

**SANGAM (INDIA) LIMITED****(SPINNING UNIT - I)**

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SIL:JPF:2012-13/
May 29, 2012

The Manager,
Department of Corporate Services,
The National Stock Exchange of India Ltd.,
Exchange Plaza, 5th Floor,
Plot No. C/1, G Block,
Bandra-Kurla Complex, Bandra (E),
MUMBAI 400 051.

Sub: Press Release.
Ref: Code No. 5251.

Dear Sir,

Kindly find enclosed a Press Release dated 29th May 2012 being released by us today:

Kindly acknowledge.

Thanking you,

Yours faithfully,
For SANGAM (INDIA) LIMITED

ANIL JAIN
JT. PRESIDENT (FINANCE) &
COMPANY SECRETARY

Encl: As above.



Sangam (India) Ltd

Sangam (India) completes Rs 180 crore expansion project

Now focus on launching special fancy denim and value added denim products.

Board recommends 10% dividend

Media Release

BSE Code: 514234

NSE Code:SANGAMIND

FY12 Sales: Rs. 1,417.22 crore

FY12 Net Profit: Rs. 17.08 crore

- Headquartered in Bhilwara
- 3 manufacturing units located in Bhilwara

Largest producer of PV dyed yarn in Asia at a single location with 25 per cent market share in the country.

Signed leading actor, Sunil Shetty and young cricketer, Virat Kohli as Brand Ambassadors

A network of 200 dealers and 10,000 retailers

FY12- Exports Revenues: Rs. 308.22 crore

For more information:
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Mumbai, May 29, 2012: Sangam (India), a leading polyester-viscose dyed yarn manufacturer, today announced that the company has completed its Rs 180 crore expansion project to double its denim capacity to 32 million metres, following the commissioning of its second denim line of 8 meters.

As a part of expansion plan, the company has set up a two lines of denim for 8 million each. The first line commenced production in November 2011. While the second line commissioned recently. The company has installed 2,304 rotters for open ended spinning along with of 3000 mtpa knitting capacity and 7200 mtpa texturizing yarn capacity at its existing facilities at Bhilwara in Rajasthan. The company has also modernised its processing division by replacing new processing machines. The Rs 180 crore expansion project has been financed through a mix term loan and internal accruals.

Commenting on the development, Mr R P Soni, Chairman, Sangam (India) said, "With completion of this expansion project, we plan to launch special fancy denim and enter high value added products like cotton lycra, which offer better realisation and have a high demand." He further added, "Going forward, the new capacity expansion will help the company to generate additional revenues in excess of Rs 300 crore annually."

Financial Performance

For the financial year ended March 31, 2012, Sangam (India) registers a 20.97 per cent rise in net sales at Rs 1,417.22 crore compared to Rs 1,171.52 crore in the previous year ended March 31, 2011. Net profit stood at Rs 17.08 crore for the period ended March 31, 2012 compared to Rs 56.59 crore in the previous year ended March 31, 2011. Export revenue of company has been increased by 21 % to 308.22 crore

Q4 FY12 Performance:

Net sales grew by 28.31 per cent at Rs 395.10 crore for the quarter ended March 31, 2012 as compared to Rs 307.92 crore in the previous quarter. Net profit stood at Rs 6.05 crore as compared to a loss Rs. 1.84 crore in the previous quarter.

Commenting on company's recent financial performance, Mr. Soni said, "In spite of challenges in the industry on account of high volatility in cotton prices and currency fluctuations, we have managed to post performance much better than other players in this segment. Once the market stabilises, we hope to deliver better performance in the coming quarters."

Meanwhile, the company's board of director's have recommended a dividend



Sangam (India) Ltd

of 10 per cent (Re 1 per share) for the equity shareholders, subject to approval of members at the annual general meeting.

About Sangam India Limited

(Reuters Code: SANG.BO; BLOOMBERG: SNGM@IN; BSE Scrip Code: 514234)

Promoted by first-generation entrepreneurs Mr R P Soni and Mr S N Modani, Sangam (India) is one of the largest manufacturers of polyester viscose dyed yarn in the country. At present, Sangam India has 162720 spindles of polyester-viscose dyed yarn and 31,200 spindles for cotton yarn installed in Bhilwara along with 257 weaving machines and a 31 MW thermal power plant. The company also has strong presence in the Indian synthetic blended fabric segment with brands like Sangam and Anmol. The company has an established client base, like Reliance, Reid & Taylor, Siyaram and Grasim. Its fabric is marketed through a network of 200 plus dealers and thousands of retailers.