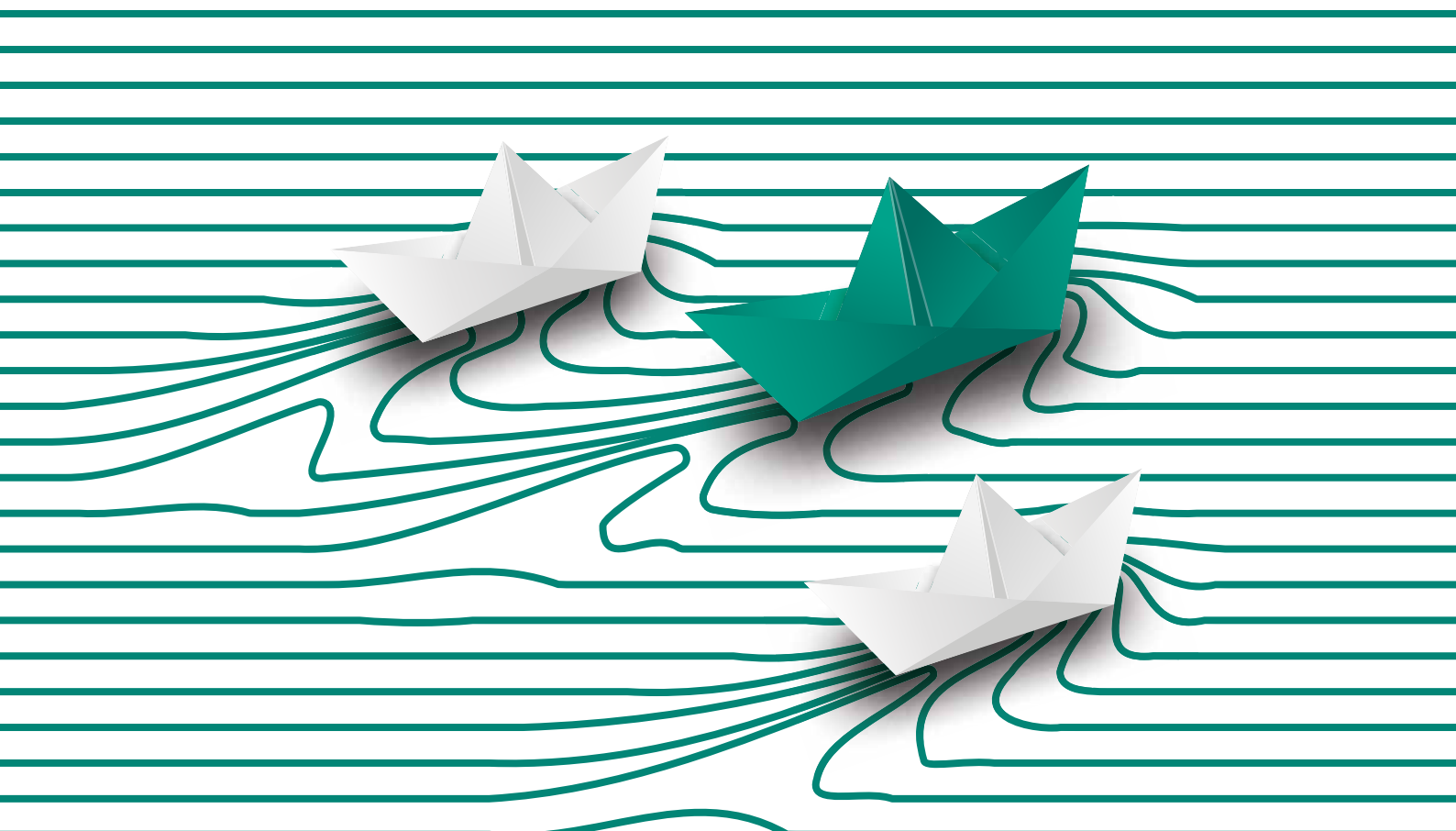


TRIDENT LIMITED
ANNUAL REPORT 2020-21

The different
in the
new normal



01 CORPORATE REVIEW

- 02 A year of differentiation
- 04 TRIDENT – a distinctive entity
- 06 Chairman's message
- 08 OUR DIFFERENTIATED Value Creation Model
- 10 ROBUST PERFORMANCE In Tough Environment
- 12 BEING DIFFERENT In the New Normal
- 14 CREATING DIFFERENTIATION Across Brands & Products
- 16 DELIVERING DIFFERENTIATED VALUE Across Borders
- 18 DIGITISING TO GROW In the New Normal
- 20 BREAKING NEW GROUNDS To Drive Differentiation
- 22 Recognising Distinctiveness
- 24 SUSTAINING VALUE-LED ETHOS In the New Normal
- 26 Board of Directors

02 STATUTORY REPORTS

- 28 Management Discussion and Analysis
- 40 Business Responsibility Report
- 50 Directors' Report
- 69 Corporate Governance Report

03 FINANCIAL SECTION

- 92 Standalone Financial Statements
- 177 Consolidated Financial Statements



Please find our online version at <https://www.tridentindia.com/financial-reports> Or simply scan to download



INVESTOR INFORMATION

Market Capitalisation
₹ 71,600 million (as at March 31, 2021)

CIN
L99999PB1990PLC010307

BSE Code
521064

NSE Code
TRIDENT

Bloomberg Code
TRID:IN

Reuters
TRIE.NS

Dividend
36% for the FY 2020-21

AGM Date
August 27, 2021

Disclaimer

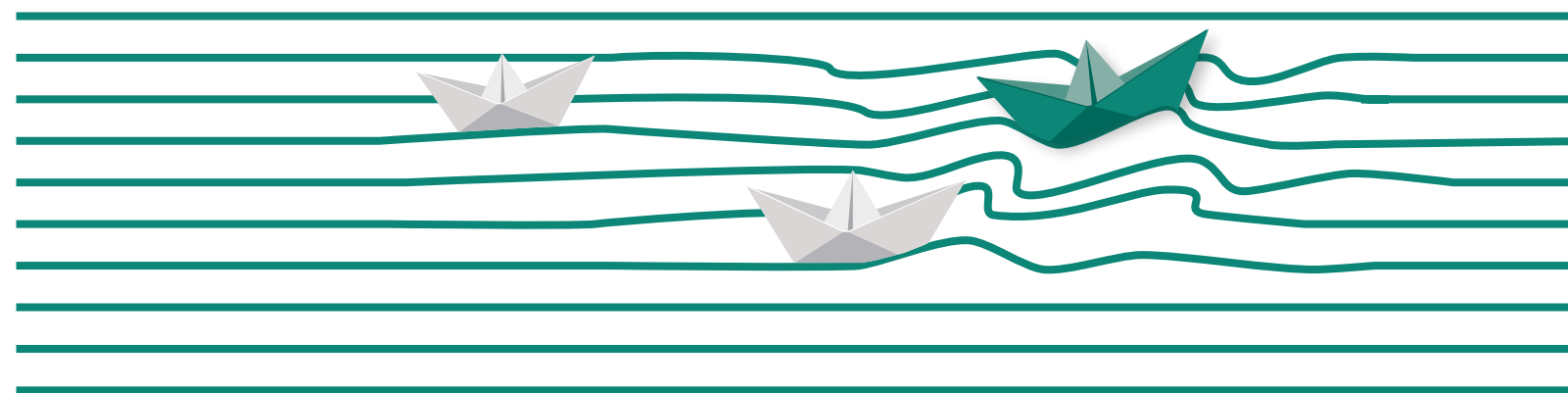
This document contains statements about expected future events and financials of Trident Limited, which are forward-looking by their nature, forward-looking statements require the Company to make assumptions and are subject to inherent risks and uncertainties. There is significant risk that the assumptions, predictions and other forward-looking statements may not prove to be accurate. Readers are cautioned not to place undue reliance on forward-looking statements as a number of factors could cause assumptions, actual future results and events to differ materially from those expressed in the forward-looking statements.

At Trident, we believe in
being different.

We see growth from a holistic point of view and see things beyond the obvious. This results in progression & value creation.

FY2020-21 challenged this ethos. But we stayed true to our core belief that 'Being different is normal'. Amid the COVID crisis, we refused to follow the treaded path.

In keeping with our differentiated approach, we opted for an unconventional route to sustain business amidst the economic downturn. In the transforming business eco-system, we found new ways to nurture trust and growth. In the unprecedented adversity, we saw the opportunity to be **different in the new normal** - to create a differentiated value for all our stakeholders!



A Year of Differentiation

The extraordinary complexities and challenges of the year notwithstanding, Trident notched many distinctive milestones in FY2021.



560%

Y-o-Y growth in E-com
own brand revenue in
Home Textiles in FY2021

Tie-up with Kathy Ireland

In March 2021, Trident entered a Licensing agreement with 'kathy ireland® Worldwide Inc, a California Corporation'. The agreement, which strengthens Brand Trident, has secured for the Company:

- ▶ Listing as one of the most powerful global brands by License Global magazine
- ▶ Exclusive rights to use the Kathy Ireland brand for home textile products
- ▶ Greater potential for enhancement in our rapidly expanding E-commerce business

Charting the future with Vision 2025

During the year, we mapped our strategic vision for 2025, under which **3 BHAGs (BIG, HAIRY, AUDACIOUS GOALS)** have been formulated. The goals are aimed towards unlocking long-term sustainable value for shareholders.

1

Achieving Revenue of ₹ **25,000 Crore** by **2025** with **12%** bottom line

2

Making Trident a **National Brand**

3

Digital Trident - By completing the journey of **Industry 4.0**

Financial Highlights

Our differentiated efforts translated into positive momentum during FY2021, leading to a strong performance across our key segments, with exports also showing robust growth.

₹4,535 crore

Total Revenue

₹346 crore

PAT (Including extra-ordinary Income)

60%

Y-o-Y Growth in Sheeting segment (Sales volume & realisations)

₹0.68

EPS
per equity share having face value of ₹ 1/-

35%

Reduction in Finance Cost over FY20

Double digit contribution

From Value-Added Products Segment

During FY2021

TRIDENT – a distinctive entity

The flagship company of the USD 1 billion Trident Group, Trident Limited (“Trident”/“Company”) is one of the World’s Leading Integrated Home Textiles manufacturers, and the Largest Wheat Straw-Based Paper Manufacturer. Headquartered in Ludhiana (Punjab), the Company is also one of the largest exporters of Home Textile Products.

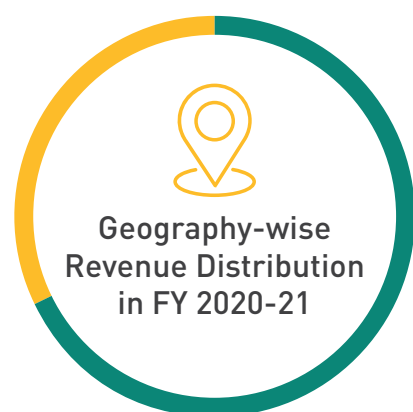
A values-driven organisation rooted in the ethos of ‘Being Different’, Trident is driven by a continuous endeavor to be distinctive, and to create holistic value for its stakeholders. Our core belief is propelled by the visionary outlook of our Founder and Group Chairman Padma Shri Rajinder Gupta. Our differentiated strategy is powered by our strong ESG & CSR focus and our commitment to

women empowerment. It is driven by our steadfast focus on making singular choices to stay ahead in every situation.

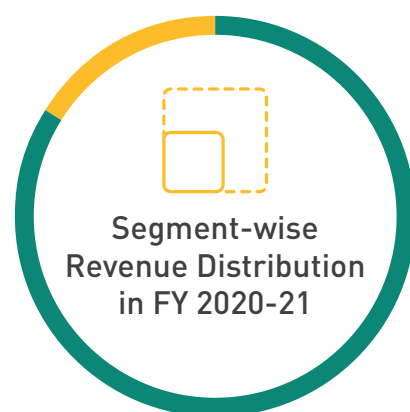
What we do

Our vertically integrated business encompasses the manufacturing of a wide variety of high-quality textile (Yarn, Bath & Bed Linen) and Paper (Wheat Straw-based) & Chemicals

from our world-class manufacturing facilities in Barnala (Punjab) and Budhni (Madhya Pradesh). Our growing presence across national, captive, and retailer-owned brands is endorsed by our credentials and by the awards, we continue to receive year-on-year from our customers, vendors and various government entities.



● 68% Export
● 32% Domestic



● 84% Textiles
● 16% Paper & Chemicals



16,111

Trident Family

as on March 31, 2021

What drives us

Our sustained and sustainable growth charter is driven by our integrated business model, pillared on:

High quality quotient

Certified to the highest international standards in manufacturing processes and product quality

Innovation edge

Innovative systems and processes, to deliver excellence in product quality & design

Deep-rooted client relationships

Strategic relationships with large and growing customer base across geographies

Strong market intelligence

Strong understanding of the consumer pulse through close engagement with customer procurement teams at design studios and showrooms in the US and UK

Effective risk management

Growing market presence, backed by sustained relationships with vendors; risk diversification through efficacious measures to hedge currency movement

Empowered workforce

Qualified and skilled manpower to support our efforts for the realisation of the organisation’s short-term goals and long-term vision

World-class infrastructure

Large world-class manufacturing capacities, backed by state-of-the-art technology, to boost operating and cost efficiencies

People who don't buckle in, don't walk away. People who ooze good under pressure and smile when it rains on them. People who make bitter, better. Fix what's broken and improve what's not. People who stumble. Fall. Fail. Hurt. But are just not ready to give up until it is done. We are for these kinds of people. And we believe these people have the power to inspire all of us.

Chairman's message



We are different.

And we love being so. Being different is more than a way of life for us. It is an ethos, a mindset, a culture. It is the essence of our being. And the epitome of our existence. It makes us stand out, stand tall, and stand apart, amid the clutter. It gives us the distinctive edge that helps us stay on course.

Dear Friend,

Our search for the different in the new normal took several exciting turns during the past one year. From staying in business to sustaining the business, we scaled new frontiers to notch exceptional milestones at every step of our momentous journey.

We battled the unprecedented challenges triggered by the extraordinary pandemic crisis with courage and boldness. We also partnered with Government in their battle against the deadly COVID pandemic.

We harnessed our intrinsic strengths to push the bar of innovation to drive our businesses. We created new touchpoints for stakeholder engagements and value creation, while progressively nurturing the environment and the communities around our business operations. We shall continue to drive with focused and futuristic initiatives to build an organisation more dynamic and distinctive than ever before.

On this note, I would like to express my sincere thanks to our Board Members for their unwavering support and guidance in these difficult times. I would also like to express my gratitude, towards the cooperation and assistance extended by the Central Government, Government of Punjab, Government of Madhya Pradesh, Financial Institution(s), Bank(s), Dealers and Society at large. Further wants to thank all the shareholders, customers and vendors around the world for their continued trust in Trident. And last but not the least, my heartfelt thanks to all our members, whose dedication and passion remain the biggest driver of the Company's vision and strategic goals.

Best wishes for the year ahead. Stay safe!

Rajinder Gupta

Chairman, Trident Group

OUR DIFFERENTIATED Value Creation Model

With our unwavering focus on sustained value creation for all our stakeholders, we have structured our business model to their unique needs through efficient allocation of capitals. Our value creation strategy is led by our differentiated approach towards investment of the Company's resources for enhanced efficiencies and maximisation of profits.

INPUT



HUMAN CAPITAL

Continuous training and motivation of human assets, with robust safety measures & facilitation of work-from-home
No. of employees: 16,111



SOCIAL & RELATIONSHIP CAPITAL

Sustained investments in fostering meaningful relationships and trust with all stakeholders, including customers/clients, employees/members, investors & shareholders, channel partners, suppliers, distributors, regulatory authorities. Welfare initiatives for communities in which the Company operates.
CSR spend: ₹ 89.6 million



FINANCIAL CAPITAL

Ensuring strong balance sheet through prudent allocation of the financial capital for sustained shareholder value creation.
Return on Capital Employed: 10.1%
Debt to Equity ratio: 0.4



MANUFACTURED CAPITAL

Global-class manufacturing facilities, strategically located in proximity to raw material sources in Budhni and Barnala, enabling sustained supplies, as well as lean & streamlined inventory management. Stringent quality controls for superior products designed to meet customer aspirations.



INTELLECTUAL CAPITAL

Innovation-led approach backed by strong customer and market research insights, along with world-class technological equipment. Standardised systems and processes for enhanced efficiencies.



NATURAL CAPITAL

Committed to ESG values, with continual investments in conserving natural resources through judicious deployment. Use of raw cotton and wheat straw in textile and paper manufacturing, respectively. Solar panel installation and water conservation through zero liquid discharge.

OUR VISION

Inspired by challenge, we will add value to life and together prosper globally.

OUR VALUES

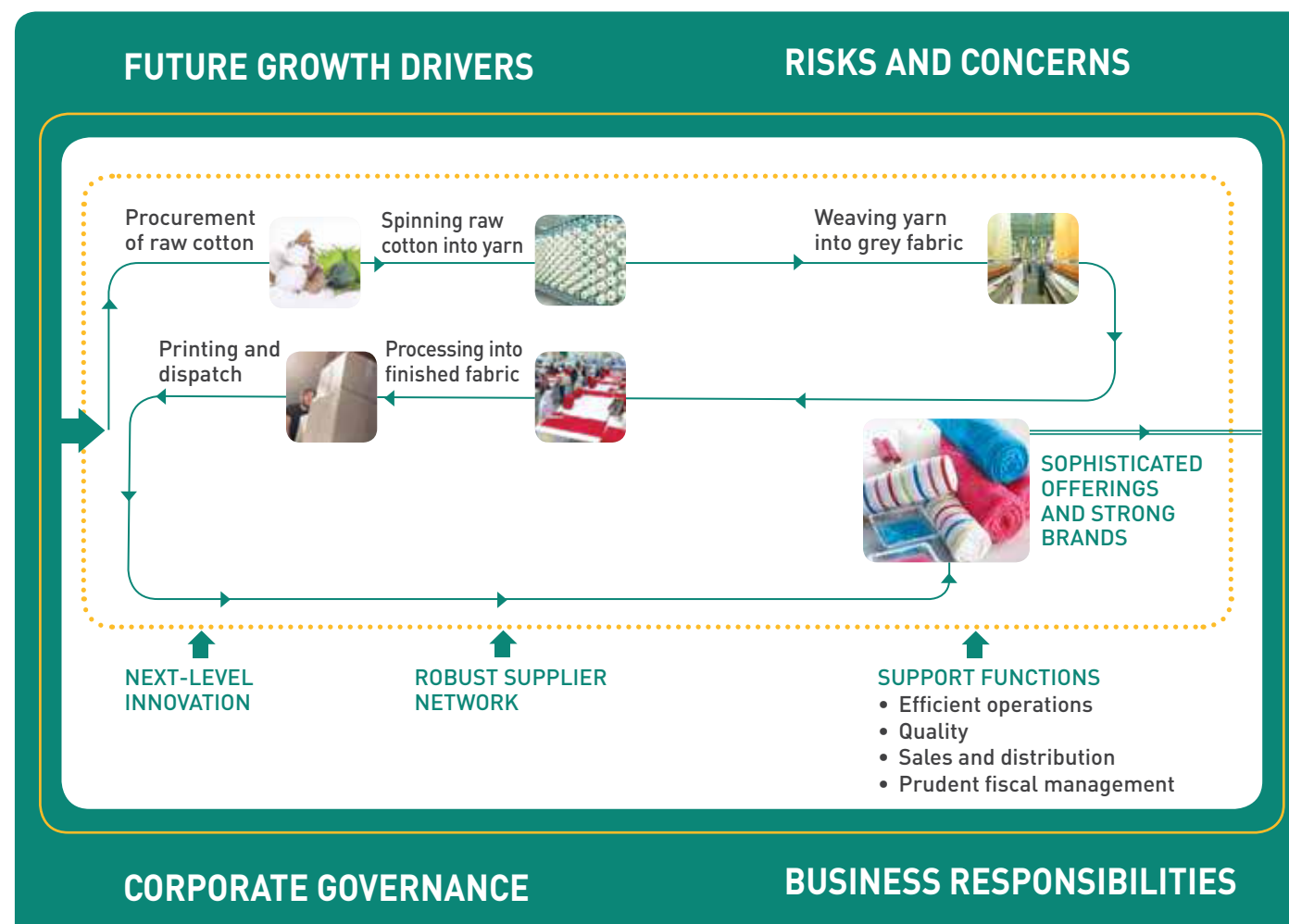
To provide customer satisfaction, through teamwork based on honesty and integrity, for continuous growth and development

OUTPUTS

- Highly skilled workforce geared to deliver future growth and value
- Timely tax payment to ensure sustained relations with government & regulatory agencies
- Deep customer connect, satisfaction and trust
- Sustainable, long-term relationships with partners, vendors & stakeholders
- Promotion of education, skill development, healthcare & wellness to make a difference in the lives of vulnerable communities
- Differentiated and innovative products customised to client and market needs
- Excellence in quality, enabling high levels of efficiency
- Patents received – 4
- Recovery of 1,900 million litres of water every year by practicing Zero Liquid Discharge
- 1st Prize at FICCI Water Awards 2020

OUTCOMES

- Safe, healthy and flexible working environment, conducive to employee development
- Strong employee engagement
- Partnership with farmers to minimise pesticide use in cotton cultivation, save water in irrigation, and improve their economic status
- Trust, transparency and value creation for stakeholders
- Sustained cashflows, healthy cash book and high net worth
- Building innovation-led culture across the organisation
- Positive contribution to conserving the environment for future generations



ROBUST PERFORMANCE In Tough Environment

NET SALES (₹ Million)

2017	47,729
2018	46,403
2019	52,653
2020	47,239
2021	45,353

PAT (₹ Million)

2017	3,370
2018	2,658
2019	3,709
2020	3,418
2021	3,457

EPS# (₹)

2017	0.7
2018	0.5
2019	0.7
2020	0.7
2021	0.7

EXPORTS (₹ Million)

2017	26,665
2018	24,645
2019	29,817
2020	26,312
2021	30,594

NET WORTH (₹ Million)

2017	25,071
2018	26,934
2019	29,313
2020	29,669
2021	33,166

ROCE (%)

2017	10.8%
2018	9.2%
2019	12.3%
2020	10.8%
2021	10.1%

Figures have been adjusted to Stock-Split/Sub-Division in order to make them comparable.

10-YEAR HIGHLIGHTS

Particulars	Unit	FY 21	FY 20	FY 19	FY 18	FY 17	FY 16	FY 15	FY 14	FY 13	FY 12
SALES	(million)	45,353	47,239	52,653	46,403	47,729	37,441	38,158	38,689	33,353	27,323
EXPORTS	(million)	30,594	26,312	29,817	24,645	26,665	21,500	21,348	20,847	17,617	15,491
EBITDA	(million)	8,270	8,653	10,231	9,140	9,919	7,635	6,951	7,439	5,778	3,202
PAT	(million)	3,457	3,418	3,709	2,658	3,370	2,423	1,178	1,970	493	-437
NETWORTH	(million)	33,166	29,669	29,313	26,934	25,071	24,756	22,021	9,309	7,063	6,505
FIXED ASSETS [NET BLOCK]	(million)	36,979	35,734	36,725	38,517	41,274	46,930	36,812	17,912	19,622	21,400
GROSS DEBT	(million)	15,355	19,518	24,357	27,978	28,494	34,427	26,504	18,623	22,398	22,837
NET DEBT	(million)	14,232	16,145	24,106	26,210	27,121	33,608	26,361	18,223	22,042	22,606
LONG-TERM DEBT	(million)	3,019	10,509	12,938	16,894	20,456	21,365	13,961	7,659	9,492	12,726
EBITDA MARGIN	(%)	18%	18%	20%	20%	21%	20%	18%	19%	17%	12%
INTEREST COVERAGE RATIO	(Times)	11.49	7.81	9.11	7.73	7.03	5.26	3.37	3.54	2.46	1.86
GROSS DEBT-EQUITY RATIO	(Times)	0.46	0.66	0.83	1.04	1.14	1.39	1.20	2.00	3.17	3.51
NET DEBT-EQUITY RATIO	(Times)	0.42	0.54	0.82	0.97	1.08	1.36	1.20	1.96	3.12	3.47
NET DEBT TO EBITDA	(Times)	1.72	1.87	2.35	2.87	2.74	4.40	3.79	2.45	3.81	7.06
EPS#	₹	0.7	0.7	0.7	0.5	0.7	0.5	0.2	0.6	0.2	-0.2
CASH EPS#	₹	1.3	1.3	1.4	1.3	1.5	1.1	0.9	1.5	1.0	0.6
BOOK VALUE/SHARE #	₹	6.5	5.8	5.8	5.3	4.9	4.9	4.3	3.0	2.3	2.1
ROE	(%)	10.4%	11.5%	12.7%	9.9%	13.4%	9.8%	5.4%	21.2%	7.0%	-6.7%
ROCE	(%)	10.1%	10.8%	12.3%	9.2%	10.8%	7.2%	7.7%	19.0%	12.0%	4.2%
DIVIDEND	(%)	36%	36%	30%	15%	15%	9%	6%	3%		
DIVIDEND PAYOUT RATIO	(%)	53%	65%	50%	35%	27%	24%	29%	8%		

Figures have been adjusted to Stock-Split/Sub-Division in order to make them comparable.

Note: After excluding fair valuation of land as per IND-AS, ROCE would be 11.8% (FY21), 12.6% (FY20), 14.1% (FY19), 10.5% (FY18) and ROE would be 13.2% (FY21), 15.0% (FY20), 16.6% (FY19), 13.3% (FY18)

BEING DIFFERENT In the New Normal

At Trident, being different is normal. It is the business reality that powers our growth strategy, making us relevant and aligned to the transforming needs and aspirations of our customers, partners, employees and other stakeholders. Amid the COVID-19 crisis, we raised the differential bar of our business even higher, to continue on the path of sustained business excellence in the new normal.

Our COVID strategic approach to maintain Business Continuity in the new different 'normal' was centered on:

Strategic Preparedness & Response Plan

We set out clearly defined guidelines, listing the priority steps and actions to be taken across all plant locations. The guidelines also detailed the precautionary measures to be complied by all the stakeholders – employees, trainees, visitors, transporters, suppliers and business partners.

Planning Preparedness to Resume Work

We put in place a comprehensive preparedness plan for seamless and safe resumption of work. This included communication/awareness, sanitisation, transportation, gate security, social distancing norms at plant premises/shop floors/office areas/canteen, mandatory use of PPE kits, etc.

Getting the Workplace Ready

In addition to implementing the Response guidelines and plan in terms of COVID safety protocols, we also arranged for appropriate support for Work-from-Home. Virtual awareness sessions were held.

Support to the Members

Cognisant of the difficulties and risks faced by Trident members working at Ground Zero, we gave them two months of extra salary, and also released advance salary where needed. Flexibility was given to the members in terms of contribution to VPF/PF.

As part of the COVID medical support system for the Trident members, we arranged:

- ▶ Immediate testing in case of symptoms
- ▶ Paid leave of at least 14 days (or as per doctor's advice) for diagnosed members
- ▶ 14-days paid leave if family member infected
- ▶ Self-quarantine support for members in direct contact with infected employee
- ▶ 24x7 availability of doctors through telecommunication and conference call
- ▶ 24/7 food, medical supplies support for members
- ▶ Arrangement of food within factory premises

40+

Sessions with Doctors

98%

Members contacted to update emergency contacts

300+

Members sent safely home during Lockdown 1.0

COVID Training Sessions

Townhall sessions were conducted virtually, while COVID awareness and safety training were provided online through webinars. On-floor sessions were also arranged in hostels and plants, with strict adherence to social distancing norms.

87+

Sessions on floor awareness



With its self-sustaining eco-systems across its facilities in Punjab and Madhya Pradesh, Trident Group is also taking care of the 25,000 families associated with it.

CREATING DIFFERENTIATION Across Brands & Products

At Trident, we do not just create brands and products. We create bonds. We weave magic into every thread that goes into crafting products that resonate with the emotions of our customers.

The Trident brand and product showcase is designed to the aspirational desires and differentiated needs of consumers. Our products are carved from the finest quality fibers, entwined to create a fashion statement that bespeaks distinctive brilliance. All our products adhere to, and are certified for the best-in-class industry standards.



BRAND SHOWCASE AND PRODUCT PORTFOLIO

ROYAL TOUCH

SPECTRA

MY CHOICE

NATURAL

SPECTRA BOND

ENVIAO

DIGIPRINT



Nectarsoft

soft
comfort

TRIDENT
INDULGENCE

EPITOME

HOME
elegance

ARTIZE

Dusk & Dawn

TRIDENT
EPITOME

TRIDENT
DELITE

TRIDENT
ENDURE

TRIDENT
MARVELLA

TRIDENT
PREMIA

Colors

Home
ESSENTIALS

TRIDENT
HOME | DECOR | DESIGN

DELIVERING DIFFERENTIATED VALUE Across Borders

Our well-diversified locations, and growing domestic & international presence, make us the preferred choice for millions of customers around the globe. It gives us a de-risked edge, and enables us to ensure differentiated value delivery to our stakeholders across diverse regions.

