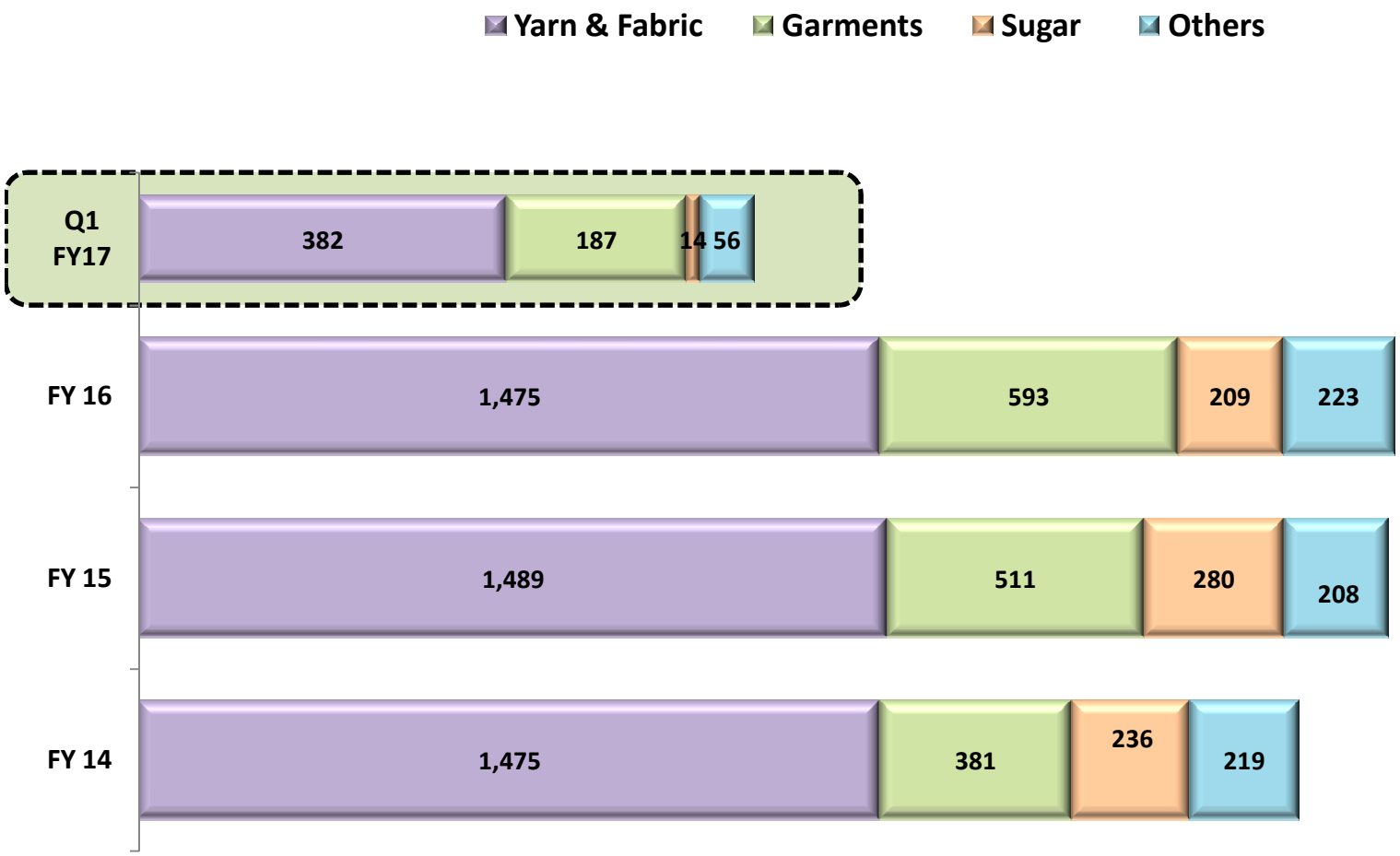
Strategic Investment in Wind Power Project 61.92 MW

- One of the largest Captive power generators in Textile Industry
- Invested in eco-friendly Wind Mills at Tirunelveli, Tenkasi, Theni & Coimbatore Districts in Tamil Nadu, India
- Total Wind Power Capacity 61.92 MW
- 60% of Textile power requirement met through wind power

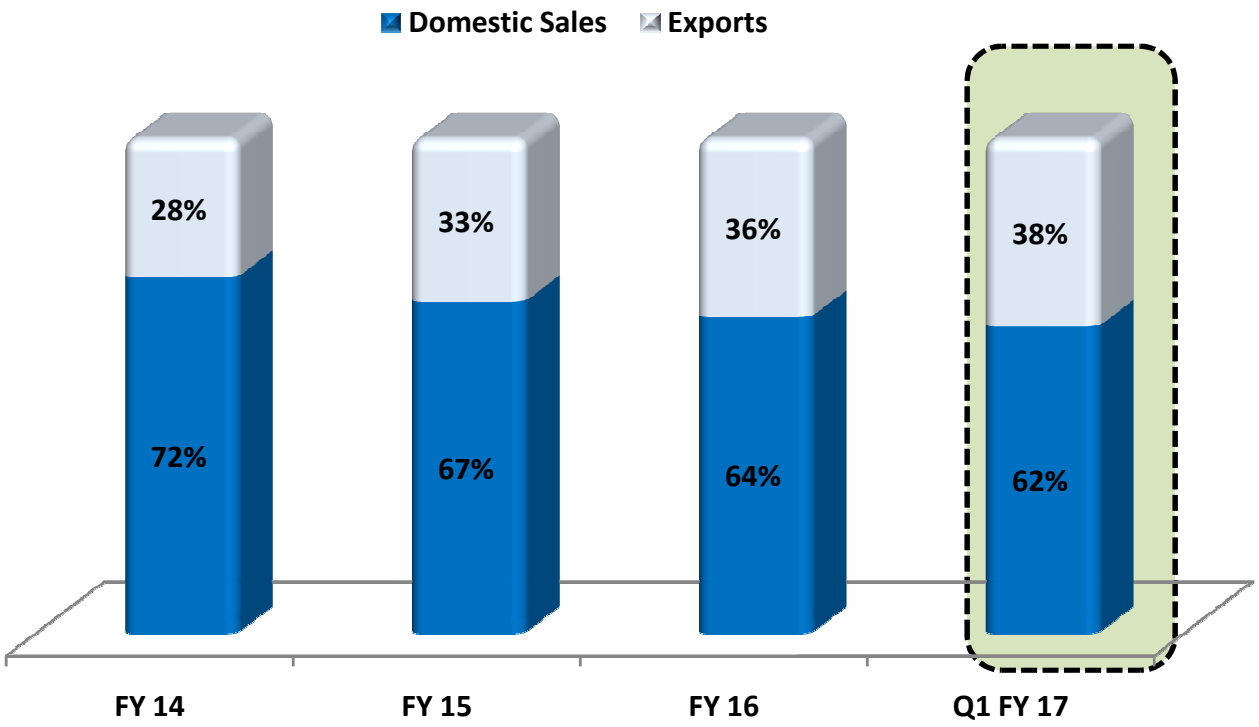
Investments in Co-Gen Power Project 30 MW

- Invested in 30 MW Co-Gen Power Project
- With Co-gen Power, KPR attained self sufficiency in meeting its substantial power requirement throughout the year

Segment Wise Revenue contribution

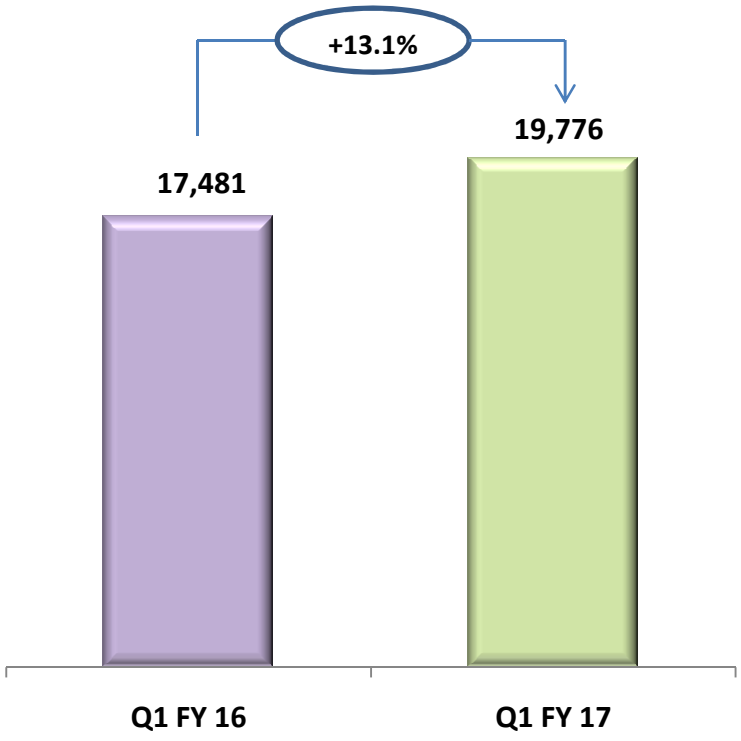


Geographical Split

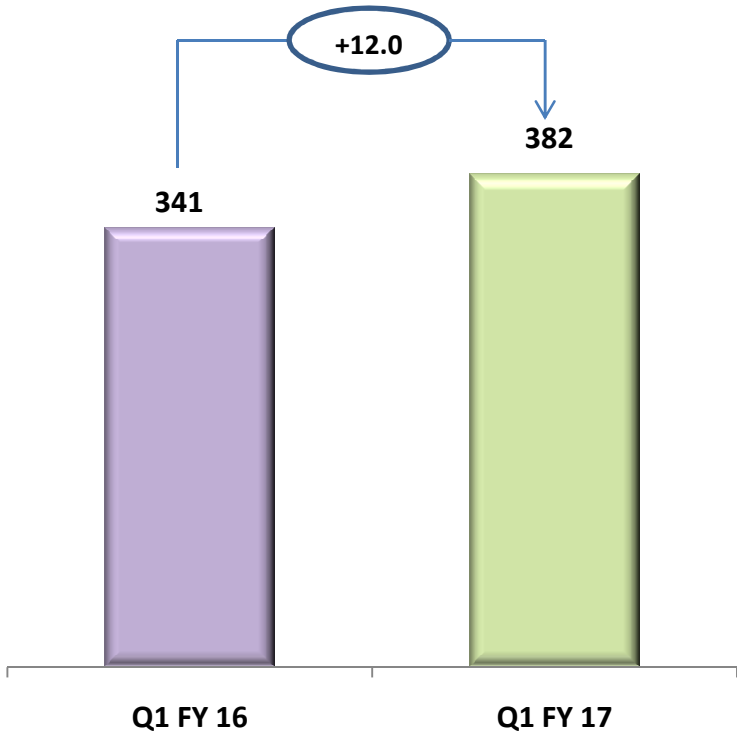


Yarn & Fabric

Yarn& Fabric Sales [MT]

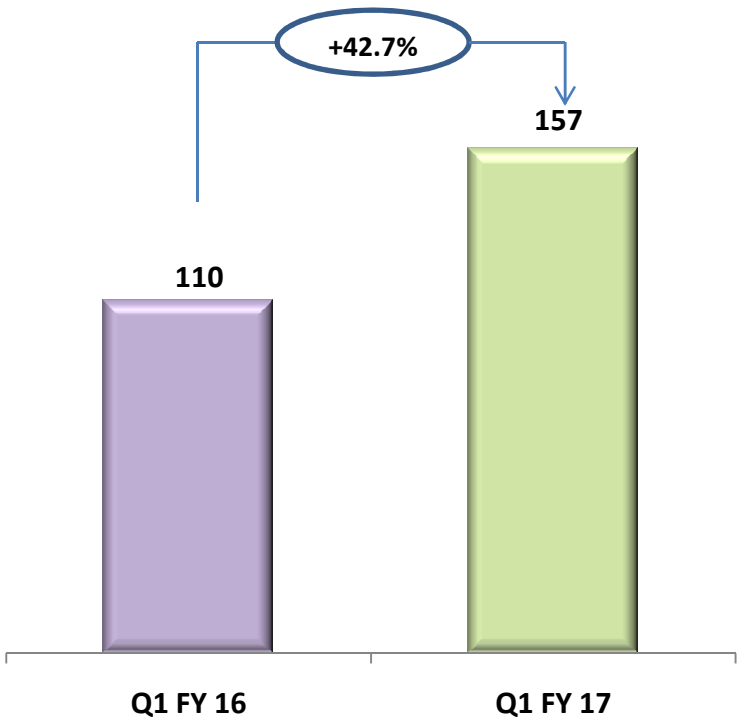


Yarn & Fabric Sales [₹ Crore]

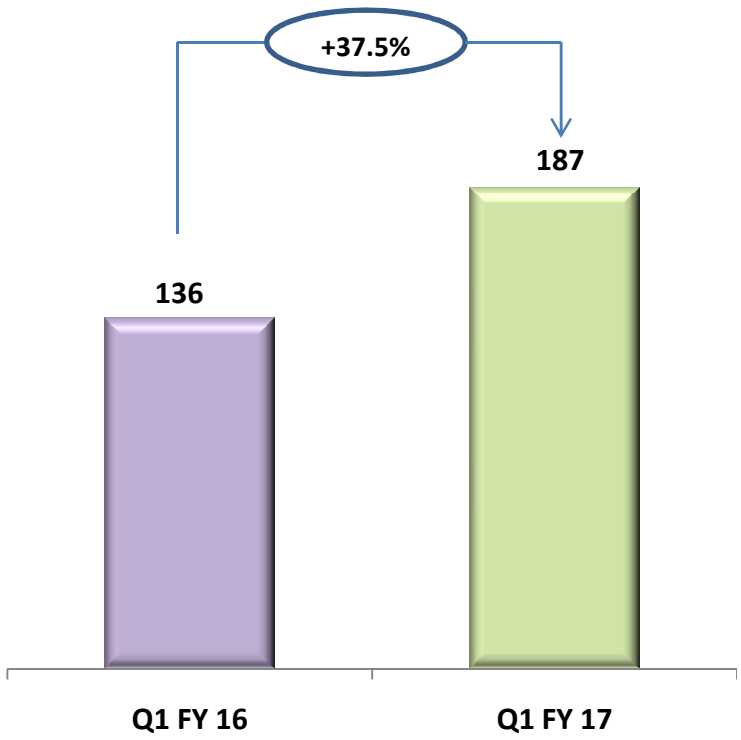


Garments

Garment Sales [No. of pieces in Lacs]

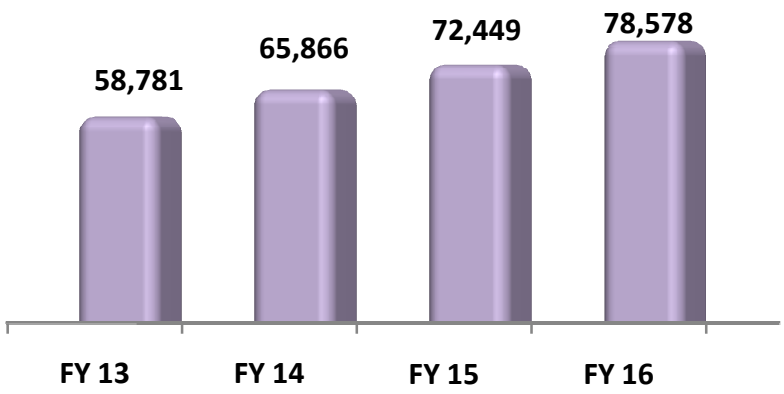


Garment Sales [₹ Crore]

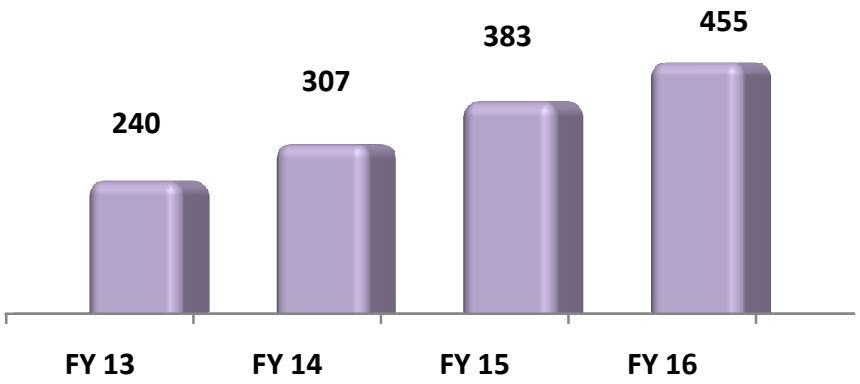


Historical Performance

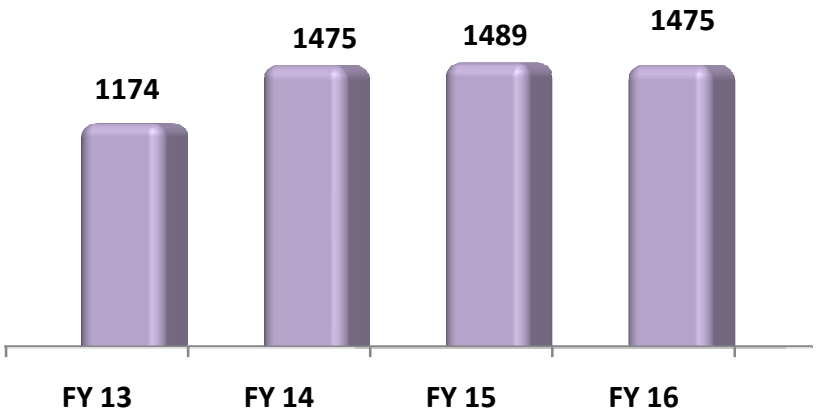
Yarn & Fabric Sales [MT]



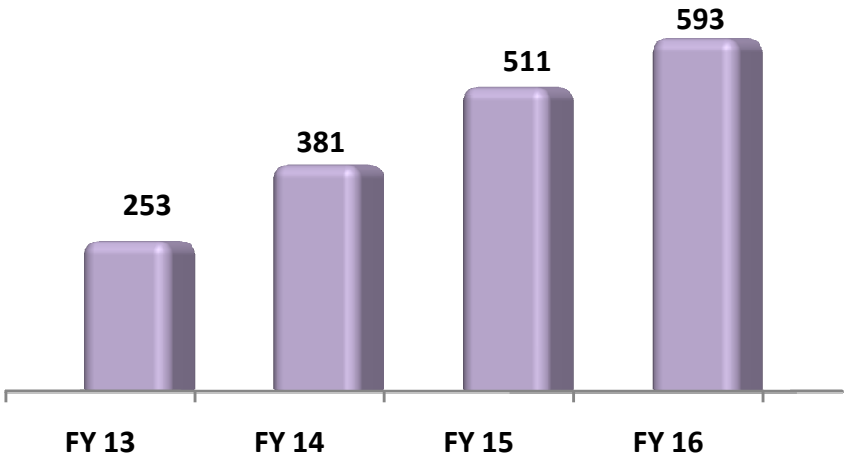
Garment Sales [No. of pieces in Lacs]



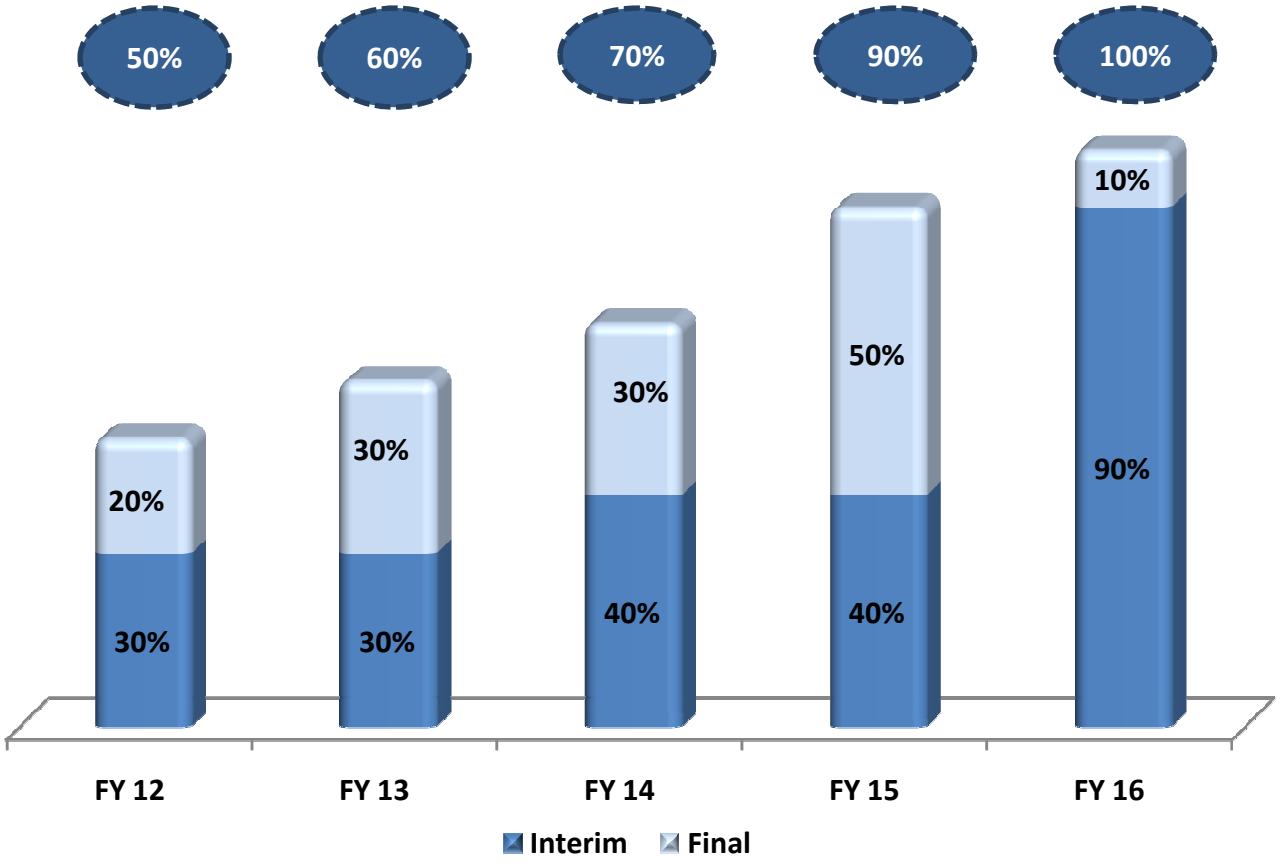
Yarn & Fabric Sales [₹ Crore]



Garment Sales [₹ Crore]



Dividend Track Record



Book Value & EPS

Particulars	FY 13	FY 14	FY 15	FY 16	Q1 FY 17
Book Value Per Share (₹)	187.42	216.16	250.83	290.37	308.48
Earning Per Share (₹)	27.01	37.27	45.73	55.57	16.68
Dividend Per Share %	60%	70%	90%	100%	
Dividend Per Share (₹)	6.00	7.00	9.00	10.00	

Note : Market price of share is up by around 367% over IPO Price

For further information, please contact:

Company :

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