

SVP Global Textiles Ltd is venturing into forward integration of textile value chain

SVP Global Textiles Ltd reported Annual Results with net Revenue of Rs 1778.37 Crs up by 25% and PAT of Rs 71 Crs up by 187% Y-o-Y

FY22 Business Highlights:-

- Govt. of India approved company's Technical Textile expansion of Rs.100 crore under PLI Scheme
- Company to focus on debt reduction and de-leveraging balance Sheet in FY23
- Strong financial performance with- **Net Profit up by 187%, EBITDA 30%**.
- Company venturing into garment sector to create its own brand value

The Textile Industry is undergoing continuous stress due to rising cotton prices during the FY 22. The pressure is likely to continue till arrival of new crop in Sep 22. The spinning mills have taken the major hit. In spite of the prevailing situation, SVP Global Textiles Ltd has reported financial results in FY21-22 with net profit of Rs 71.28 crore (Net Profit Margin 4.00%) for FY22 as against net profit of Rs. 24.85 crore (Net Profit Margin 1.75%) in the corresponding period last year, growth of 186.84%. Income from operations for FY22 was reported at Rs. 1778.37 crore, higher by 25.03% over previous fiscal's same period income of Rs. 1422.40 crore. EBITDA for FY22 was reported at Rs. 303.61 crore (EBITDA Margin 17.07 %), rise of 29.64% as compared to EBITDA of Rs. 234.19 crore (EBITDA Margin 16.46%) in FY21. EPS for FY22 was reported at Rs. 5.67 per share as compared to Rs. 1.98 per share in FY21.

Financial Highlights (Consolidated)

(Amount in crore)

Particulars	FY22	FY21	Y-O-Y
Income from Operations	1778.37	1422.40	25.03%
EBITDA	303.61	234.19	29.64%
EBITDA Margin (%)	17.07%	16.46%	3.70 %
Net Profit	71.28	24.85	186.84%
E.P.S (Rs.)	5.67	1.98	186.36%

The Board of Directors have decided to take adequate steps to substantially reduce the debt. In a major restructuring, the Company is adopting the assetless model and venturing into forward integration of textile value chain. Under the new model, it will be manufacturing Technical Textiles for which the approval of Ministry of Textiles under PLI Scheme has already been accorded. It will also be venturing into garment segment as B2C model and manufacture finished garments, innerwear and other consumer items, thereby creating a brand image of its own.



Commenting on the results and performance, Maj Gen OP Gulia, SM, VSM (retd), CEO, SVP Global Textiles Ltd said, "Company reported steady performance during FY22 backed by strong operational and financial growth in the testing times post Covid. The current geopolitical situation, rising cotton and other input prices along with problems in supply chain and exports had an adverse impact on the textile industry. The Company is taking various steps to reduce the debt and venture into finished garment segment. The value addition will create a brand image and maximize value for shareholders in the near to medium term."