



NITIN SPINNERS LTD.



REF: NSL/SG/2020-21

March 17, 2021

BSE Ltd.

Department of Corporate Services

Phirozejeebhoy Towers

Dalal Street

Mumbai – 400 001

National Stock Exchange of India Limited

Exchange Plaza,

BandraKurla Complex

Bandra (E),

Mumbai – 400 051.

Company Code – 532698

Company ID - NITINSPIN

Sub. : Investors' Presentation Q3 and 9 Months FY 2021 in pursuant to Regulation 30 of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015

Dear Sir/ Madam,

Pursuant to the provision of Regulation 30 of the SEBI (Listing Obligation and Disclosure Requirements) Regulations 2015, please find attached copy of Investors' Presentation for Q3 and 9 Months FY 2021 Financial Results. The same are also available on the website of the Company www.nitinspinners.com.

This is for your information & records please.

Thanking you,
Yours faithfully,

For-Nitin Spinners Ltd.

(Sudhir Garg)

Company Secretary & GM (Legal)

Encl. a/a

CIN. : L17111RJ1992PLC006987

Regd. Office & Plant : 16-17 Km. Stone, Chittor Road, Hamirgarh, Bhilwara (Raj.) 311 025

Tel. : 286110 to113, Fax : 91-1482-286114 & 117

E-mail : nsl@nitinspinners.com, Website : www.nitinspinners.com

SUPIMA®
WORLD'S FINEST COTTONS



ISO
9001:2015
Quality
Management

ISO
14001:2015
Environmental
Management

OHSAS
18001:2007
Occupational
Health and Safety
Management

EnMS
50001:2011
Energy
Management

SA 8000:2014
SOCIAL
ACCOUNTABILITY



USTERIZED®



Nitin Spinners Limited

Investors Presentation
March 2021



**RESILIENT,
RESPONSIVE
& RELIABLE**

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Company Overview

A Resilient Organisation



India's Leading manufacturer of Cotton Yarn, Knitted Fabrics, Greige and Finished Woven Fabrics

An ISO 9001:2015 company and a Government of India Recognized Export House



Established in 1992



FY20 Revenue: Rs. 1,438 Crs



Integrated operations with focus on value addition, diversified product range, cost efficiency, quality and customer service



Headquartered in
Bhilwara (Rajasthan)



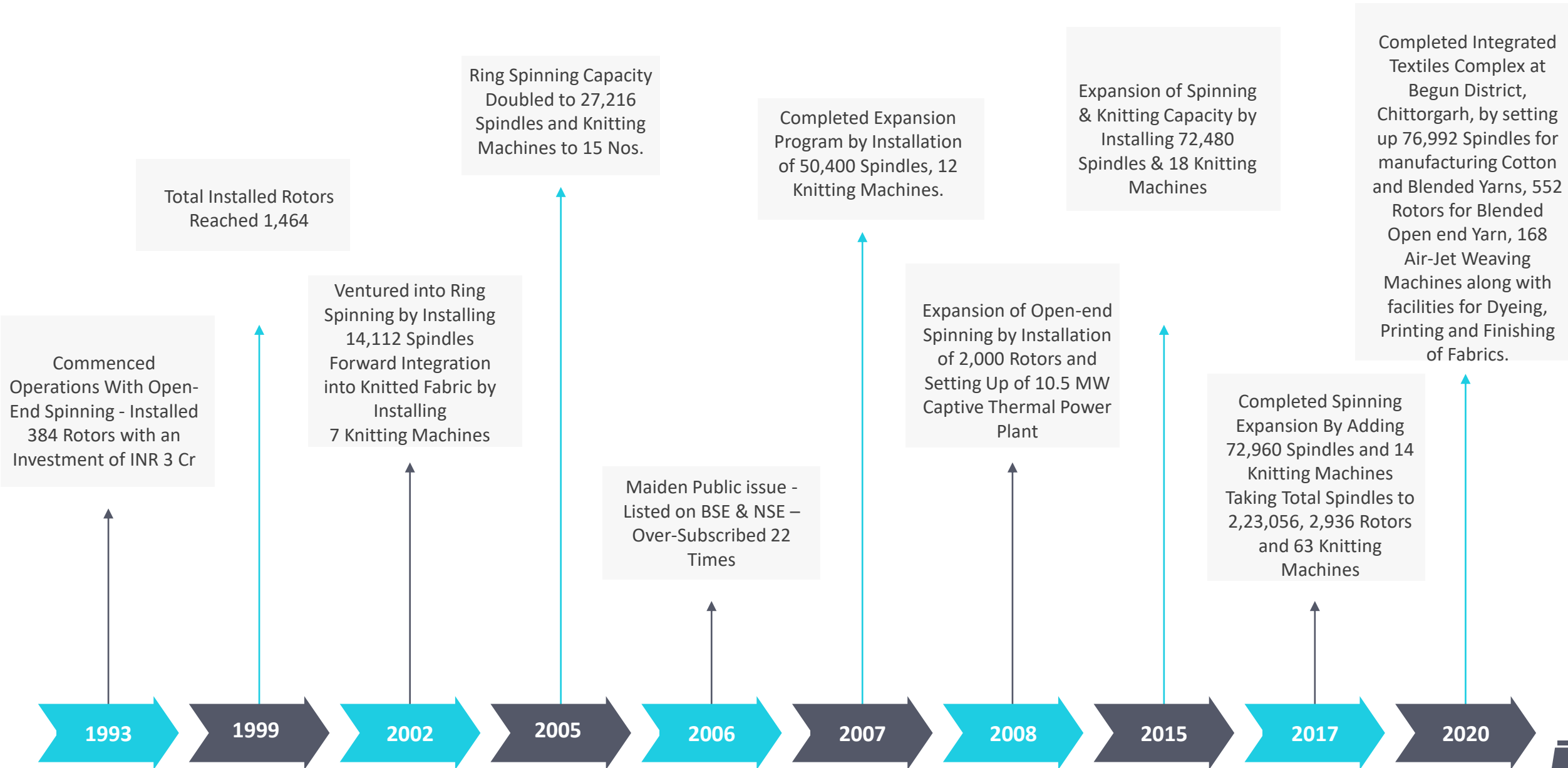
5,000+ Employees



Presence in 60+ countries
across the Globe



Our Journey





State-of-the-art manufacturing facilities

Achieved higher productivity and efficient utilization on the back of investments in R&D and cutting-edge technology



Building Reliability across Globe

Domestic Manufacturing plants located in the cotton growing belt giving logistics and cost advantages

Strong International Presence with long term relationships with customers



Cost Efficient Operations

Our Spinning units are most cost efficient in terms of operating and capital costs, leading to competitive advantage



Environmentally responsive

Zero Liquid discharge system to ensure no liquid disposal



Versatile Product Mix & Innovative Offerings

Offering complete range of products that fulfills the wide end industry needs and State of Art Fabric Designing facilities helps to develop innovative design

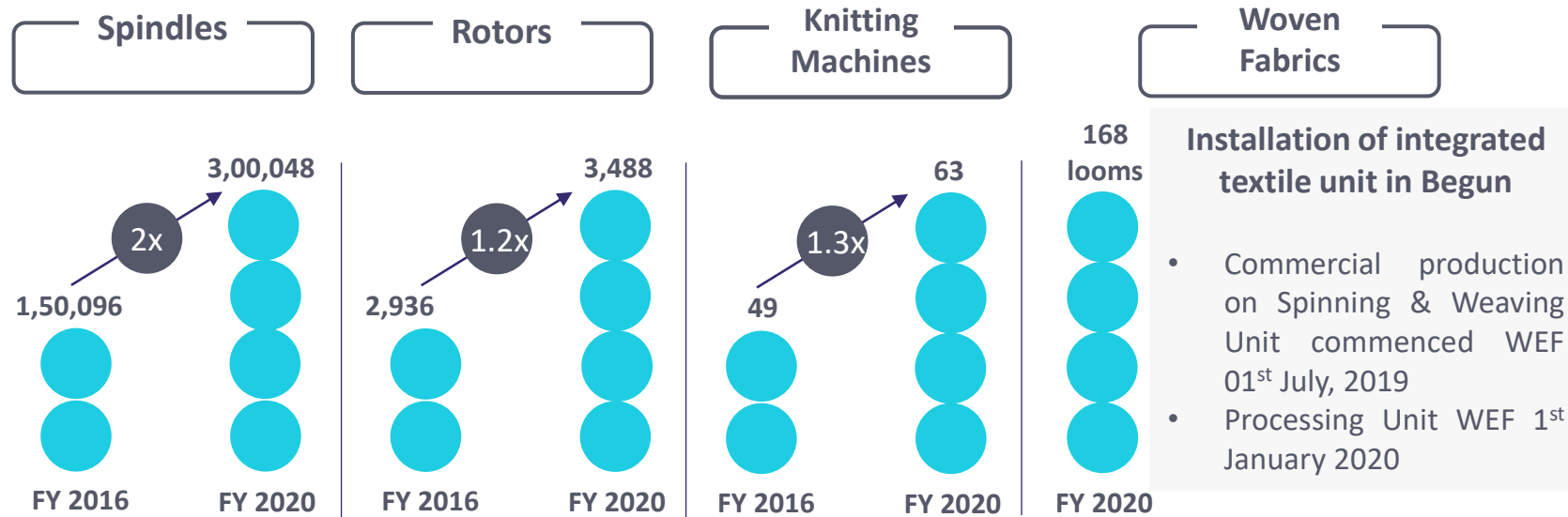


Experienced and highly qualified promoters

Strong entrepreneurship and vast experience of the Promoters have helped create a strong business model for the company



Efficient and Sustainable Manufacturing



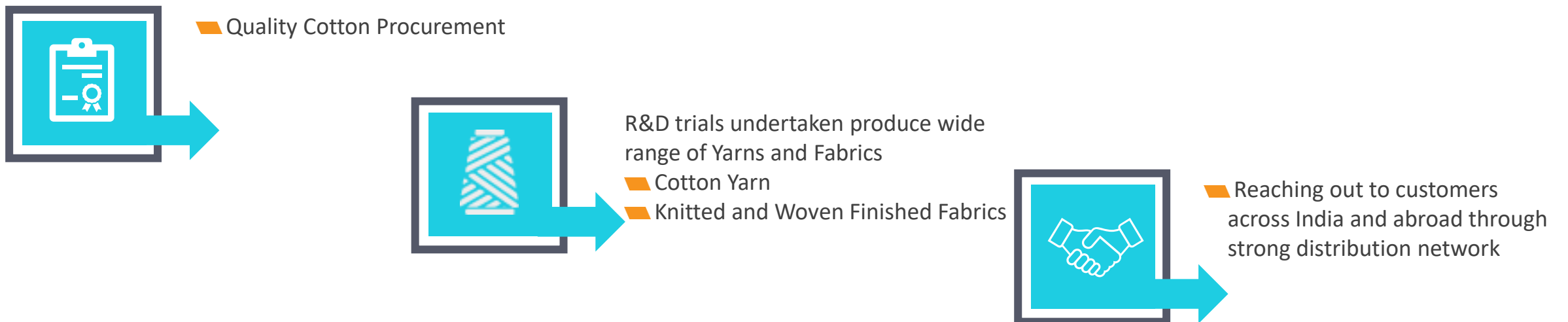
Installation of integrated textile unit in Begun

- Commercial production on Spinning & Weaving Unit commenced WEF 01st July, 2019
- Processing Unit WEF 1st January 2020

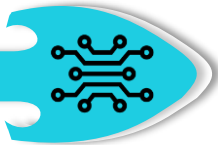
Overall Production Capacity


Yarn:	72,000 TPA
Knitted Fabrics:	8,500 TPA
Processed Woven Fabrics:	30 mn MTS/PA


VALUE-CREATION PROCESS





Cost Efficient Operating Model


- 

01 Our best in-class technology and state-of-art machineries results in cost efficiency, faster turn around and further enhances our efficiency quotient
- 

02 Our ability to reprocess the waste and use that as an input does additional savings of raw material
- 

03 Captive solar power and generators helps in reducing power cost and ensures Consistent power supply
- 

04 With its focused endeavors and strong research and development, the company has been successful in developing value-added products
- 

05 Our plants are located on national highways and in proximity to ports and cotton-producing areas which helps us in saving the transportation cost and quick delivery turnaround
- 

06 Large availability of cotton within 250km radius with production of nearly 10 lakh bales of cotton

Wide Product Range & End-User Application

Products

Offerings

1

Yarn

The company offers a wide range of products to cater varied customer needs and end user application

100% cotton and blended Ring spun Combed and carded yarns, Open end yarns, Compact yarns, Slub yarns, core spun yarns, multifold yarns made from Supima, Organic, BCI cotton etc , Count range 6 to 100s

2

Knitted Fabric

An extensive portfolio of knitted fabrics to meet the rising demand of high quality fabrics in the global apparel industry

Single jersey, Open width with Elastene, 3 t fleece, interlock , Rib etc

3

Finished Woven Fabrics

A complete range of Dyed and Printed Fabrics for Fashion, Apparel and work wear industry

100% Cotton & Cotton Blends in Piece dyed, Printed, Yarn Dyed variations in different weaves and Finishes including special finishes

End-User Applications



Woven Apparel



Knitted Apparel



Furnishing Fabrics



Denims



Terry Towel



Medical Fabrics



Tea Bags



Bed Linen



Inner Wear



Comfort Wear



Sports Wear



Baby Wear



Winter Wear



Masks



Fashion and Image Wear



Uniform



Health Care Apparel



Hotel Apparel

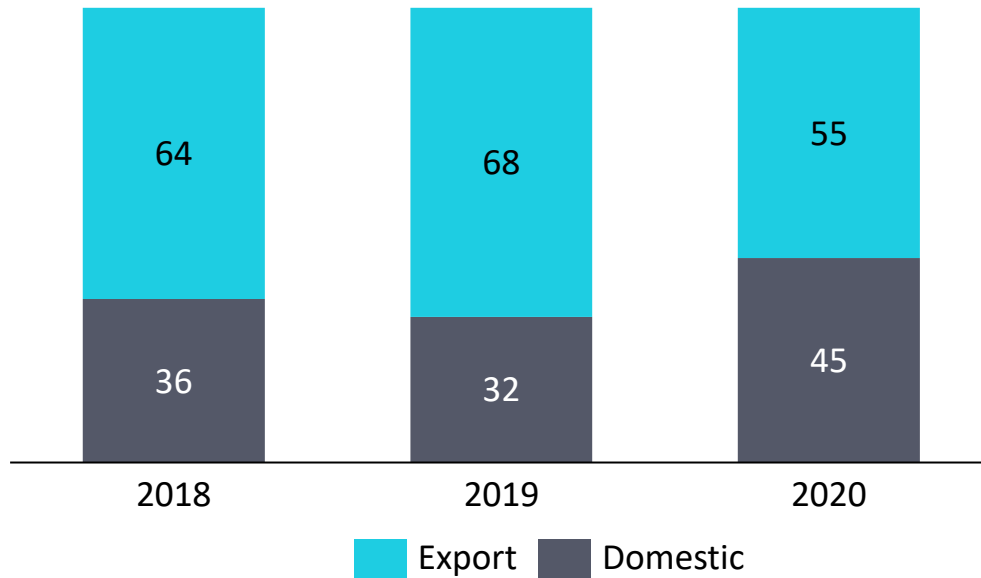


Industrial and Protective Wear



Defence Wear

Geographical Distribution of Revenue %

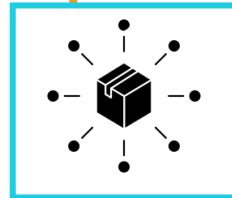


- Strong R&D on developing value-added products combined with systematic processes and robust distribution network has allowed us to create value for both global and domestic client base
- The company exports more than 55% of its production to over 60 countries across the globe. However, the company has started to focus on domestic market, in view of increased domestic consumption and per capita spend on clothing in India



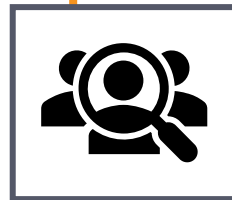
INDIA, A PREFERRED PARTNER

Overseas end-user textile and apparel players prefer to source their cotton yarn and fabrics requirements from India



PRESENCE IN VALUE ADDED FABRICS

Our foray into the Finished Fabric segment has allowed us to tap the exciting growth prospects into this space and further strengthen our foothold in the International Fashion Arena



FOCUSED CUSTOMER SERVICE

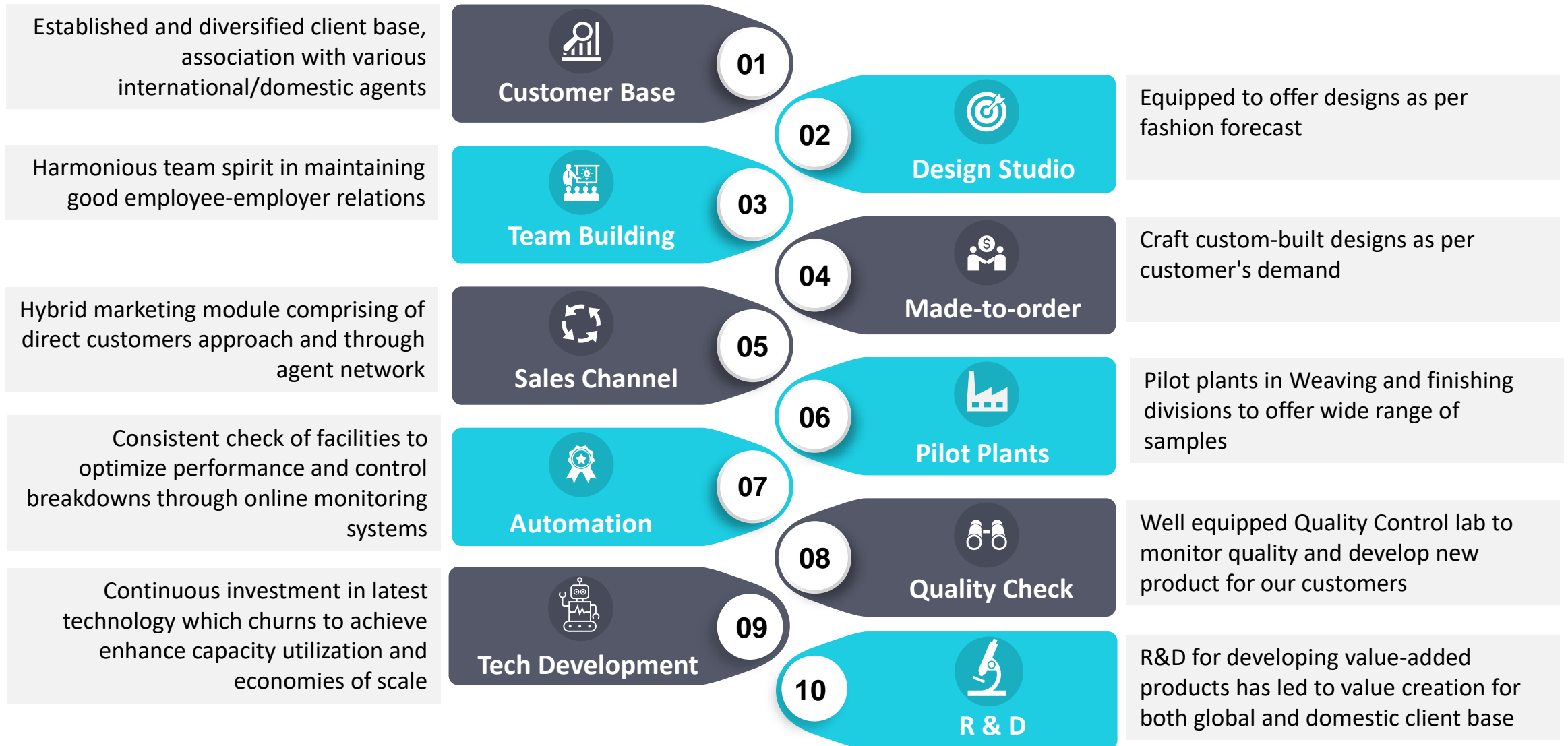
The company has always remained committed to customer service by timely delivery, offering wide basket of products and best in class after sale service.



STRONG TECHNOLOGICAL CAPABILITIES

Cutting-edge technology, continuous investments in R&D, and international quality standard products have made us one of the leaders in cotton yarn and fabric manufacturing

Fully equipped to add customer value

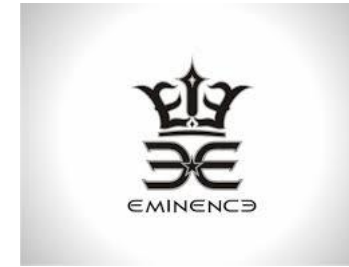


Our Clientele Base



Domestic

International



Growth drivers for textile sector in FY2022

- ▶ Evolving Market Landscape and Business Dynamics
 - ▶ **Availability of Raw Materials**, India has advantage of abundant availability of Raw materials i.e., Cotton and Manmade fibers at international competitive prices. This will lead to future growth
 - ▶ **Ban imposed by the US** on textile items made from cotton using prison labour in Xinjiang Autonomous Region in September 2020, also presents growth opportunities
- ▶ Policy Support and Challenges
 - ▶ **Clarity on the structure and rates of export incentives** in India remains a key development to watch out for in the sector, as it will have a bearing on the competitiveness of India's apparel exports, and help the players plan pricing better
 - ▶ The Production Linked Incentives scheme (PLI) for textiles, will create opportunities for further growth for the industry and company.
- ▶ Social Trends and Consumer Sentiments
 - ▶ Shift in buying pattern
 - ▶ Price Sensitivity
 - ▶ E-Commerce surge

OUTLOOK

- ▶ Pent up demand, reduced channel inventory, increased consumer confidence together with recovery in economic prospects and overall buying power are estimated to support sales growth in FY 2022 Revenues
- ▶ Export demand is likely to be supported by competitive domestic cotton prices and US-China trade issues. With recovery in demand, growth in FY2022 is likely to be driven by volumes as well as realisations
- ▶ India being largest producer and exporter of cotton yarn , will be largest beneficiary of demand recovery

Pandemic impacted the sector especially the domestic segment. However, **easing of restrictions and environment dynamics helped pick-up in exports** which led the way to recovery for cotton spinners

- ▶ The company is having all quality certification as per International Standards
- ▶ The company has also been certified by OEKOTex, Global Organic Textile Standard (GOTS) which prescribes standards for the processing of fibres from certified organic agriculture
- ▶ The company has also been authorized to use the SUPIMA trademark, Cotton USA, which also certifies that Company is purchasing, consuming or using yarn or fabric made from America Pima cotton that is grown in the United State of America



Our Quality Certifications



Texprocil Awards



Silver plaque for the second highest exports of Cotton Yarn counts 50s and above for the year 2018-19



Bronze Trophy for the third highest exports of Cotton Yarn counts 50s and below under Category II for the year 2015-16



Silver Trophy for Second Highest Exports in the category of Grey Fabrics for the years 2006-07, 2007-08 and 2017-18.



Bronze Trophy for Third Highest Exports in the category of Grey Fabrics for the years 2010-11, 2014-15 and 2015-16



Other Recognitions



“UCCI Excellence Award” by Udaipur Chamber of Commerce & Industry under the “Large Manufacturing Enterprise” category in year 2017, 2018 and 2019



Conferred with Rajasthan Energy Conservation Award and won first prize in large scale spinning for the years 2014-15 and 2015-16 and second prize in 2017-18 and 2018-19



State Award for **“Excellence in Exports”** for the years 2007-08, 2010-11, 2013-14 and 2016-17 by the Government of Rajasthan



About Us



Mr. R. L. Nolkha

- ▶ Senior professional with FCA, FCS & FCMA Qualifications with more than 45 years of in-depth experience of textile industry and marketing
- ▶ Has been associated with well reputed textile group as Managing Director for 18 years in Branded Fabric marketing
- ▶ Presently Vice Chairman of Confederation of Textiles Industries (CITI) and on Board of Governors of Textiles Skill Development Council. Also served as Chairman of Rajasthan Textile Mills Association ,Northern India Textiles Research Association and President of Mewar Chamber of Commerce & Industry
- ▶ Provides Long term Vision and Strategic Directions to the Company



Mr. Dinesh Nolkha

- ▶ Professionally Qualified with FCA & FCMA with about 29 Years of Industrial experience
- ▶ Instrumental in setting up the company
- ▶ Handles Yarn Marketing, Finance and General Administration
- ▶ Presently Chairman Northern India Textiles Research Association (NITRA) and Committee member Rajasthan Textiles Mills Association (RTMA) . Earlier served as President of Mewar Chamber of Commerce & Industry



Mr. Nitin Nolkha

- ▶ A Management graduate with more than 20 Years of Industrial experience
- ▶ Member of Managing Committee of Mewar Chamber of Commerce and Industry
- ▶ Looking after Marketing of Fabrics , procurement of Materials and implementation of projects

Board of Directors



Mr. R. L. Nolkha

Board Chairman



Mr. Dinesh Nolkha

Managing Director



Mr. Nitin Nolkha

Joint Managing Director



Mr. Y. R. Shah

Independent Director



Mrs. Aditi Mehta

Independent Director



Dr. R. Chattopadhyay

Independent Director



Vision

- ▶ Become integrated textiles manufacturer by forward and vertical integration
- ▶ Remain in high-quality textile products manufacturing
- ▶ Create value for shareholders and allied industries
- ▶ Increase Forex earnings by being the preferred international supplier
- ▶ Stay proactive in developing new markets and products
- ▶ Endeavour for ultimate satisfaction of our allied partners with:
 - ▶ The Right Technology
 - ▶ The Right Raw Material
 - ▶ The Right People, and above all
 - ▶ The Right Attitude



Mission

- ▶ To be the most reliable supplier across textile value chain
- ▶ Provide superior quality products at competitive prices and establish a brand value in the international arena
- ▶ Exceed industry standards with exceptional customer and technical service
- ▶ Maintain our competitive strategic position through leading edge technology
- ▶ Promote partnerships with government agencies and institutions of international recognition
- ▶ Provide training to our employees for their future development
- ▶ Provide a safe and rewarding work environment for employees



Construction of Women hospital in Bhilwara



Promoting education of differently-abled children, construction of rooms in school



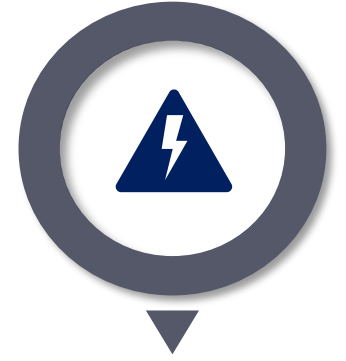
Construction of toilets as a part of Swachh Bharat Abhiyan



Free health check-up and awareness camps



Contribution to Confederation of Textiles industries (CTI) for cotton development and research



Installation of energy-efficient equipment. Zero liquid discharge system through reutilization of wastewater

Contributing to Sustainable Development Goals



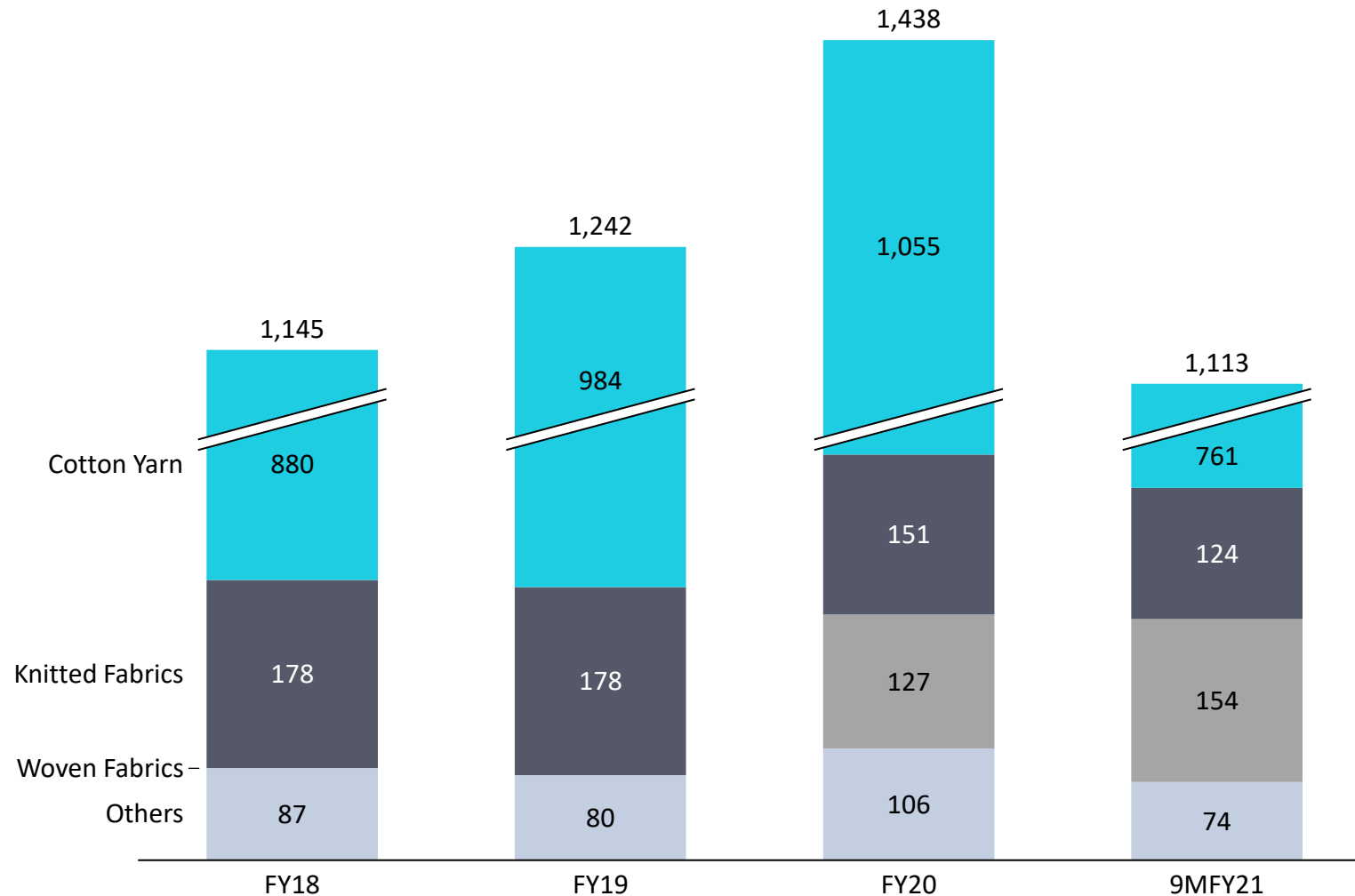
Contributing to the Sustainable Development Goals adopted by all the UN Member States in 2015, as a part of the 2030 Agenda for Sustainable Development



Financial & Operational Overview

Growing contribution of Value-added while focusing on Core

Rs in Crores

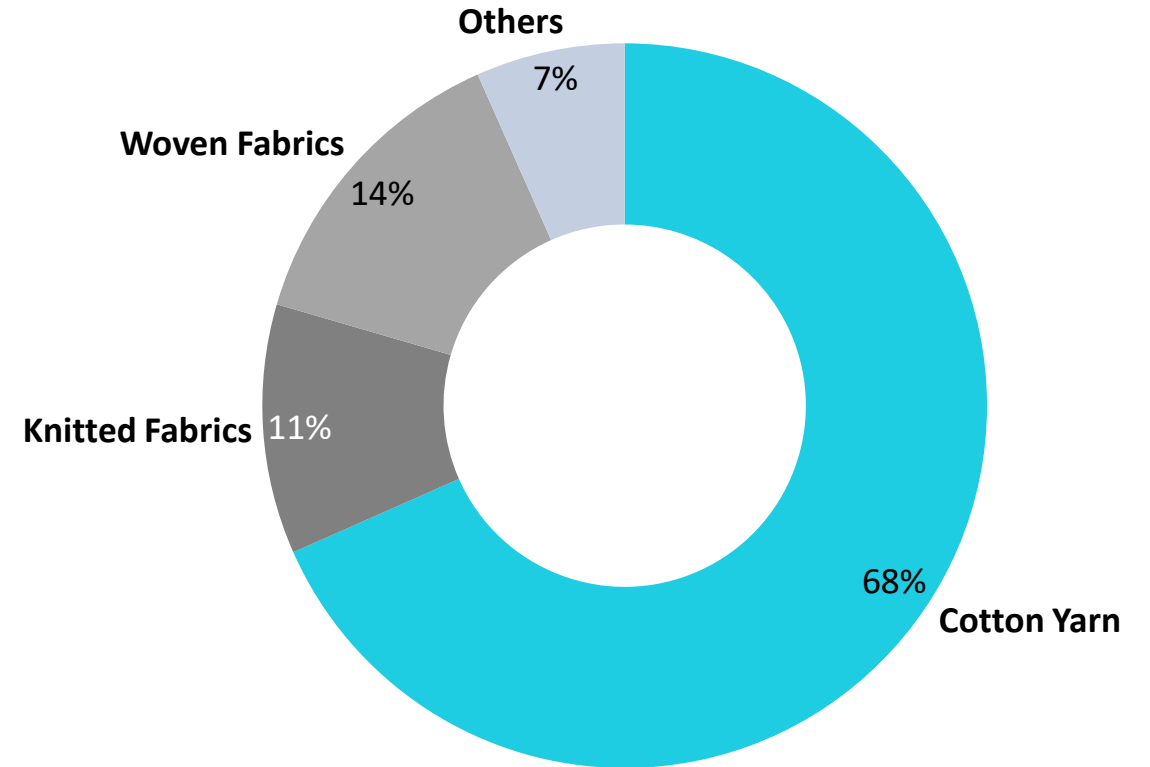
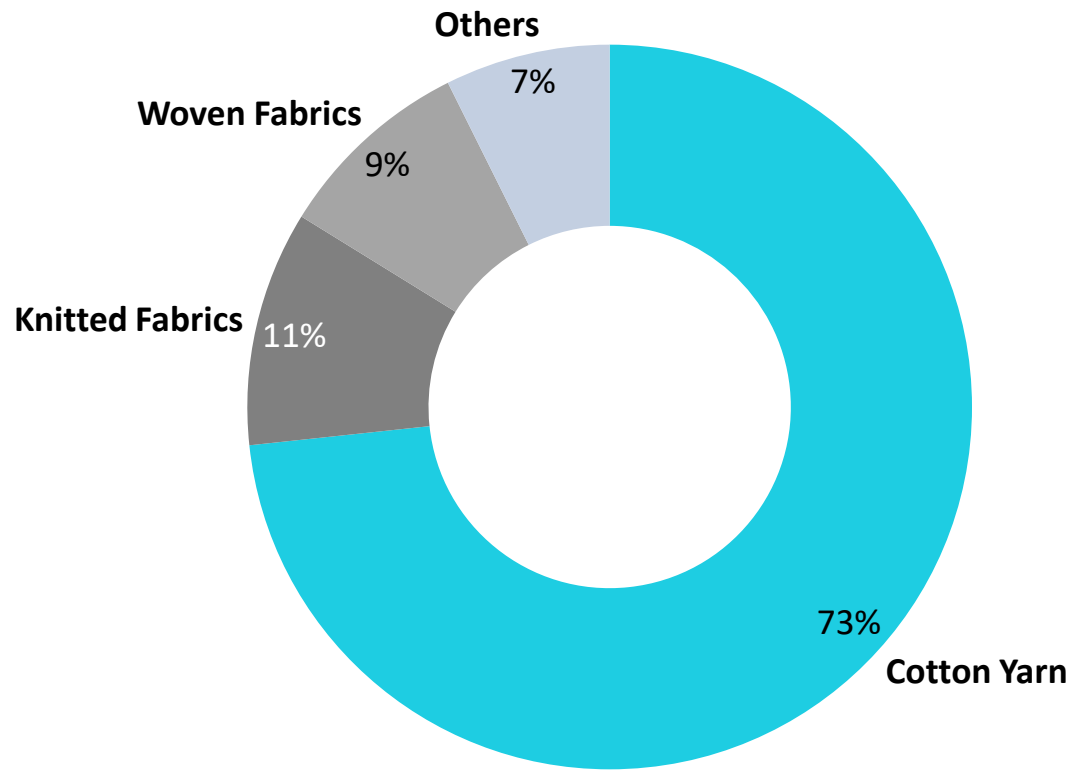


- Steady increase in sales of Cotton Yarn over FY18-FY20
- Added the value-added segment of Woven fabrics and Finished Fabrics in FY20
- Achieved sales of 15.97 mn Meters of Woven Fabric in FY20 contributing to 9% of revenue in FY20
- Value-added segments have higher profitability

Growing contribution of Value-added while focusing on Core

FY 19-20

9M - FY21



Building Strong Asset Base

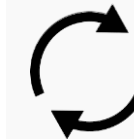
Steadily Expanding the assets Portfolio by adding plants to focus on Value-added Fabrics



NEW PLANTS



Increasing contribution of VALUE-ADDED PRODUCTS

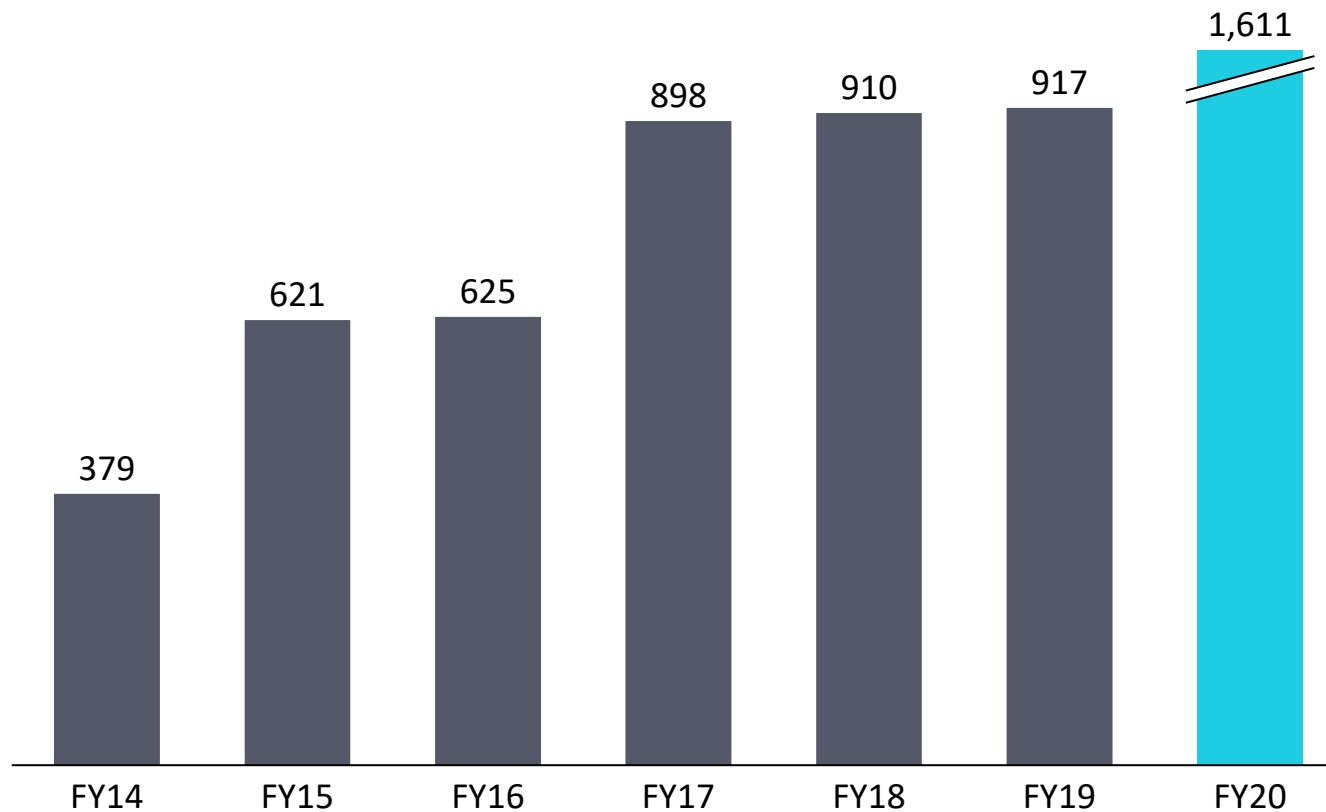


CATER to INTERNATIONAL MARKETS



BETTER Profitability

Rs in Crores

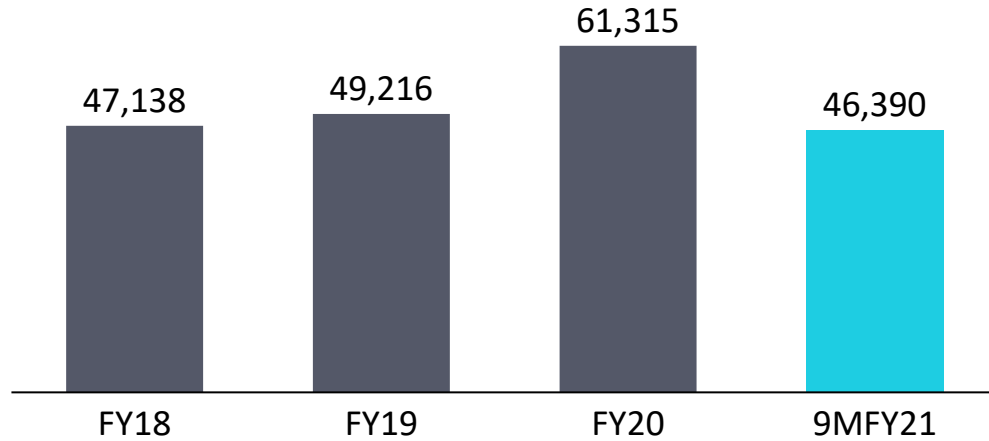


Gross Fixed Assets

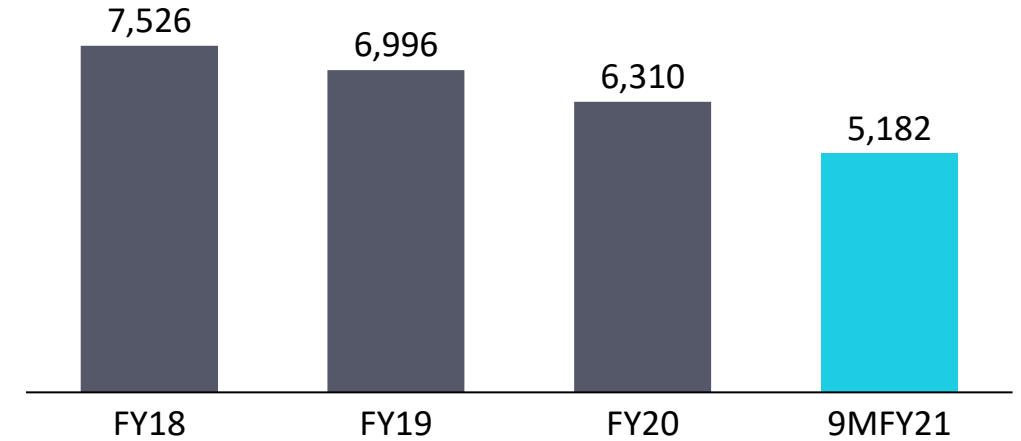
Operational Matrix



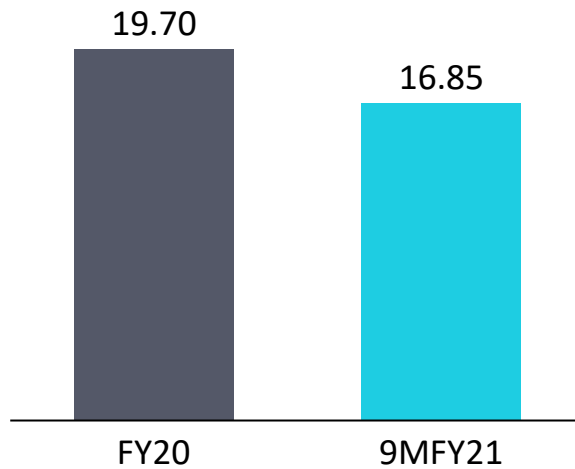
Cotton Yarn Production (MT)



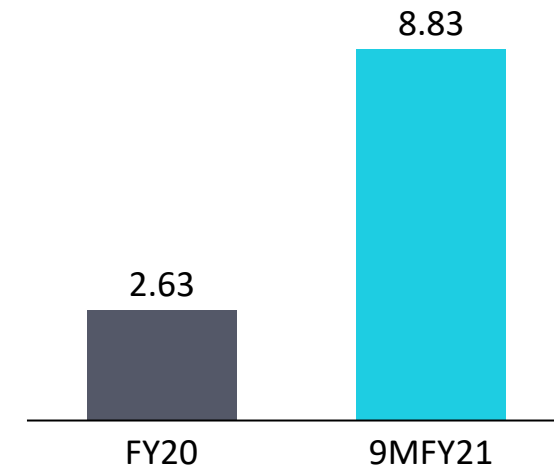
Knitted Fabrics Production (MT)



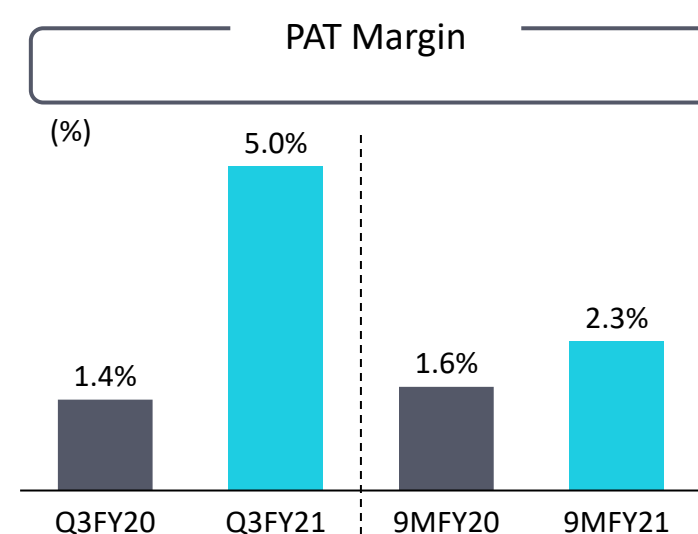
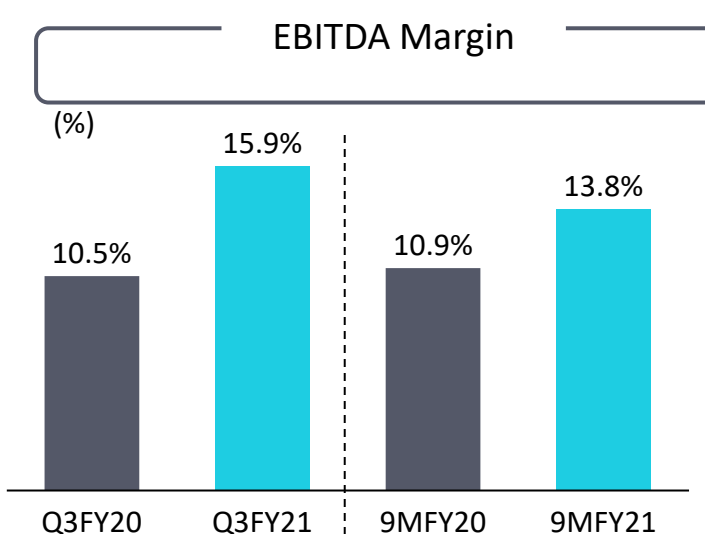
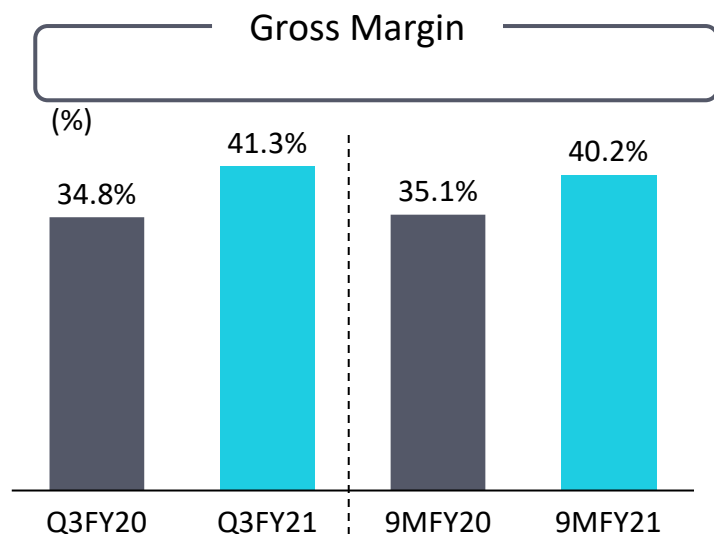
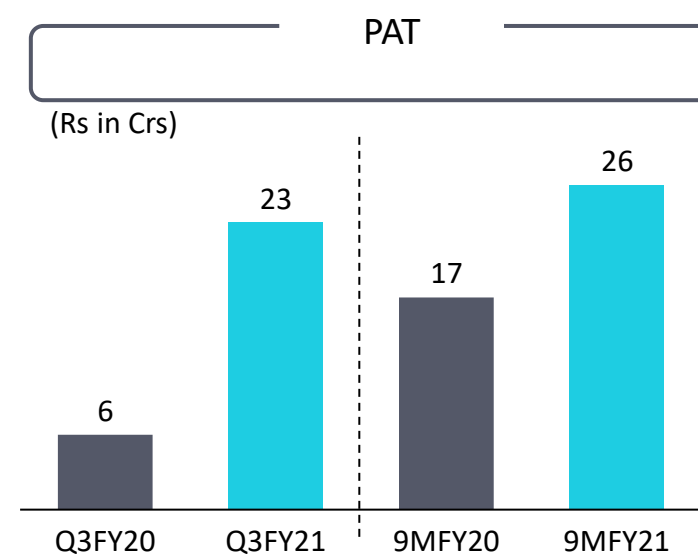
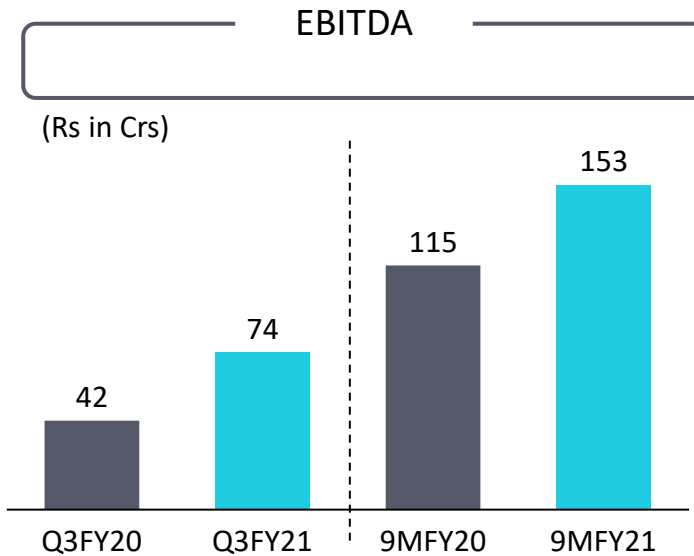
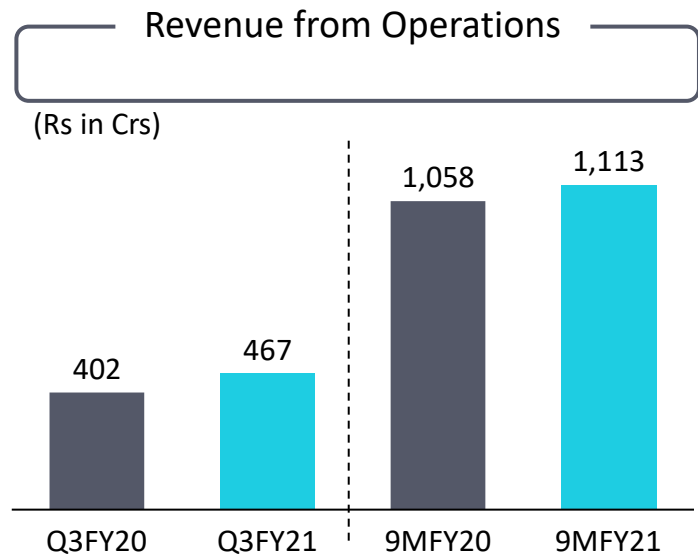
Woven Fabric Production (Mn Mtrs)



Finished Fabric Production (Mn Mtrs)



Quarterly Financial Highlights

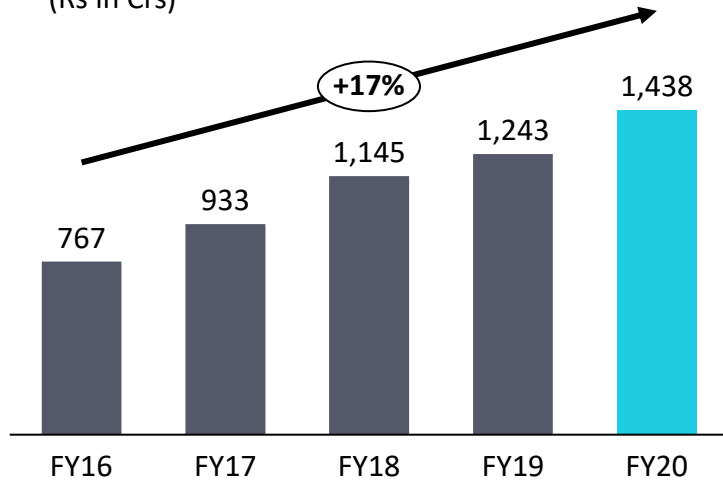


Historical Financial Highlights



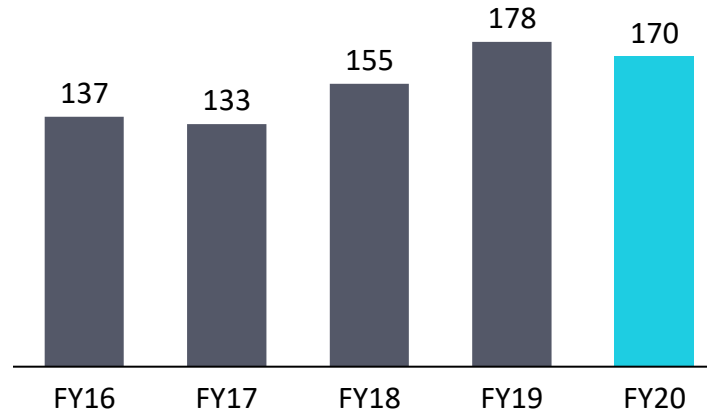
Revenue from Operations

(Rs in Crs)



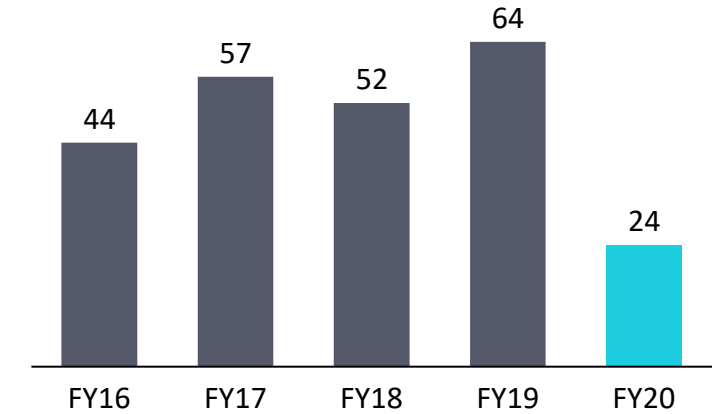
EBITDA

(Rs in Crs)



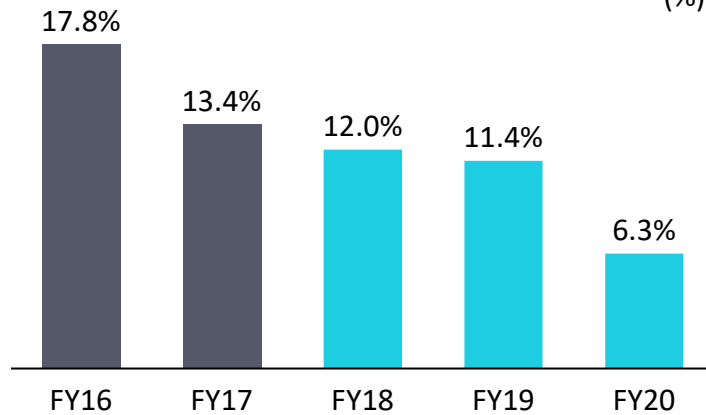
PAT

(Rs in Crs)



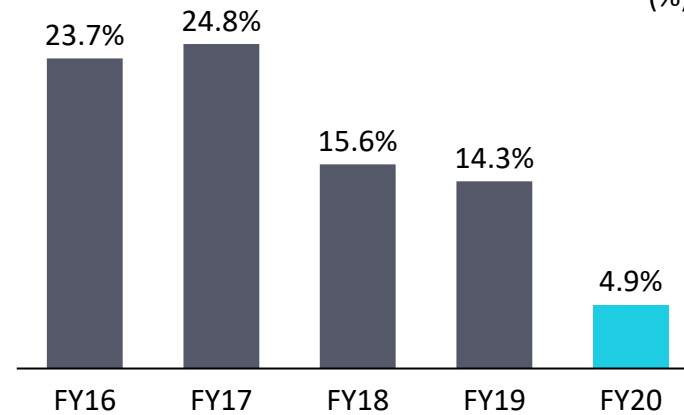
Average ROCE

(%)



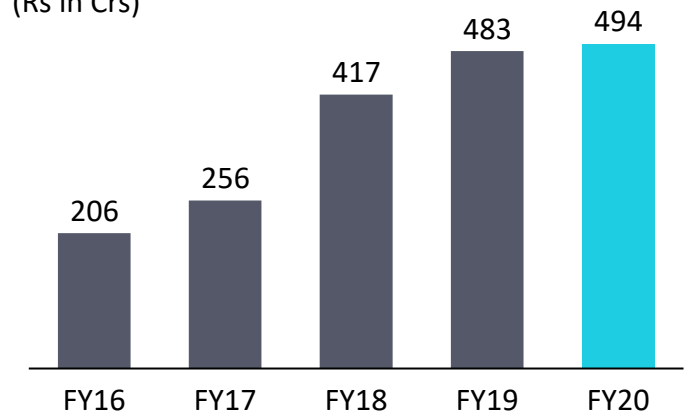
Average ROE

(%)



Net Worth

(Rs in Crs)



Quarterly Profit and Loss Statement



Particulars (Rs. Crores)	Q3FY21	Q3FY20	Y-o-Y	Q2FY21	Q-o-Q	9M FY21	9M FY20	Y-o-Y
Revenue from Operations	467	402		427		1,113	1,058	
Total Revenue	467	402	16.0%	427	9.3%	1,113	1,058	5.2%
Cost Materials Consumed	265	239		229		668	688	
Change in Inventories	9	23		41		-2	-2	
Total Overheads	274	262		270		665	687	
Gross Margin	193	140	37.6%	157	22.9%	447	371	20.5%
Gross Margin (%)	41.3%	34.8%		36.7%		40.2%	35.1%	
Employee Expenses	31	27		27		82	67	
Other Expenses	87	71		74		212	189	
EBITDA	74	42	75.5%	55	33.7%	153	115	32.6%
EBITDA Margin (%)	15.9%	10.5%		13.0%		13.8%	10.9%	
Depreciation	23	21		23		69	56	
Other Income	1	1		0		2	2	
EBIT	52	22	139.9%	33	59.3%	86	61	41.7%
EBIT Margin (%)	11.1%	5.4%		7.6%		7.7%	5.7%	
Finance Cost	16	13		15		46	35	
Profit Before Tax	36	8	337.8%	18	98.9%	40	26	55.8%
Profir Before Tax%	7.7%	2.0%		4.2%		3.6%	2.4%	
Tax	13	2		6		14	8	
Profit After Tax	23	6	300.6%	12	95.0%	26	17	50.4%
PAT Margin (%)	5.0%	1.4%		2.8%		2.3%	1.6%	
EPS (As per Profit after Tax)	4.13	1.03		2.12		4.63	3.08	

Historical Profit and Loss Statement

Particulars (Rs. Crores)	FY20	FY19	FY18	FY17	FY16
Revenue from Operations	1,438	1,243	1,145	933	767
Total Revenue	1,438	1,243	1,145	933	767
Cost Materials Consumed	922	789	714	617	462
Change in Inventories	-2	-7	13	-28	2
Total Overheads	920	781	728	589	463
Gross Margin	518	461	418	344	304
Gross Margin (%)	36.0%	37.1%	36.5%	36.9%	39.6%
Employee Expenses	94	68	61	52	43
Other Expenses	254	215	202	159	123
EBITDA	170	178	155	133	137
EBITDA Margin (%)	11.8%	14.3%	13.5%	14.3%	17.9%
Depreciation	81	55	56	42	40
Other Income	2	3	2	1	1
EBIT	91	126	101	93	98
EBIT Margin (%)	6.3%	10.2%	8.8%	9.9%	12.8%
Finance Cost	56	29	30	22	33
Profit Before Tax	36	97	71	70	65
Profir Before Tax%	2.5%	7.8%	6.2%	7.5%	8.5%
Tax	12	33	19	13	21
Profit After Tax	24	64	52	57	44
PAT Margin (%)	1.7%	5.2%	4.6%	6.1%	5.8%
EPS (As per Profit after Tax)	4.24	11.43	10.56	12.51	9.64

Commencement of commercial production at new unit at Bhanwaria Kalan, Begun in FY20 resulted into increased turnover and with this the Company has also added new products like Blended yarn, Woven Greige and Finished Fabrics

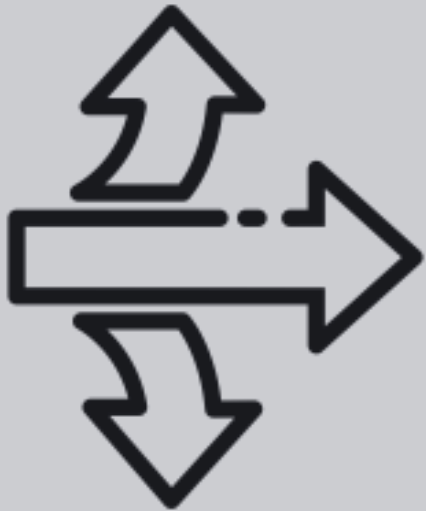
Due to lower exports from India, witnessed selling pressure in domestic market as a result of which margins contracted in FY20

Balance Sheet



Particulars (Rs. Crores)	H1 FY21	FY20	FY19	FY18
ASSETS				
Non-current assets	1,112	1,156	1,015	582
Property, Plant and Equipment	1098	1138	523	569
Capital work-in-progress	0	0	468	4
Intangible Assets	1	2	0	0
Other non-current assets	13	16	23	8
Current assets	456	489	421	346
Inventories	180	265	228	205
Financial Assets				
(i) Investments	-	-	-	-
(ii) Trade receivables	186	153	121	88
(iii) Cash and cash equivalents	0	0	3	0
(iv) Bank balances other than (iii)	2	0	0	0
(v) Other Financial Assets	1	0	3	0
Current Tax Asset (Net)	0	1	0	0
Other Current Assets	87	70	67	52
TOTAL	1,568	1,645	1,436	929

Particulars (Rs. Crores)	H1 FY21	FY20	FY19	FY18
EQUITY AND LIABILITIES				
EQUITY	497	494	483	417
Equity Share Capital	56	56	56	56
Other Equity	440	438	426	361
Non-Current Liabilities	678	726	660	336
Financial Liabilities				
(i) Borrowings	621	676	619	311
(ii) Other Financial Liabilities	0	0	0	0
Deferred Tax Liabilities (Net)	36	33	30	17
Provisions	20	17	12	9
Current liabilities	394	425	293	176
Financial Liabilities				
(i) Borrowings	220	287	185	88
(ii) Trade Payables	48	41	35	26
(iv) Other Financial Liabilities	4	91	66	58
Other Current Liabilities	120	4	3	2
Provisions	2	2	1	1
Current tax liabilities (net)	0	0	3	1
TOTAL	1,568	1,645	1,436	929



- 1 CONSOLIDATION**
Consolidate our existing products and capacities
- 2 GOVERNMENT SUPPORT**
Governments thrust on Atmanirbhar Bharat is expected to lead to surge in internal demand for raw materials thereby uplifting industry eco-system
- 3 GROWTH OPPORTUNITIES**
Capitalize on growth opportunities arising from Government's PLI scheme
- 4 HIGH CONTRIBUTION FROM VALUE-ADDED PRODUCTS**
Increase the contribution of high value-added products with increasing utilization of the newly set up Integrated Textiles complex
- 5 GEOGRAPHICAL EXPANSION**
Continue to explore newer markets across the geographies

For further information, Please Contact:

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