



Rishi Techtex Limited

35th Annual Report
2018 - 2019

being more

Rishi Techtex 2.0

Agro-tech | Pack-tech | Protect-tech | Build-tech



Forward-looking statements

In this Annual Report, we have disclosed forward-looking information to enable investors to fully appreciate our prospects and take informed investment decisions. This report and other communicate - written and oral - that we periodically make, contain forward-looking statements that set our anticipated results based on management plans and assumptions. We have tried, wherever possible, to identify such statements by using words such as 'anticipate', 'expect', 'project', 'intend', 'plan', 'believe' and words of similar substance in connection with any discussion of future performance. We cannot, of course, guarantee that these forward-looking statements will be realised, although we believe we have been prudent in our assumptions. Achievement of results is subject to risks, uncertainties, and potentially inaccurate assumptions. Should known or unknown risks or uncertainties materialize, or should underlying assumptions prove inaccurate, actual results could vary materially from those anticipated, estimated or projected. Readers should bear this in mind. We undertake no obligation to publicly update any forward-looking statements, whether as a result of new information, future events or otherwise.

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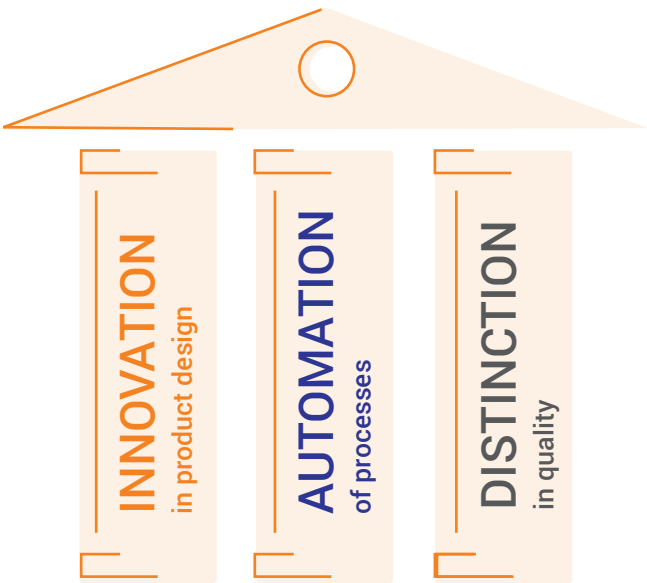
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At a Glance

India's leading technical textile manufacturer with



Our success pillars



Presence across 13 Indian states



Strategic global footprint across 11 countries



Board of Directors



Mr. Abhishek Patel - DIN (05183410)
(Chairman, Managing Director)



Mr. Arvind N. Nopany - DIN (00148521)
(Independent Director)



Mr. Pranav J. Patel - DIN (00171387)
(Non-Executive Director)



Mrs. Sheela Ayyar - DIN (06656579)
(Independent Director)



Mr. Kunal Rastogi - DIN (01570584)
(Additional Director w.e.f. 09.08.2019)

COMPANY SECRETARY

Ms. Gauri Gangal

AUDITORS

Attar & Associates
216, Sai Vihar,
Sai Park, Shivaji Path,
Kalyan (West), 421 301

SECRETARIAL AUDITOR

Sudhanwa S Kalamkar & Associates
B-1/12 Vijay Wadi Niwas CHS Ltd
Lokmanya Tilak Road, Mulund East,
Mumbai 400 081

INTERNAL AUDITOR

HRK Corp Advice Private Limited
Shop No. 117-120, Center Point,
Above IDBI Bank, Mahavir Nagar, GIDC,
Vapi- 396195

BANKERS

Canara Bank,
Tamarind Lane Branch,
Calcot House, Fort,
Mumbai – 400 023.

REGISTRARS AND TRANSFER AGENTS

Adroit Corporate Services Pvt. Ltd.,
17/20, Jaferbhoy Industrial Estate,
1st Floor, Makwana Road,
Marol Naka, Andheri (E),
Mumbai – 400 059.

REGISTERED OFFICE

612, Veena Killedar Industrial Estate,
10/14, Pais Street, Byculla (W),
Mumbai – 400 011.

WORKS

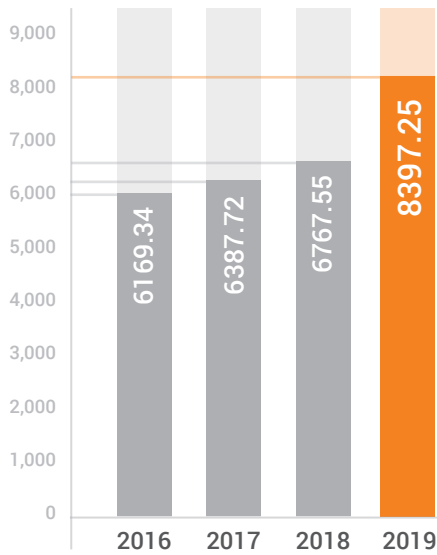
1. Causeway Road,
Village Kachigam, Taluka Daman
Union Territory of Daman & Diu
2. Plot No. 2910, Shade No. E,
Near Divyesh Chemical, 4th Phase,
JIDC, Vapi- 396195



Financial Metrics

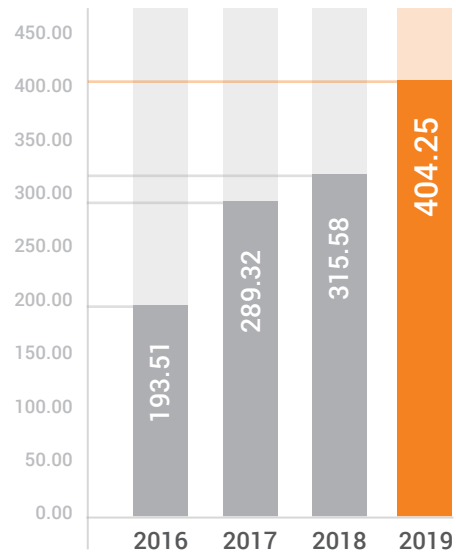
Revenues

(₹ in Lakhs)



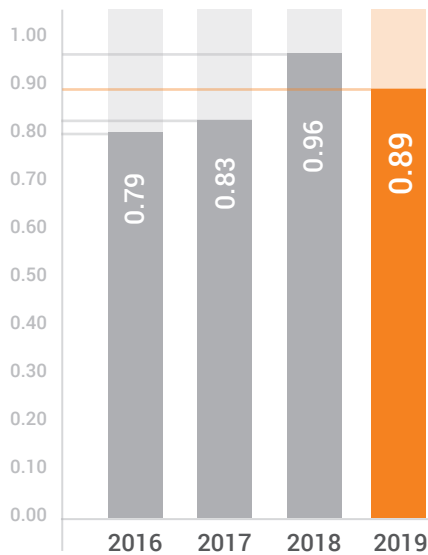
PBT

(₹ in Lakhs)



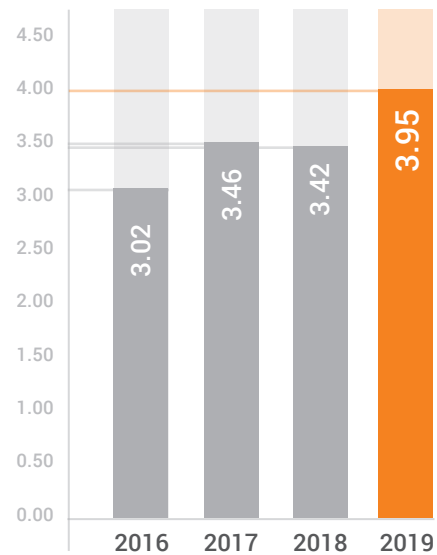
Debt Equity Ratio

(%)



EPS

(₹)



Key Highlights



EBIDTA Margin

9.86%
(increase of 32% over FY18)



Reserves & Surplus

₹1781.20 lakhs
(increase of 20% over FY18)



Return on Capital Employed (ROCE)

54.25%
(increase of 48% over FY18)



Earnings Per Share

₹3.95
(Increase of 16% over FY18)



Book Value Per Share

₹34.10
(Increase of 13% over FY18)



Key Numbers At A Glance

(₹ in Lakhs)

Profit & Loss Account:	2015	2016	2017	2018	2019
Revenue (Net)	4,846.15	6,169.34	6,387.72	6,767.55	8,397.25
Total Income	4,875.25	6,200.37	6,406.98	6,789.12	8,411.50
EBIDTA (Excluding Other Income)	417.69	466.68	539.99	628.92	827.61
Profit/(Loss) Before Tax (PBT)	132.17	193.51	289.32	315.58	404.25
Profit/(Loss) After Tax (PAT)	132.17	175.22	244.99	252.91	292.17
Balance Sheet:					
Equity Capital	552.2	579.8	708.7	739.1	739.1
Reserves & Surplus	868.17	1,087.91	1,238.82	1,489.98	1,781.20
Net worth	1,420.37	1,667.71	1,947.52	2,229.08	2,520.30
Loan Funds	637.14	476.19	487.51	554.45	427.22
Current Liabilities	1,695.27	1,634.97	1,988.36	2,262.57	2,511.40
Other Liabilities	55.59	103.41	141.76	134.89	121.42
Total Liabilities	3,808.37	3,882.28	4,565.15	5,180.99	5,580.34
Gross Block Including CWIP	3,212.62	3,357.47	3,799.09	4,381.48	4,565.31
Accumulated Depreciation	2,023.96	2,173.93	2,321.90	2,476.57	2,671.40
Net Block	1,188.66	1,183.54	1,477.19	1,904.91	1,893.91
Investments	43.58	38.83	39.95	37.28	36.34
Sundry Debtors	761.54	729.28	760.65	1,004.30	1,017.77
Inventories	1380.54	1,418.30	1,570.21	1,690.91	2,082.37
Other Current Assets	399.29	458.77	654.54	468.13	473.01
Total Current Assets	2,541.28	2,606.35	2,985.40	3,163.34	3,573.15
Other Assets	34.85	53.56	62.61	75.46	76.94
Total Assets	3,808.37	3,882.28	4,565.15	5,180.99	5,580.34
Ratio Analysis:					
EBIDTA Margin (%) (Excluding Other Income)	8.62	7.56	8.45	9.29	9.86
PAT Margin (%)	2.73	2.84	3.84	3.74	3.48
Debt-Equity Ratio	1.05	0.79	0.83	0.96	0.89
Total Assets Turnover	1.27	1.59	1.4	1.31	1.5
Fixed Assets Turnover	4.08	5.21	4.32	3.55	4.43
ROCE (%)	21.71	28.41	32.77	36.66	54.25
Debtors-Turnover Ratio (%)	15.71	11.82	11.91	14.84	12.12
Inventory-Turnover Ratio (%)	28.49	22.99	24.58	24.99	24.8
Interest Coverage Ratio	2.41	2.41	3.34	2.75	2.77
Current Ratio	1.5	1.59	1.5	1.4	1.42
Operating Profit Margin (%)	8.62	7.56	8.45	9.29	9.86
Net Profit Margin (%)	2.73	3.14	4.53	4.66	4.81
Any Changes of Return of Net Worth. (Return on Equity)	2.39	3.34	4.08	4.27	5.47
Ratios-Per Share					
Earnings Per Share (₹)	2.39	3.02	3.46	3.42	3.95
Dividend Per Share (₹)	0	0	0	0	0
Book Value Per Share (₹)	25.72	28.76	27.48	30.16	34.1



Mission & Principles

To manufacture world-class technical textiles that give our customers a competitive advantage through superior quality, advanced technology and continuous innovation.

Our three-pronged mission aims to create value for our customers, stakeholders and employees:

- 1**
A competitive edge for customers by providing superior technical textile solutions through advanced technology and continuous innovation.
- 2**
Stakeholder advantage through business excellence, responsible performance and prudent investments
- 3**
Employer of choice



Letter to Shareholders

Being More

The Making of Rishi Techtex 2.0

Dear Shareowners,

Let me start with visiting the past so that you can view the horizon of our progress in the last few years. I took over the leadership mantle at Rishi Techtex in FY16; along with the team, we formulated a two-phased plan for the organisation's growth – each for a period of three years. In the first phase, we set out to discover our strengths, identify our weaknesses, and plug the gaps to script the next chapter of our story. We accomplished these objectives in the three years ending in FY18. During this fiscal year, we set off on the second phase of our journey, wherein our objective was to deliver consistent growth and profitability to our stakeholders.

When measured by financial metrics, we delivered one of the best performances in our history. We registered a 24% increase in our revenues. Profitability margins also recorded double-digit growth across all parameters. EBITDA increased by 32%, while profits before tax (PBT) and profits after tax (PAT) expanded by 28% and 16% respectively. The numbers are a result of a combination of factors. I elaborate on these aspects in the latter sections of my letter.

Our newfound awareness led us to formulate a growth-oriented organisational strategy whereby we have insulated ourselves to external vagaries to the best possible extent. I am happy to note that our actions are paying off.

In multiple ways, 2018-19 marked the beginning of a new era at Rishi Techtex. During the year, we made strides in transforming the organisation into a more productive, professional and profitable enterprise. Indeed, we made an exceptional start to our new journey.

India's growth story remains robust amid global chaos

While we were focused on building a better enterprise, the backdrop of volatile macroeconomic conditions was difficult to ignore. Geopolitical tensions accelerated as new risks arose from rising military conflicts, economic disruptions, changing diplomatic dynamics and political situations across countries. Unsurprisingly, global growth levels were moderate during the last year.



24%
increase in our revenues.

EBITDA increased by
32%

