



## Investor Presentation- June 2021

Trident Limited

Home Textile | Paper

 TRIDENTGROUP™

# Safe Harbour

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# Trident at a Glance

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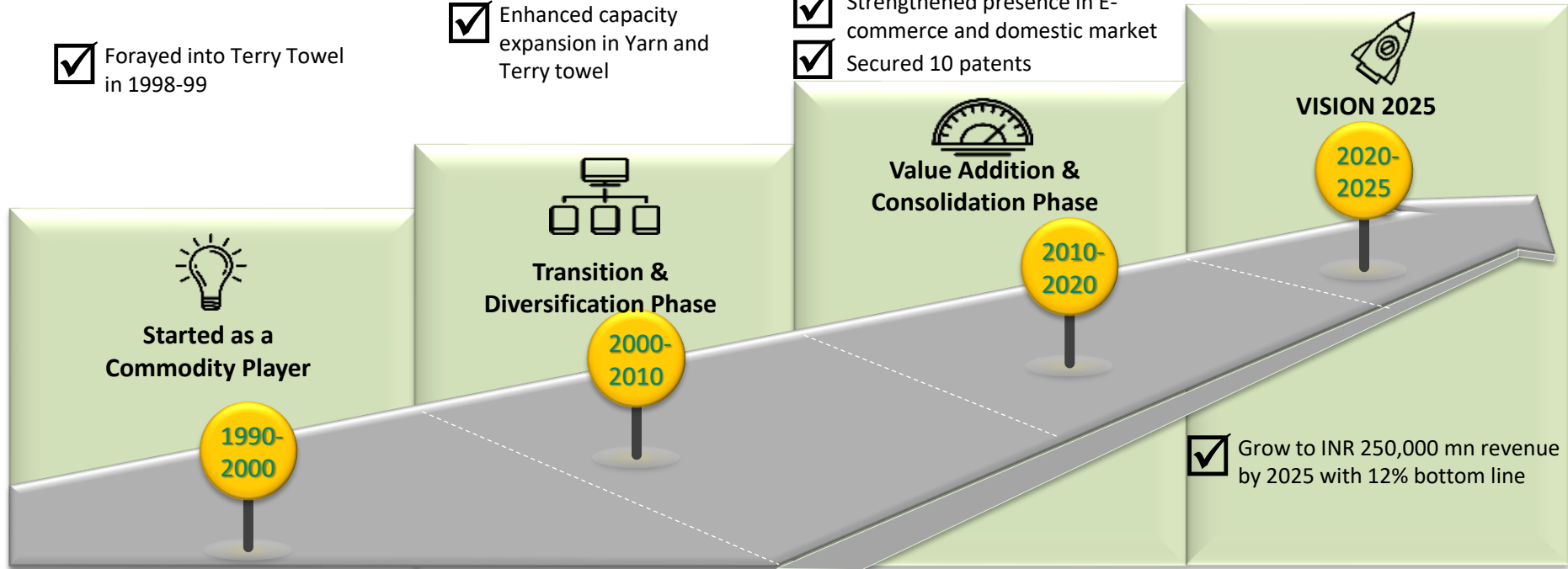
# Trident's Transformation Journey

- ✓ Inception: Started as a yarn manufacturer in 1990 with just 17k spindles
- ✓ Forayed into Terry Towel in 1998-99

- ✓ Entered into Paper, Chemical & Energy segment
- ✓ Enhanced capacity expansion in Yarn and Terry towel

- ✓ Horizontal diversification into segments such as Bed Linen  
#1 *in North India for Branded Copier segment*
- ✓ Strengthened presence in E-commerce and domestic market
- ✓ Secured 10 patents

- ✓ Make Trident a National Brand
- ✓ Digital Trident – Completing Industry 4.0 Journey



# Trident's – A distinctive Entity

**USD1bn+**  
Business group

**150+**  
countries

**16,000+**  
employees

**46+**  
E-com website  
presence

**73%**  
Revenue from  
exports in Q1 FY22

**100Mn+**  
Market Cap

- ✓ **Leading Integrated** home textile manufacturers
- ✓ **World's Largest** Wheat Straw Based Paper Manufacturer
- ✓ **World-class Infrastructure**
- ✓ **Best-in-class technology**

## ✓ Recipient of Corporate & Customer Partner Awards



# Shareholding and Dividend Payout

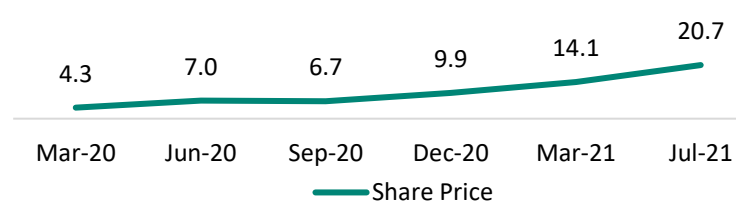
## Key Market Statistics (12<sup>th</sup> August 2021) (INR)

BSE Ticker	521064
NSE Ticker	Trident
Bloomberg code	TRID:IN
Reuters	TRIE.NS
Market Price	20.5
Market Cap (in million)	1,04,468
Outstanding shares (in million)	5096
Face value per share	1
52 week low/high	6.25/22.65

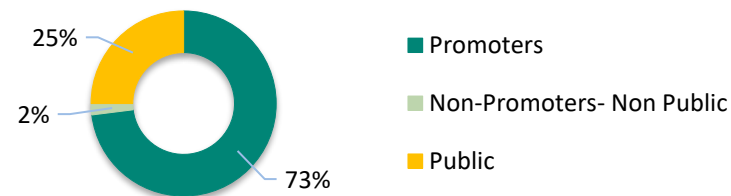
## Presence in India

Corporate office	Ludhiana, Punjab
Manufacturing facilities	Sanghera & Dhaula, Punjab Budhni, Madhya Pradesh
Marketing offices	Mumbai, Gurgaon

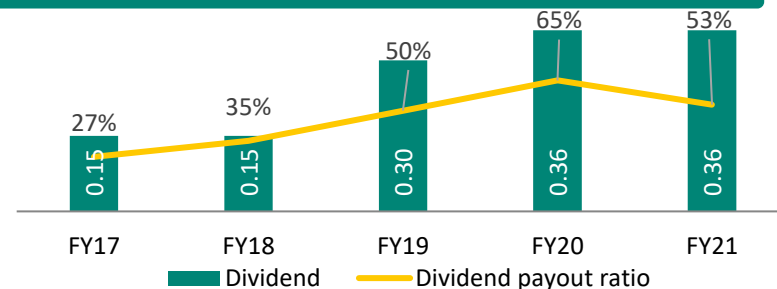
## Stock price movement



## Shareholding pattern (June 2021)



## Dividend



# Industry Dynamics

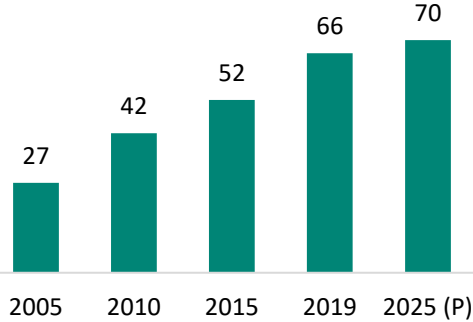
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# Home Textile Industry

## Global Home Textile Industry (USD Billion)

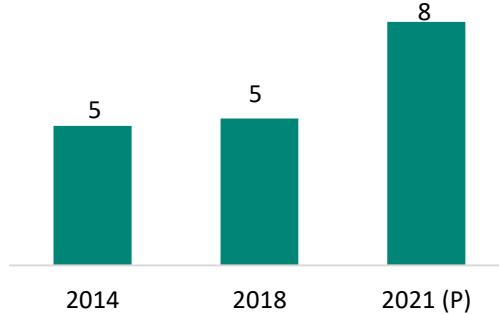
CAGR 5%



US continue to be largest consumer of Home Textile followed by Europe

## Indian Home Textile Industry (USD Billion)

CAGR 8%



- ✓ Abundant availability of raw material and manpower
- ✓ Huge Domestic Potential with increased focus on health and hygiene, rising per capita income and increasing focus on Indian retail sector

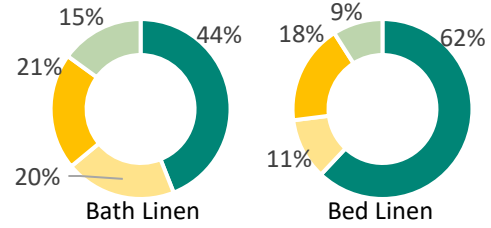
## Major home textile exporters

✓ India dominates the home textile industry in major economies

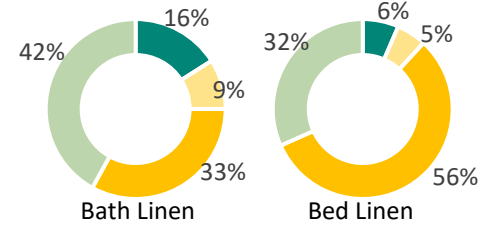
Home Textiles			
Export Value (USD bn)	19	6	4
Market share	37%	11%	8%

## India dominates the home textile industry in major economies

### United States (Jan-June 2021)



### European Union (Jan-Apr 2021)

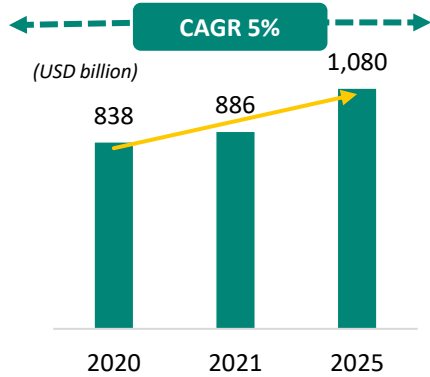


India Pakistan China Others

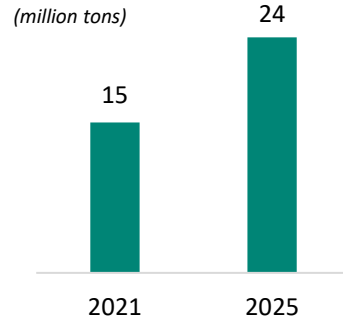
Source: IBEF, Indian Textile and Apparel, May 2021

# Paper Industry

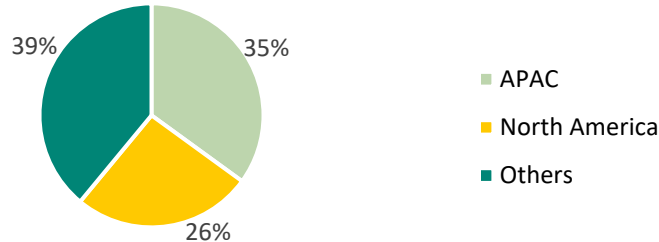
## Global paper industry



## Paper consumption in India



## Market dominance in global paper industry



## Growth Drivers in Indian Paper Industry



Greater emphasis on education by the government



Robust growth in organized retail as well as e-commerce



Growing demand for better quality paper in writing and printing segment



Complete ban or linked use of plastic in carry bags and packaging



Rising healthcare spends, over the counter medicines

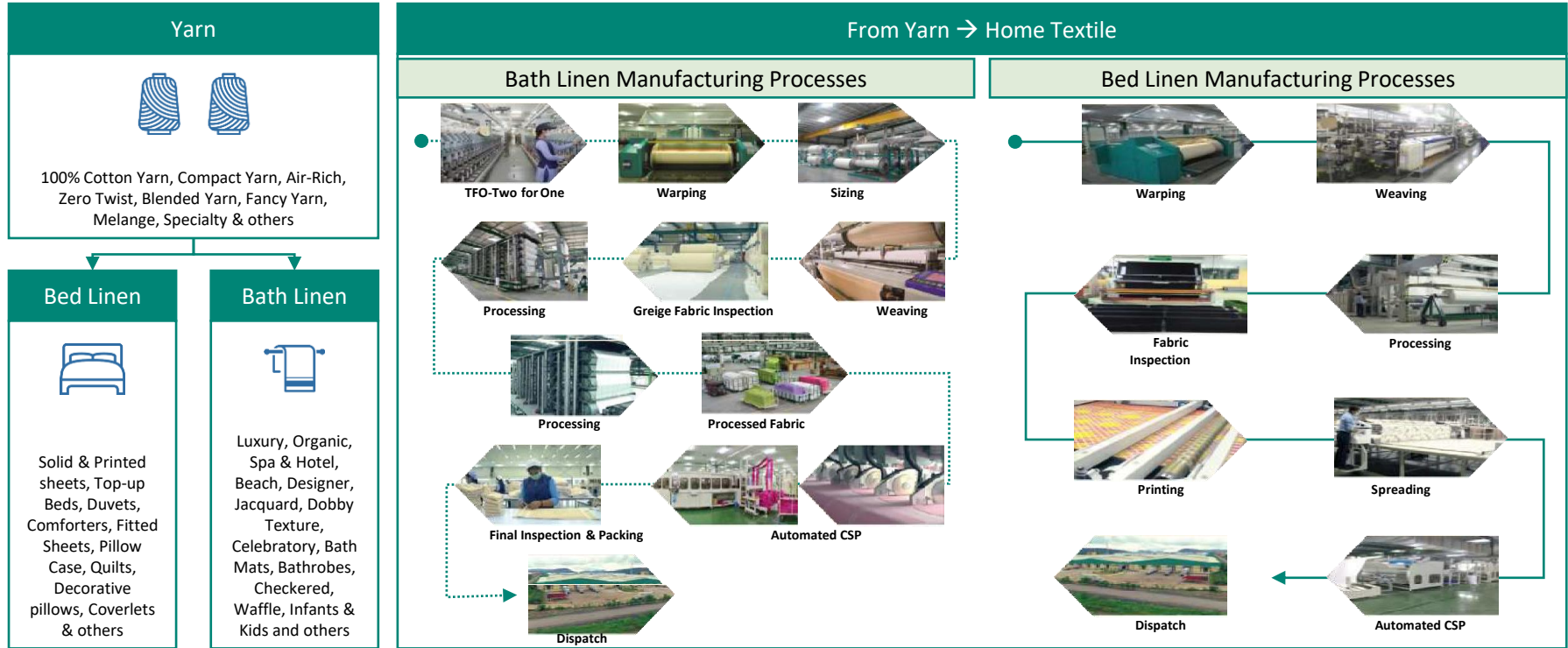


Increasing preference for ready-to-eat foods and better packaging of FMCG products

# Business Moats

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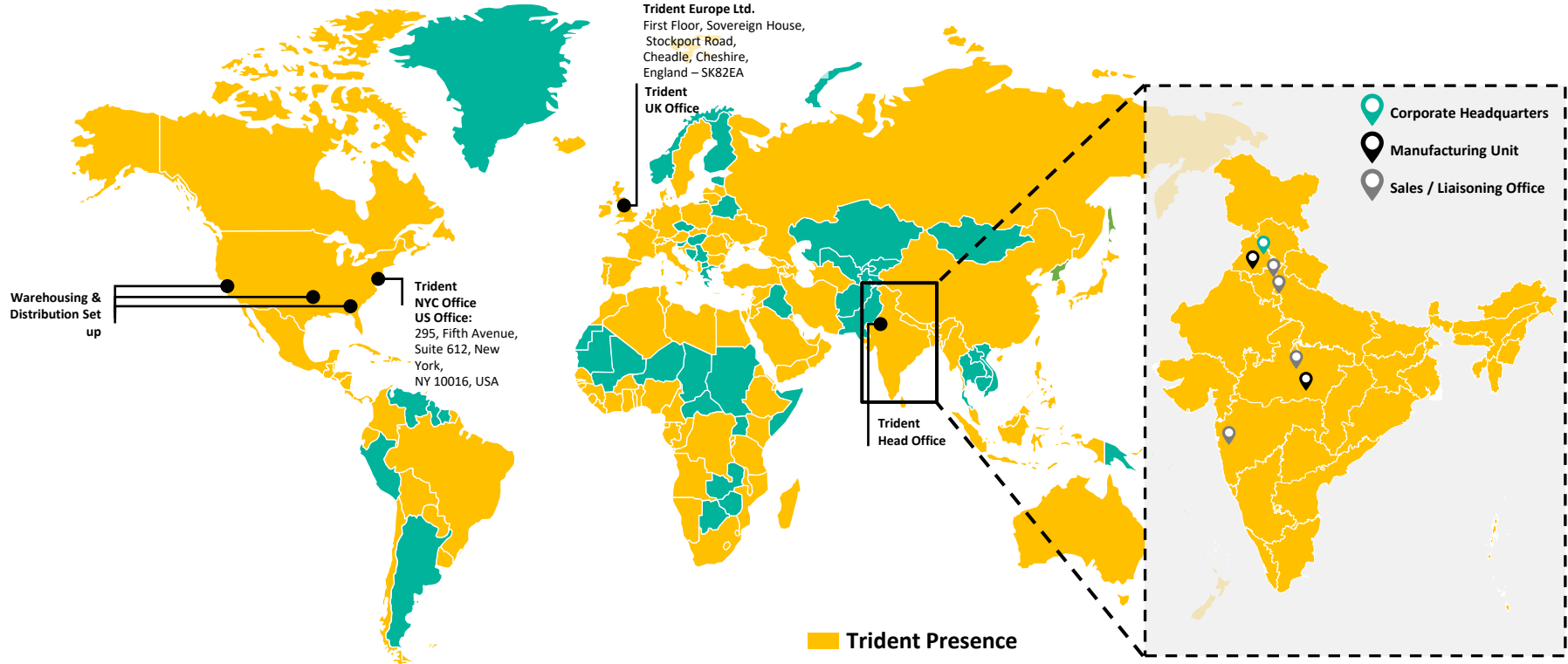
# Leading Integrated Home textile Manufacturer



***Fully integrated processes provide control over the production value chain***

# Our Global Presence

Global footprint across **6** continents and **150** countries



# Creating differentiation across brands & products

## Domestic home textile brands



## International home textile brands



## Marquee Customers



Trident's home textile brands are across a range of luxury, premium, essentials, exclusive and gifting products



# World's largest wheat straw-based paper manufacturer

**12%**

Market share in Indian copier segment

**175,000**

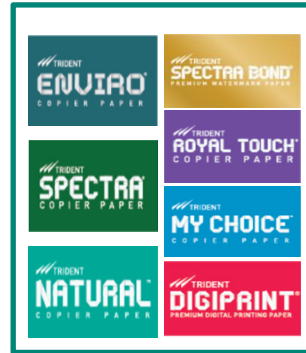
**MT**  
Annual capacity

**30%**

Market share in NCR and North India

**85%**

Capacity utilization in Q1 FY22



Uses wheat straw, a by-product of wheat - an eco-friendly raw material



Lowest raw material to sales ratio among peers



Easy procurement at attractive pricing as Punjab is the highest wheat-producing state



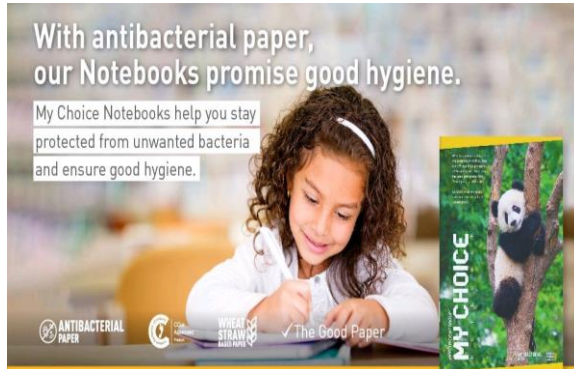
Best of Technology to ensure lower operating expenses



Venturing into Value Added Products such as Antibacterial notebooks, Stiffener Board and Kraft paper



Double digit contribution in FY21 from value added products segment



## Marquee Customers



# Financial Performance

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# Balance Sheet

Particulars (INR million)	As at	As at	As at
	March 31, 2019	March 31, 2020	March 31, 2021
<b>CAPITAL AND LIABILITIES</b>			
Capital	5096	5096	5096
Reserves and surplus	24216	24573	28070
Borrowings	24358	19518	15355
Deferred tax liabilities	4083	3367	3208
Other liabilities and provisions	3279	4630	5813
<b>TOTAL</b>	<b>61032</b>	<b>57184</b>	<b>57542</b>
<b>ASSETS</b>			
Cash and cash equivalents	95	3183	984
Balances with bank	156	190	139
Inventory	10010	9120	10083
Trade receivables	6620	2785	4545
Property, plant & equipment	36725	35734	36979
Other assets	7426	6172	4812
<b>TOTAL</b>	<b>61032</b>	<b>57184</b>	<b>57542</b>

## Recent performance

- Net Debt reduced from INR 16,145 million in FY20 to INR 14,232 million in FY21
- Total Repayment of INR 10,343 million in FY21 including prepayment of term loans amounting more than INR 6500 million
- Commercial production of yarn project with 61,440 spindles and 480 rotors has begun recently.

# P&L Statement

Particulars (INR million)	FY19	FY20	FY21	Q1 FY21	Q1 FY22
Total Income	52,653	47,240	45,353	7134	14,799
EBITDA	10,231	8653	8270	1187	3825
Depreciation	3639	3333	3365	824	874
<b>EBIT</b>	<b>6592</b>	<b>5320</b>	<b>4905</b>	<b>363</b>	<b>2950</b>
Finance cost	1123	1108	720	231	250
Exceptional Items	0	0	-266	0	0
Profit before tax	5469	4212	4451	132	2700
Tax	1760	794	994	31	665
<b>Profit after tax</b>	<b>3709</b>	<b>3418</b>	<b>3457</b>	<b>101</b>	<b>2035</b>
EPS (Actuals)	0.73	0.67	0.68	0.02	0.41
<b>Cash Profit</b>	<b>7348</b>	<b>6751</b>	<b>6822</b>	<b>925</b>	<b>2909</b>

## Recent performance and growth

- Total Revenue for the FY 21 stood at INR 45353 Mn, slightly less than FY 20 owing to primarily the low sales in Q1 FY20 in which the operations of the Company were hampered by lockdown
- 35% reduction in Finance Cost in FY21 reduced to INR 720 Mn, as compared to INR 1108 Mn in FY20
- EBITDA Margin stood at 18.23% in FY21

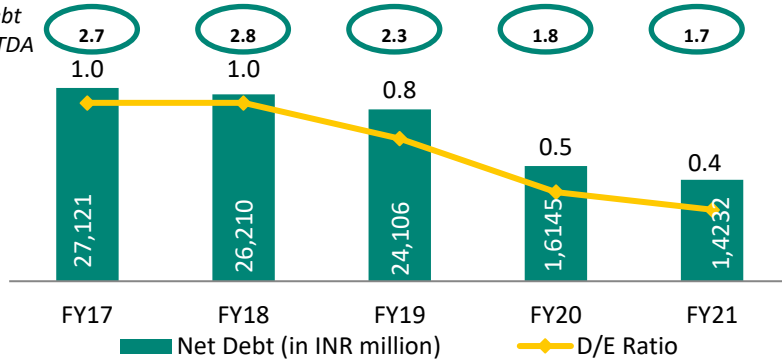
## Margin improvement initiatives

- ✓ Move to higher retail price points products, focusing on higher thread count sheets and higher GSM Towels
- ✓ Develop new and innovative products leveraging consumer sentiments and behavior to earn premium
- ✓ Catering to luxury, fashion accents, & sports segments
- ✓ Increasing capacity utilization of plants through digitization of processes and adopting lean practices

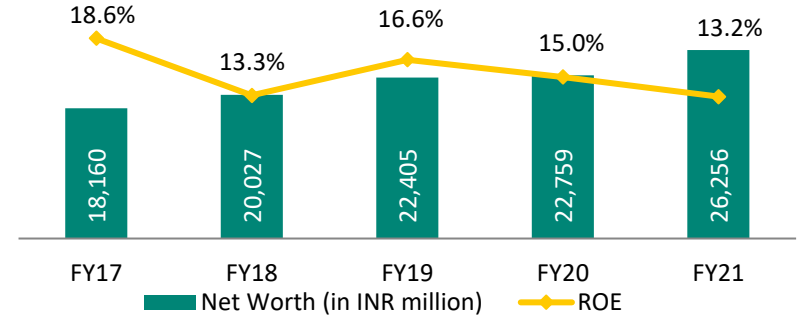
# Financial Ratios

## NET DEBT

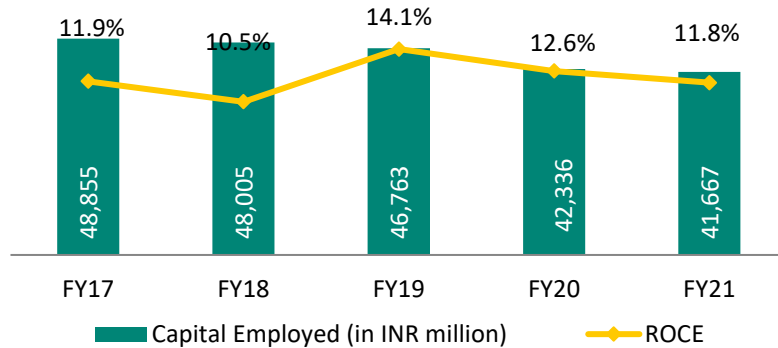
Net debt to EBITDA



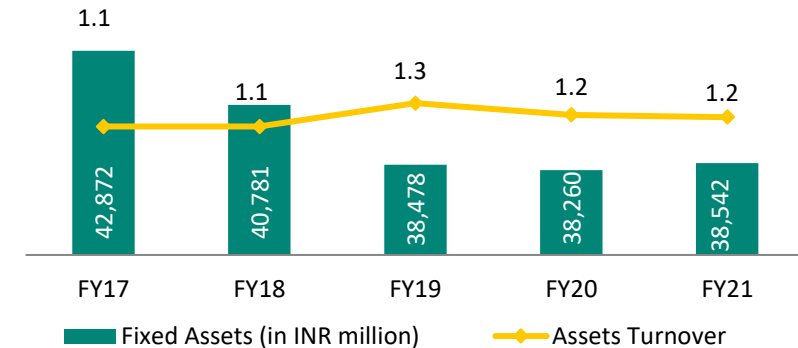
## NET WORTH



## CAPITAL EMPLOYED

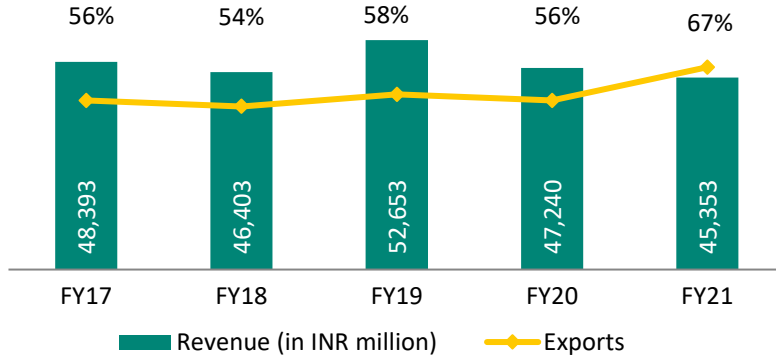


## FIXED ASSETS

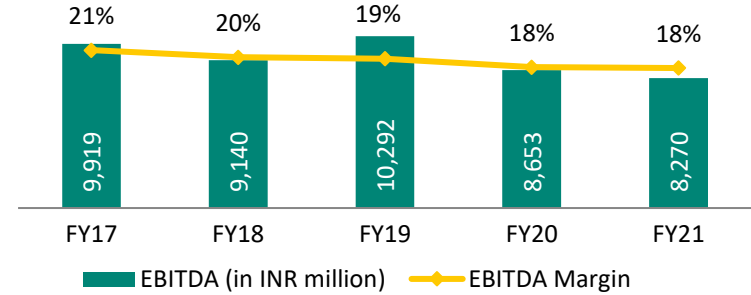


# Financial Performance

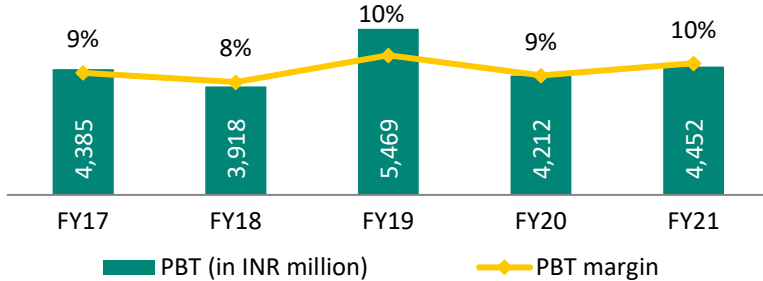
## REVENUE



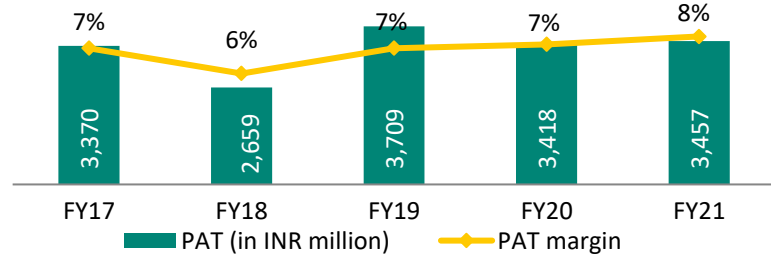
## EBITDA



## PBT



## PAT

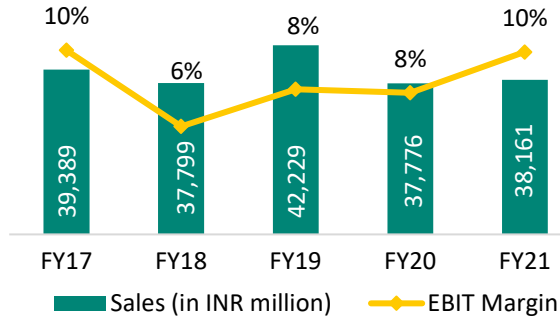




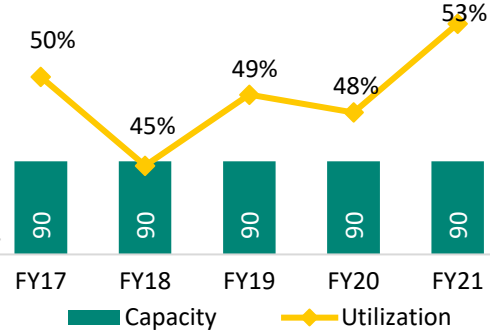
# Segmental Performance Annual

Home Textiles

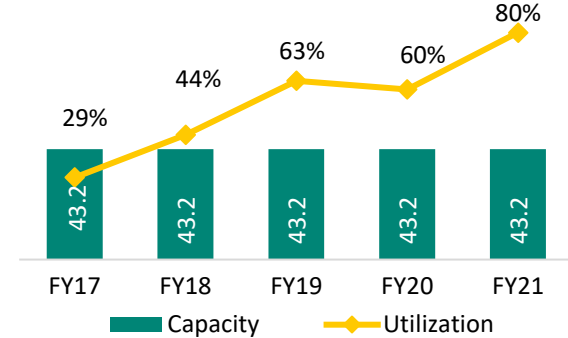
Revenue Mix



Capacity - Towels (in 000'tons)

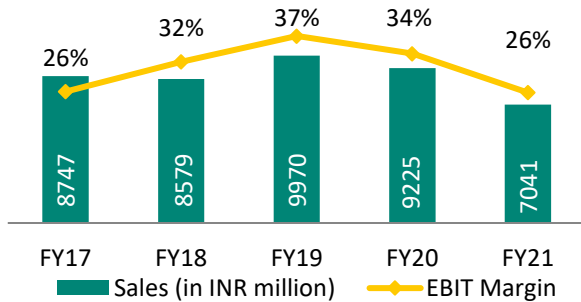


Capacity-Bed Linen (In mn meters)

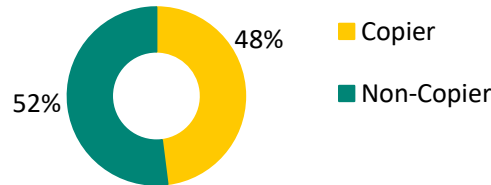


Paper

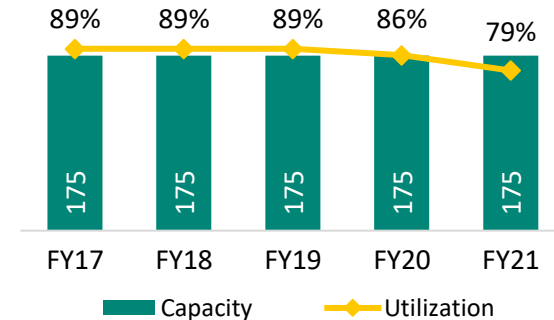
Revenue Mix



Copier vs Non-Copier Revenue Mix



Capacity Utilization (Tonnage Basis)



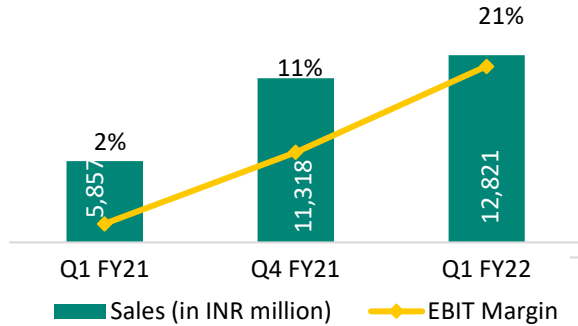
(% of total revenue)

(FY21)

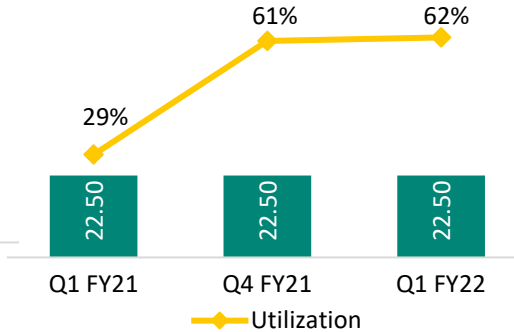
# Segmental Performance Quarterly

## Home Textiles

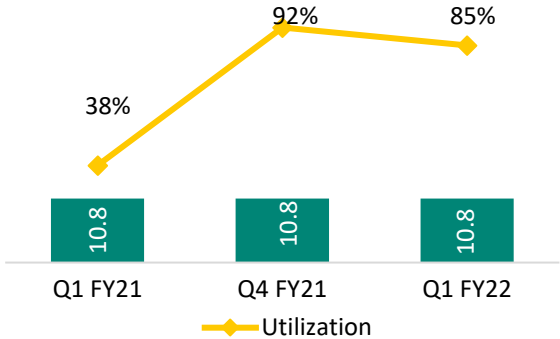
### Revenue Mix



### Capacity -Towels (in 000'tons)

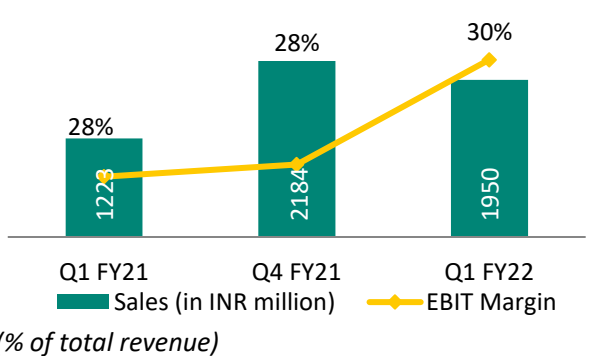


### Capacity-Bed Linen (In mn meters)

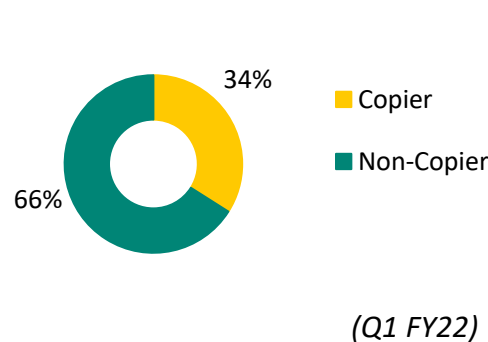


## Paper

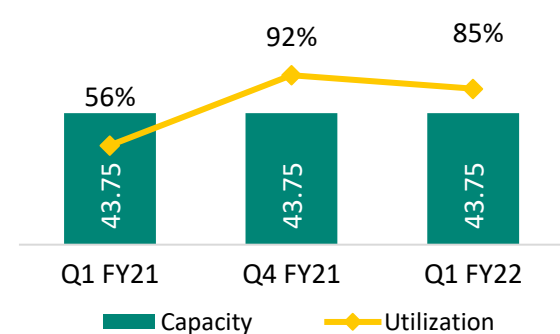
### Revenue Mix



### Copier vs Non-Copier Revenue Mix



### Capacity Utilization (Tonnage Basis)



# Q1 FY22 performance P&L

**TOTAL INCOME (INR Mn)**

**14799** 107%

Q1 FY21: 7134

**PBT (INR Mn)**

**2700** 1946%

Q1 FY21 : 132

**EBIDTA (INR Mn)**

**3825** 222%

Q1 FY21 : 1187

**PAT (INR Mn)**

**2035** 1915%

Q1 FY21 : 101

**EBIT (INR Mn)**

**2950** 713%

Q1 FY21 : 363

**EPS (INR)**

**0.41** 0.39

Q1 FY21 : 0.02

## Recent performance and growth

- Q1 have seen robust growth of 107% on Y-o-Y basis driven by Home Textile segment with Bath and Bed Linen Segment registering revenue growth of 134% and 80% on Y-o-Y basis respectively
- Sheeting segment registered 85% capacity utilization during the quarter
- 73% of total revenue in Q1 from Exports
- Paper business in Q1 saw growth of 59% on Y-o-Y basis
- EBITDA Margin stood at 25.8% for Q1 FY 22 as compared to 16.6% for Q1 FY21.
- With government extending RoSCTL benefits, export incentives of 1190.5 million has been recognized during the Q1 FY22 out of which 579.3 million relates to eligible export sales of Q4 FY21.
- Adjustment for RoSCTL impact: Adjusted EBITDA for Q1 FY22 stands as Rs. 3245.21 million an Adjusted EBITDA Margin is 22.82% for the Q1 FY22

# Q1 FY22 performance B/S

GROSS DEBT (INR Mn)

14422 -933Mn

FY21: 15355

NET DEBT (INR Mn)

12320 -1912Mn

FY21 : 14232

LT DEBT (INR Mn)

3773 754Mn

FY21 : 3019

CASH & EQUIVALENTS  
(INR Mn)

2102 979Mn

FY21 : 1123

NET DEBT/EQUITY

0.35

FY21: 0.42

NET DEBT/EBIDTA\*

0.95

FY21 : 1.72

## Recent performance and growth

- Liquidity position has improved as cash and cash equivalents amount for Rs. 2102 million as on 30<sup>th</sup> June 2021, against Rs. 1123 million as on 31<sup>st</sup> March 2021
- Net Debt reduced by Rs. 1912 million to Rs. 12319.8 million as on 30<sup>th</sup> June 2021 against Rs. 14231.9 million as on 31<sup>st</sup> March 2021

## Debt Composition

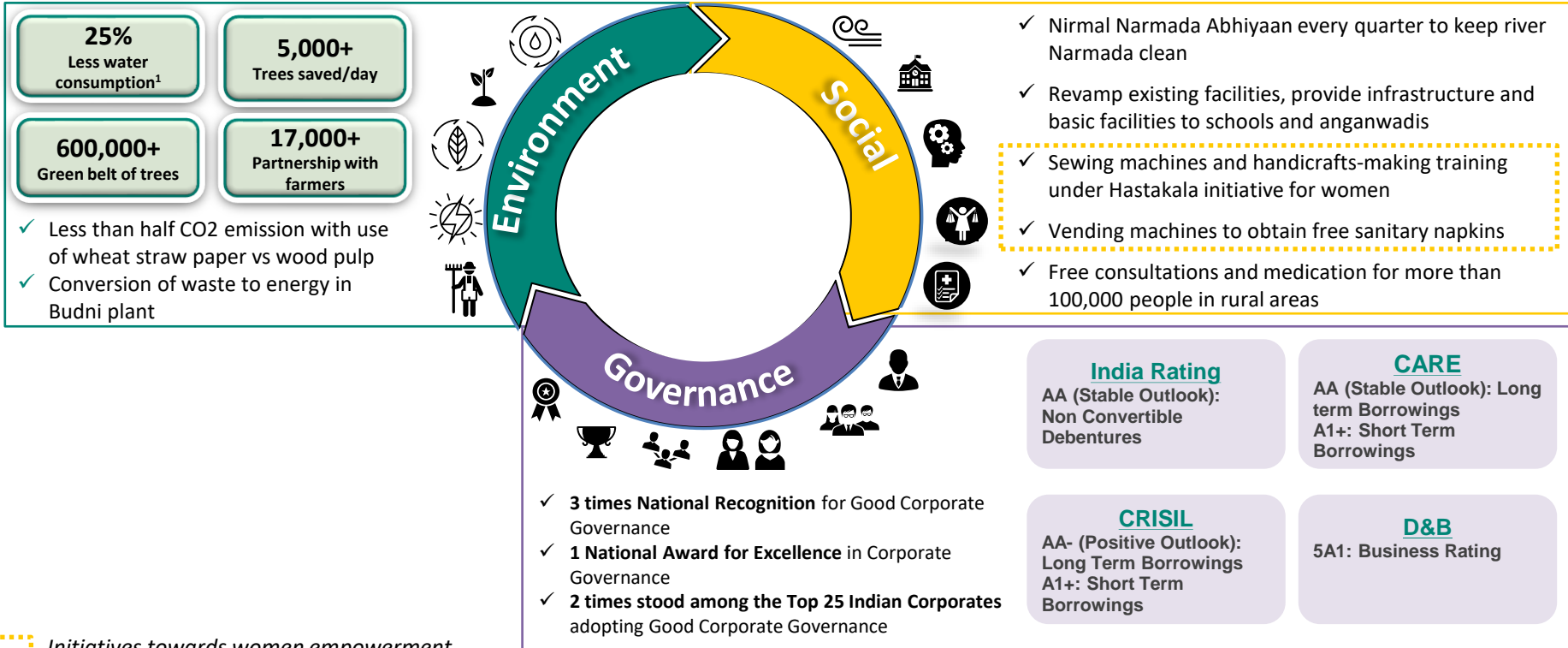
Particulars (in INR million)	30-Jun-21	31-Mar-21
<b>Gross Debt</b>	<b>14421.5</b>	<b>15355.1</b>
<b>-Term Loans</b>	<b>3773.0</b>	<b>3019.0</b>
Existing Loans	6.4	19.0
Fresh Capex Loans	2516.6	1750.0
NCD	1250.0	1250.0
<b>-Working Capital</b>	<b>10648.5</b>	<b>12336.1</b>
<b>Net Debt</b>	<b>12319.8</b>	<b>14231.9</b>

\*Net Debt/EBITDA is calculated after adjusting RoSCTL amount of INR 579.3 million pertaining to Q4 FY21

# Committed to the ESG and Women Empowerment

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# Environmental, Social and Governance



Initiatives towards women empowerment

Note: 1. Based on global benchmark



# Led by Eminent Board

## Eminent board of directors



**Rajiv Dewan**  
*Chairman and Independent Director*



**Rajinder Gupta**  
*Co-Chairman and Non-Executive Non-Independent Director (Earlier – MD from 1992 till 2012)*



**Dinesh Kumar Mittal**  
*Independent Director (Former Indian administrative services officer)*



**Usha Sangwan**  
*Independent Woman Director*



**Pooja Luthra**  
*Non-Executive & Non-Independent Director*



**Deepak Nanda**  
*Managing Director*

- Independent Chairman
- 83% Non-Executive Directors
- 2 Woman Directors
- 50% Independent Directors

## Commenting on the performance, Mr. Rajinder Gupta, Chairman at Trident Group said:

*“The quarterly performance has been remarkable despite uncertainties due to Covid-19 and we shall continue to drive with focused and futuristic initiatives to build an organisation more dynamic and distinctive than ever before, creating value for stakeholders”.*

# Future strategy and outlook

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# Advantage of Home Textile

## Competitive cost of production

- Competitive labor, power and raw material cost
- Access to advanced technology under textile upgradation fund



## Textiles: A dominant industry

- Employs 45 million people across the value chain
- Strong government support to industry



## Favorable Government Policies

- Focus on 'Make in India'
- Export enhancement
- Scheme of setup of Mega Textile Parks



## Cotton quality and availability

- Largest producer of cotton
- Surplus available for export



## India geography of choice for Home Textiles



## Backward Integration with yarn

- Lower variance in profitability
- Hedge against raw material price fluctuations
- Maintenance of high-quality standards
- Traceability of origin
- Consistent delivery of products



## Qualified and skilled manpower

- Large, young and talented workforce
- Competitive though increasing cost of labor



## Global friendly environment

- Stable democracy and comfort with global languages
- Evolving practices in line with MNCs



# Future prospects

## Vision 2025 3 BHAGs (*BIG, HAIRY, AUDACIOUS GOALS*)

### OBJECTIVES

Grow to Rs 250,000 Mn by 2025 with 12% bottom line

Making Trident a National Brand

Digital Trident- Manoeuvring through Industry 4.0 Journey

### IMPERATIVES

- 1 Grow core business  
Capitalize on recent growing retail trends - Online & Offline Brands
- 2 Develop robust processes & organisation  
Boost efficiency, simplify & automate processes
- 3 Build new businesses  
Diversify, build and grow new businesses through organic and inorganic growth
- 4 Digital & industry 4.0  
IOT, Blockchain & Digitalization

### E-commerce – The way forward

**46+**

Online presence on e-commerce websites

**17+**

Expansion to countries in last 12 months

**50+**

Dedicated members to e-commerce team

**237%**

Q1 FY22 YoY growth e-commerce own brand revenue

## Unlock long term shareholder value

- ✓ Improve return ratios through capital allocation strategies
- ✓ Expansion of existing businesses through organic and inorganic growth
- ✓ Creation of focused business groups to generate synergies and explore business alliances
- ✓ Optimization of leveraging capacity to create value
- ✓ Penetration into new markets
- ✓ Product development
- ✓ E-commerce
- ✓ Brand building



**Thank You**

*For more information about us, please visit  
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