

TRIDENT/CS/2021  
August 27, 2021

The Manager Listing Department National Stock Exchange of India Limited Exchange Plaza, Plot No. C/1, G Block Bandra Kurla Complex, Bandra (E) Mumbai - 400 051	The Manager Listing Department BSE Limited Phiroze Jeejeebhoy Towers Dalal Street Mumbai - 400 001
Scrip Code:- TRIDENT	Scrip Code:- 521064

Dear Sir/ Madam

**Sub: Submission of "Questions/Queries received from Members on the 31<sup>st</sup> Annual General Meeting of the Company"**

Pursuant to Regulation 30 and other applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we are enclosing herewith the Questions/Queries, answered & responded, in the 31<sup>st</sup> Annual General Meeting of the Company which was held on Friday, August 27, 2021 at 11:00 AM IST through Video Conferencing [VC]/Other Audio Visual Means[OAVM].

This is for your information & records please.

Thanking you,  
Yours sincerely,  
For Trident Limited

**RAMAND  
EEP KAUR** Digitally signed by  
RAMANDEEP KAUR  
Date: 2021.08.27  
15:56:36 +05'30'

(Ramandeep Kaur)  
Company Secretary  
ICSI Membership No.: F9160

Encl: As above

27/08/2021

TL/2021/013351

**Questions Received from  
the Members on 31<sup>st</sup>  
Annual General Meeting  
of the Company**

# Safe Harbour

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**Q** How is the business leveraging digitization to grow the business?

**A** The market dynamics are rapidly changing with Industry 4.0; accordingly, the following initiatives are being taken:

- Industrial IOT- Integration of machines to get automated data on real time basis
- Business Intelligent Dashboards- focusing on real time display of data
- Development of online design product portfolio that showcases our products
- AI powered chatbot for employee engagement
- A futuristic website that connects all Trident stakeholders together

**Q** **Currently towel utilization levels are around 60%, can this be ramped up to 80-90% levels in coming times?**

**A** We expect capacity utilization to increase in coming times due to various demand-pull factors such as

- Increased awareness on health, hygiene, and people working from home across the world with focus on home décor
- Pakistan GSP+ status under review
- US ban on Xinjiang cotton
- Favorable government support in the form of RoSCTL continuation
- FTA discussions with EU and other nations

**Q** What could be the possible impact of suspension of Pakistan's GSP+ status by EU for Indian Home Textile players?

- A**
- Currently, India enjoys GSP beneficiary status whereas Pakistan has been awarded GSP+ status. As a result, products from the Pakistan enjoy comparative advantage due to differential import tariffs.
  - The Pakistan's status was due to be reviewed in 2022, however, due to abuse of blasphemy laws, the European Parliament is said to withdraw the GSP+ status. This will provide enormous potential for Indian home textile players and offer level playing field for Indian products.

**Q US has banned import of cotton from China's Xinjiang region. What does it mean for India's textile industry?**

- A**
- US Senate in July 2021, passed a bill to ban imports of all products that uses cotton from China's Xinjiang region, due to issues of forced labor. Xinjiang is world's largest cotton producing region supplying around 20% of the world cotton.
  - This ban will have favorable impact for Indian textile players, as demand will shift from China to India and other players.

**Q How will share of value added products increase from current mix?**

**A** We are one of the few vertical integrated organisation having end-to-end operations right from the cotton to the made-ups, coupled with deep research and innovation capabilities.

Following are the key initiatives being taken to increase the revenue from value added products.

- We are one of the largest supplier of Beach towels (Yarn Dyed Jacquard) globally
- We have explored various Anti Microbial finish based on different technologies
- Periodic Market Surveys to understand the consumer behaviour
- We have registered 11 Patents and 302 Trademarks worldwide as on 31st March 2021



**Q** What has been the company's effort to promote own brands growth via e-commerce?

**A** The company has undertaken following activities to promote own brands growth-

- Launch of Own e-Commerce Websites in India and US
- Increased presence in new Geographies like US and Middle East
- Started own warehouse operation to increase market penetration in India
- Use of Machine Learning and AI Analytics to optimize costs and add sustainable profits

**Q** What has been the company's efforts to reduce its debt commitments and become net debt free in future?

**A** The company has undertaken several initiatives over the years to reduce its debt commitments. Net Debt has reduced by around Rs.1900 mn and prepayment of term loans amounting more than Rs. 6500 mn has been done in the financial year 2020-21.

Particulars (INR Million)	31 <sup>st</sup> March 2021	31 <sup>st</sup> March 2020
Gross Debt	15,355.1	19,518.1
Term Loans	3,019.0	10,509.3
Working Capital	12,336.1	9,008.8
<b>Net Debt</b>	<b>14,231.9</b>	<b>16,144.6</b>

**Q** What is the forex position of the company as on the year ended March 2021?

**A**

Derivative Financial Instruments (INR Million)	31 March 2021
<b>Foreign Exchange forwards Contracts (at forward rate)</b>	
-USD	12,289.0
<b>Foreign Exchange Option Contracts (at closing spot rate)</b>	
-USD	73.1

**Q** What is the geographical distribution of Revenue in FY21?

**A**

Revenue (INR Million)	FY 2021	FY 2020
India	14,599.0	20,682.9
USA	19,625.1	14,234.5
Rest of the World	10,968.8	12,077.2
<b>Total</b>	<b>45,192.9</b>	<b>46,994.6</b>

Q

**Comment on the Rebate of State and Central taxes and Levies (RoSCTL) extension announced by the Government of India? Also, what is the update on Rebate of**

A

**Duties and Taxes on Exported Products (RoDTEP) scheme?**

- The government has issued a notification for continuation of RoSCTL, applicable retrospectively from 1st January 2021, till 31st March 2024 on export of bed sheets and towels @ 8.2%. This move is expected to provide stability and ensure competitiveness of Indian products in the foreign markets.
- Also, yarn and paper, shall be eligible to get benefits under RoDTEP scheme, at rates 3.8% and 1.1% respectively.

**Q What is the installed capacity of new spinning unit at Budhni? Will the % share captive yarn consumption go down in the coming year?**

- A**
- To strengthen position in the textile sector, a new spinning unit with state of art manufacturing facilities having capacity of 61,440 spindles and 480 rotors has begun commercial operations on 27th July 2021.
  - The yarn produced would be sold in the market as well as utilized for captive consumption in the form of raw material for manufacturing bath and bed linen. Depending upon the market scenario, the company has flexibility to increase/decrease the captive consumption.

**Q** What is the dividend pay-out for the financial year 2020-21?

**A** The company envisage to reward its shareholders through regular dividend payouts. The Board, in its meeting held on May 15, 2021, have recommended a final dividend of 36% (INR 0.36 per Equity Share of Re. 1/- each) for the financial year 2020-21 subject to the approval of shareholders. This translates into a dividend payout of 53% for FY 21.

**Q** What is the strategy for capex implementation, is it demand driven or vice-versa, that is capacity first and then going for orders?

**A** In the initial phase of growth, the company focused on the capex-first strategy, that is project was implemented first and demand followed subsequently.

However, the current market dynamics are such that there is a robust demand for home textile products, therefore, in contemporary times, the strategy for capex implementation could be said to be demand driven.



**Q** What is the strategy going forward to achieve the ambitious **VISION 2025**?

**A** VISION 2025 comprises of the following 3 BHAG (BIG, HAIRY, AUDACIOUS GOALS)

1. Achieving Revenue of INR 250,000 million by 2025 with 12% bottom line
2. Making Trident a National Brand
3. Digital Trident- By completing the journey of Industry 4.0

The company aims to achieve the same by following a two-fold strategy. Firstly, through expansion of existing production capacities and secondly, through diversification into new businesses. The same is under discussion with reputed consulting organization.

**Q** What is the purpose of raising the funds through QIP and NCD?

**A** The company shall utilize the proceeds for business purposes, including but not limited to augmenting financial resources for organic/ inorganic growth opportunities, meeting and satisfaction of working capital requirements, repayment of existing borrowings, general corporate purposes and financing investment opportunities.

# THANK YOU

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