

SWARAJ SUITING LIMITED

CIN-L18101RJ2003PLC018359

Email ID – cs@swarajsuiting.com, Phone No.-09414112677

Website- www.swarajsuiting.com

SSL/23-24/CS/076

Date: 23/02/2024

To,
The Manager
Listing & Compliance Department,
National Stock Exchange of India Limited
Exchange Plaza, 5th Floor, Plot No. C/1,
G Block, Bandra-Kurla Complex, Bandra,
Mumbai- 400051.

Company Symbol: **SWARAJ**

Series: **SM**

ISIN: **INE0GMR01016**

Dear Sir/Madam,

Sub.: Disclosure under Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015- Investor Presentation

Pursuant to Regulation 30 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, Please find attached herewith a copy of Investor presentation for your information and record purposes.

The said presentation is also being uploaded on the Company's website at www.swarajsuiting.com.

Kindly take the same on record

Thanking You,

Yours Faithfully,
For Swaraj Suiting Limited

Rahul Kumar Verma
Company Secretary and
Compliance Officer



SWARAJ SUITING LIMITED

Weaving The Future

INVESTOR PRESENTATION

FEBRUARY 2024

SAFE HARBOR



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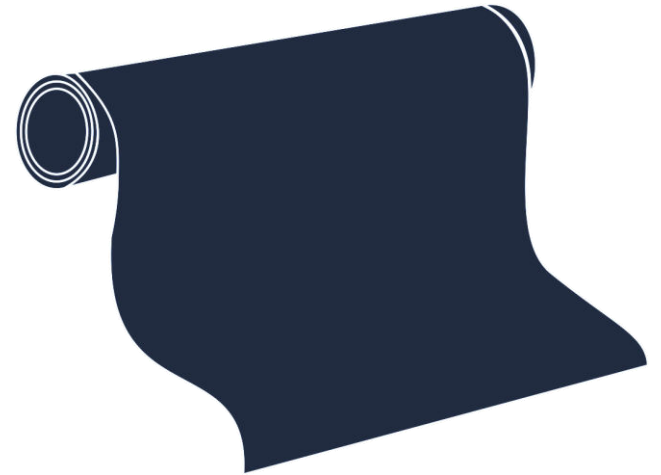
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WAY FORWARD

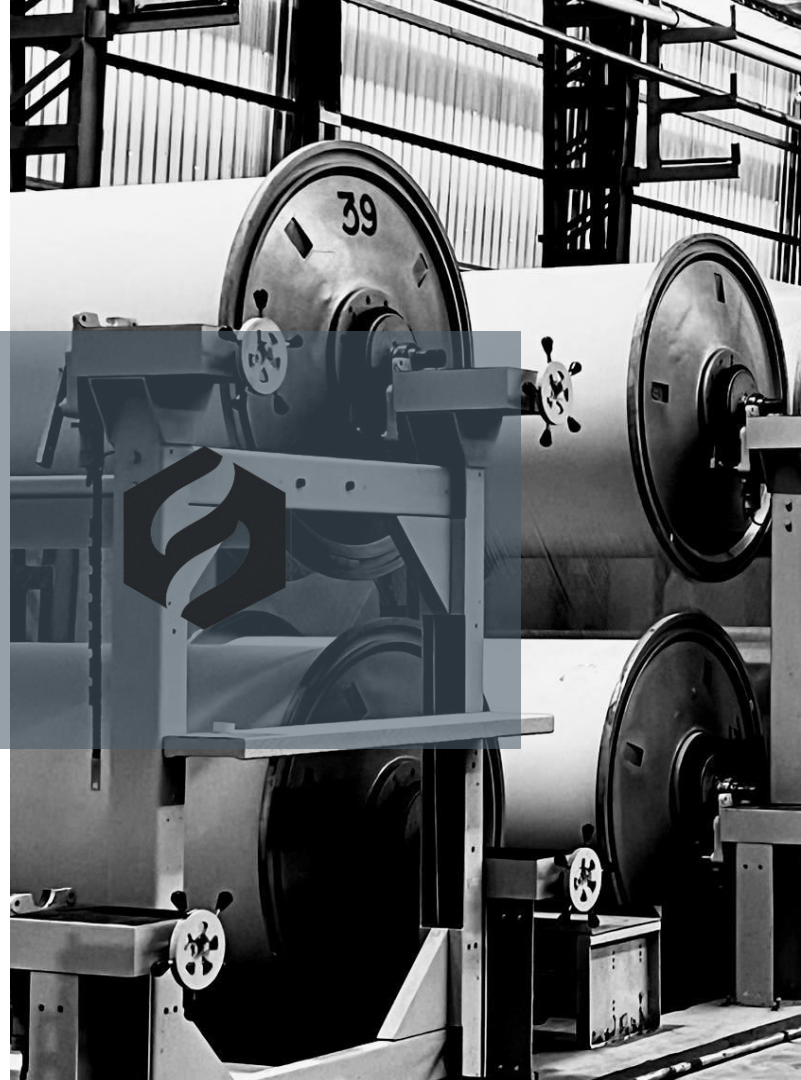
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ABOUT SWARAJ SUITING LIMITED



SWARAJ SUITING - A BRIEF



- SWARAJ SUITING LIMITED, incorporated in 2003, is a composite textile manufacturing company, with a primary focus on textile manufacturing (Denim & Cotton Fabrics) and trading.
- The company is currently engaged in **Yarn Dyeing, Weaving, Processing, Finishing of Fabric and Development of Denim Fabric**.
- It aims to **strategically elevate its operations to an advanced stage of the supply chain**, thereby achieving lower production cost & improved production efficiency, anticipating a boost in profit margins.



Incorporation
"Swaraj Suiting Private Limited"



Listing (March 2022)
National Stock Exchange
"Swaraj Suiting Limited"



Headquartered
in
**Bhilwara,
Rajasthan**

Tech Efficient

- Air-Jet Weaving Looms
- Sulzer Weaving Looms
- Foam Finishing Machine
- Singeing Machine
- Wet Finishing Machine
- De-sizing machine



MANUFACTURING FACILITY



2
Units

Both Units
Operational

Bhilwara
Rajasthan



2
Units

1 Unit
Operational
1 Unit
Upcoming....

Neemuch
Madhya Pradesh

THE TEAM (1/2)



Mr. Mohammad Sabir Khan
MD & Chairman

He is a commerce graduate with over 22 years of experience in the textile industry, with a robust market network. He contributes to formulating business strategies, shaping policies, implementing technological advancements, and driving new product development. Additionally, he holds various positions and memberships in diverse business and trade associations.



Mrs. Samar Khan
Executive Director

She is a Whole Time Director of the company, bringing with her more than 18 years of industry experience, initially focusing on promoting the company. She oversees internal affairs of the business and manages office administration.



Mr. Nasir Khan
Executive Director

He is serving as a Whole Time Director of the company, and holds approximately 4 years of business experience. He oversees marketing, financial matters, and daily affairs, actively participating in the company's expansion plans across various divisions.

THE TEAM (2/2)



**Mr. Ramesh
Agarwal**

Non-Executive Director

He is a commerce graduate with an extensive industrial background spanning over 35 years in textiles. Furthermore, he is a business owner involved in both the textile and solar energy sectors.



**Mr. Prakash
Chandra Jain**

Chief Financial Officer

He is a graduate in commerce from M. D. S. University, Ajmer, Rajasthan, he has been associated with the company since March 2016 and oversees the accounts and financial reporting functions for the company.

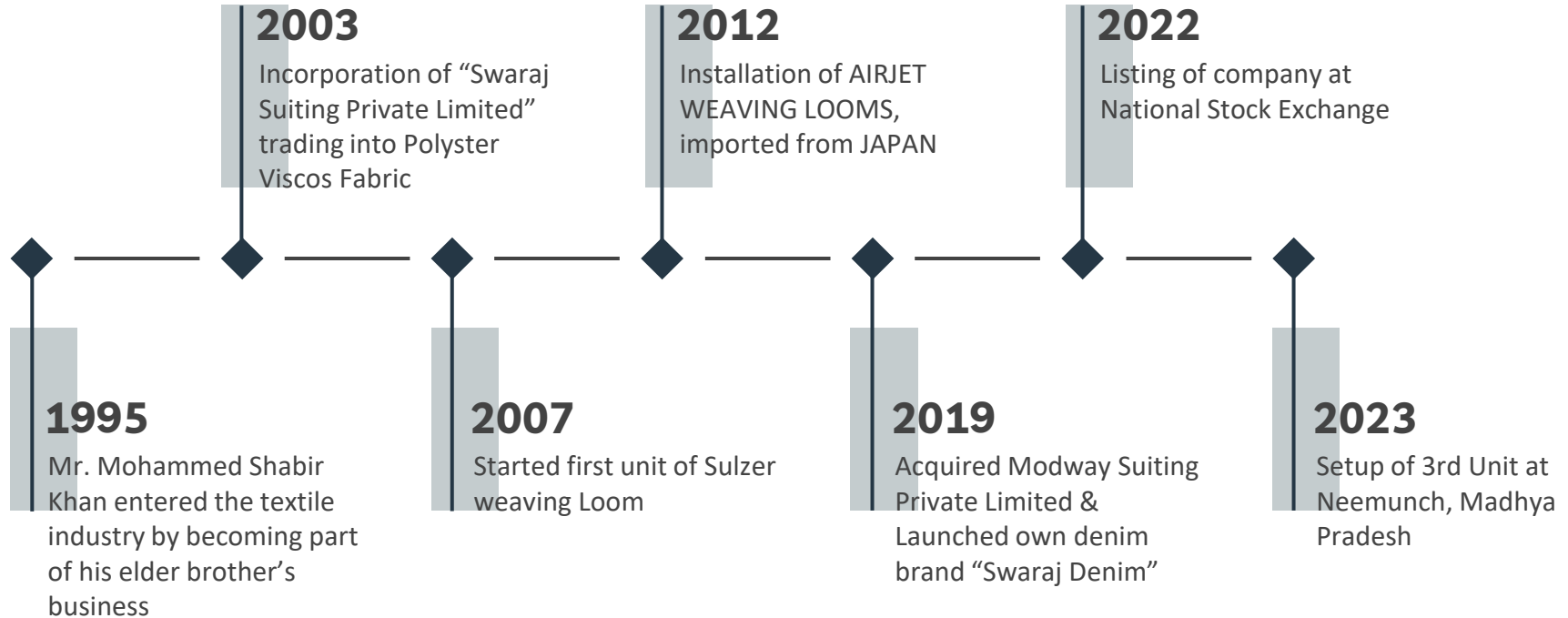


**Mr. Rahul
Verma**

Company Secretary

He is a member of ICSI with a Master's degree in commerce and a law graduate from M.D.S. University, Ajmer, Rajasthan. He brings over 4 years of experience as company secretary in the textile industry. Serving as the company secretary and compliance officer since January 2021, he leads the secretarial and compliance department.

OUR GROWTH TIMELINE



BUSINESS OVERVIEW



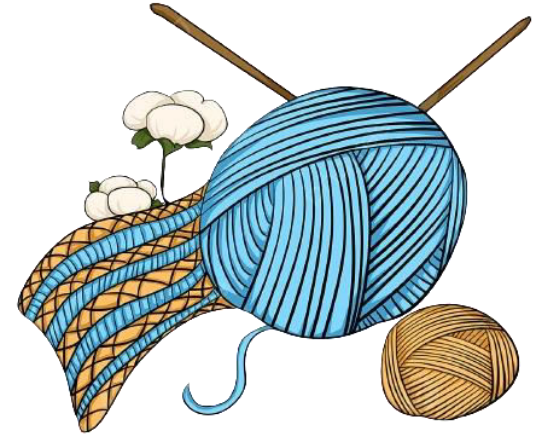
AN OVERVIEW OF THE BUSINESS



Swaraj Suiting Limited initially began with trading of Polyester Viscose (PV) and subsequently established its own manufacturing unit for PV.

Extended its operations by undertaking the processing of Denim Greige Fabric for a leading participant in the textile industry.

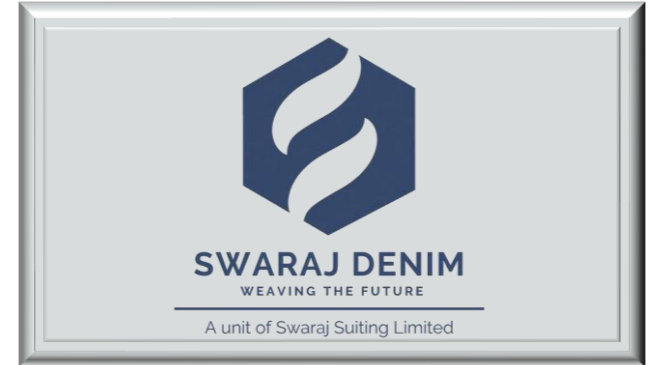
Bringing forth a brand named "**SWARAJ DENIM**", leveraging substantial expertise gained over 8+ years in the processing of Denim Fabric.



- ▶ Currently involved in Yarn Dyeing, Weaving, Fabric processing, Finishing, and the development of Denim Finished Fabric.
- ▶ Pioneering the use of **advanced textile machinery**, Swaraj Suiting is among the few organisations in the zone to adopt these technologies for the processing of Denim Fabric.
- ▶ The traditional **Polyester Viscose (PV) fabric operations continue at its Bhilwara, Rajasthan unit**, managed by its associate, Modway Suitings Private Limited.



OUR OWN BRAND – “SWARAJ DENIM”



Strategically planned and executed the introduction of **SWARAJ DENIM** in 2019 as a crucial step in the marketing strategy and the establishment of our own brand in the Denim Fabric sector.

“Over 1600 to 1700 samples developed for Denim Fabric, within a span of just 7 to 8 months”

MANUFACTURING FACILITY (1/2)



Unit 1

Weaving Division (W1)

- 123 Air-Jet Looms (imported from Japan)
- Capacity - ~18 Mn Mtrs of Greige/Unfinished fabric p.a.
- One of the few Air-Jet unit in the zone



Bhilwara
(Rajasthan)

Unit 2

Weaving Division (W2)

- 46 Double Width Sulzer Looms
- Capacity - 6 Mn Mtrs of Polyester-Viscose fabric p.a.
- Unit is under Swaraj's associate company "Modway Suiting Private Limited"

Yarn Dyeing (IDRP1) & Finishing Unit

Unit 3

- 2 Indigo Dyeing Range & Denim Process Unit
- Capacity - ~24 Mn Mtrs of Yarn p.a.
- Converts un-dyed yarn into Indigo/Sulfur colour dyed yarn.



Neemuch
(Madhya Pradesh)

Unit 4

Upcoming....

Spinning, Dyeing, Weaving & Finishing Unit

- Cotton Spinning, Yarn Dyeing, Weaving & Denim and Cotton Process unit
- Estimated Capacity of Finished Fabric (Mn Mtrs p.a.) – "Denim - ~25 & Cotton - ~18"



MANUFACTURING FACILITY (2/2)



BHILWARA PLANT



NEEMUCH PLANT

SWOT ANALYSIS



- Expertise in processing Denim and PV Fabric
- Air-Jet weaving Looms
- Labour Availability

- Rising raw material prices
- Higher delivery cost

- Technology implementation and automation in processes
- Export market
- Brand collaborations

- Rising Production cost
- Global political & economic Scenarios

SOME OF OUR CLIENTS



NEWYORKER



MUFTI

LPP

JOHN PLAYERS

H&M

MANGO

ZARA



TRENDS
GET THEM TALKING



STEVEJEANS



Effluent Treatment Plant

- The Effluent Treatment Plant works on Zero Liquid Discharge Basis
- Even single drop of water is not wasted “No wastage policy”
- The company’s policy is to keep the water usage at the minimum levels.
- The water being used is recycled completely.
- The waste generated is converted into salt & disposed.
- Subsidy from the Government to the tune of INR 10 Million.



INDUSTRY OVERVIEW



TEXTILE INDUSTRY - OVERVIEW



Capacity & Strength of India's Textile Industry

- Core strength lies in robust production base, encompassing a diverse range of natural fibers (cotton, jute, silk, and wool) and synthetic/man-made fibers (polyester, viscose, nylon, and acrylic).
- Possesses the capacity to manufacture a diverse range of products catering to various market segments, both domestically and globally.
- Comparative advantage in skilled manpower and production cost compared to major textile producers.
- 4.6% share of the global trade in textiles and apparel.

Indian Composites Market:

Projected to reach around US\$1.9 billion by 2026, exhibiting a CAGR of 16.3% from 2021 to 2026. Anticipated consumption of composite materials in India is expected to reach 7,68,200 tons by 2027.



Textile Industry is one of the oldest industries in the Indian economy

India is the world's 3rd largest exporter of Textiles and Apparel

India is the world's largest producer of cotton

DENIM INDUSTRY – OVERVIEW (1/2)



The "China plus one" strategy in the West presents an opportunity for the Indian textile industry to enhance its presence in the US and European markets by boosting exports.

THE INDIA ADVANTAGE



INDIA holds the world's second-largest capacity for installed DENIM fabric production.

In order to broaden denim manufacturing capacities, certain mills are investing in spindles to tap into domestic as well as the international markets, thereby diminishing reliance on the yarn market.

INDIAN DENIM MARKET

Expected to grow at CAGR of 8% - 9%

~**INR 918.94 Bn by 2028**



GLOBAL DENIM MARKET

USD 193.74 Bn in 2022
CAGR of 7.3% (2023 – 2030)

USD 295.72 Bn by 2030,

“As emerging companies seek expansion, well-established mills are consolidating their positions in the market.”



*Source: FE, Researchreportsworld

DENIM INDUSTRY – OVERVIEW (2/2)



Global Denim jeans market growth driven by increasing demand among youth for trendy clothes

Casual wear preference and a variety of colors contribute to market expansion

Awareness of current fashion trends a key factor in market growth



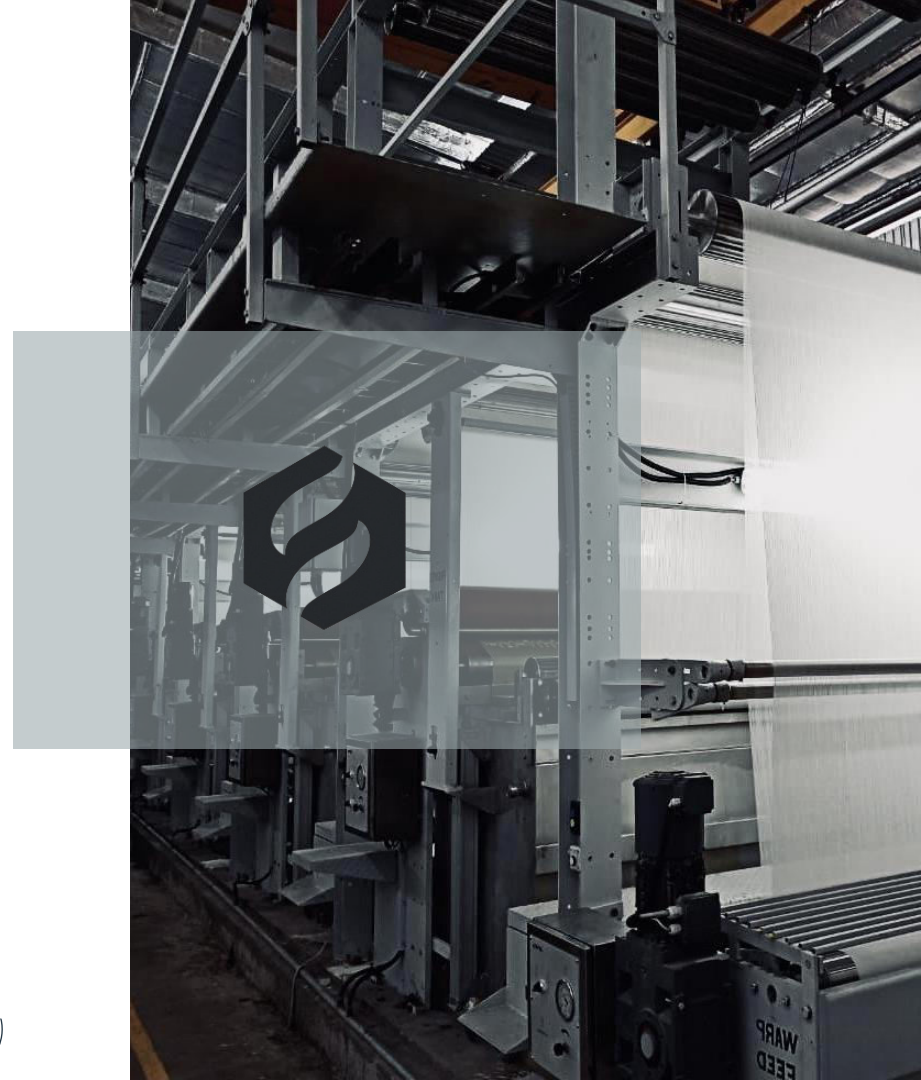
MARKET DYNAMICS

Growth supported by the rise in apparel retail chains and e-commerce availability

Increased disposable income and changing lifestyles fuel demand for premium designer wear denim

Significant changes in the fashion industry, driven by global urbanization, also propelling the market growth.

CAPACITY ENHANCEMENT & WAY FORWARD



MEGA PROJECT



5000
Million

The mega project is presently in the process of establishment in Neemuch, Madhya Pradesh.

➔ Forward & Backward Integration

Establishing Process Plant for Denim & Cotton Fabric

Phase I

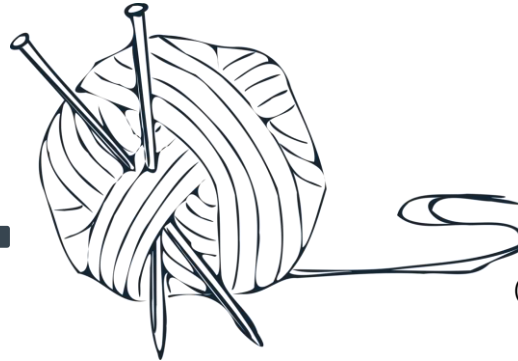
"Complete and operational"

Indigo Dyeing range and other processing machines

Phase II

"In the process of setup"

Spindles, new Air-Jet Looms (250cms), additional indigo dyeing and sizing lines, Cotton Process House



Cotton Spinning Division
(Backward Integration)

Yarn Dyeing Division
(Expansion)

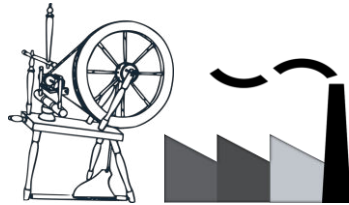
Weaving Division
(Expansion)

Denim Process House
(Forward Integration & Expansion)

Cotton Process House
(Forward Integration)



CAPACITY & EXPANSION (1/2)



	FY23	FY24E	FY25E
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Capacity Expansion in FY25		
Capacity Expansion (Mn Mtrs)	Capex (INR Mn)	Completion Timeline
5.44	350.00	Apr 2024
18.00	400.00	Oct 2024
7,296 Tn	1,100.00	Oct 2024

DENIM FINISHED FABRIC

Neemuch Plant (Unit 1)			
- Capacity (Mn Mtrs)	19.76	19.76	25.20
- Utilisation	~42%*	~85%	

COTTON FINISHED FABRIC

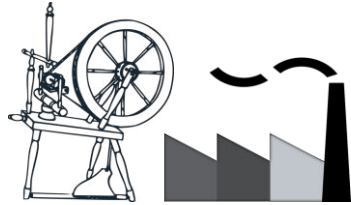
Neemuch Plant (Unit 1)			
- Capacity (Mn Mtrs)			18.00
- Utilisation			

COTTON YARN

Neemuch Plant (Unit 1)			
- Capacity (Tonnes)			7,296
- Utilisation			

* The Neemuch Plant was started in September 2022.

CAPACITY & EXPANSION (2/2)



GRIEGE FABRIC

Bhilwara Plant (Unit 1)

- Capacity (Mn Mtrs)	FY23 13.55	FY24E 13.55	FY25E 13.55
- Utilisation	~85%	~85%	

Neemuch Plant (Unit 1)

- Capacity (Mn Mtrs)			9.00
- Utilisation			

Neemuch Plant (Unit 2)

- Capacity (Mn Mtrs)			9.00
- Utilisation			

WEAVING
(Job Work)

Bhilwara Plant (Unit 1)

- Capacity (Mn Mtrs)	FY23 3.39	FY24E 3.39	FY25E 3.39
- Utilisation	~85%	~85%	

Bhilwara Plant (Unit 2)

- Capacity (Mn Mtrs)	FY23 6.35	FY24E 6.35	FY25E 6.35
- Utilisation	~85%	~85%	

Capacity Expansion in FY25		
Capacity Expansion (Mn Mtrs)	Capex (INR Mn)	Completion Timeline
9.00	600.00	Apr 2024
9.00	500.00	Oct 2024

'VISION 2026'



“Vertical Integration”

From Spinning Division to Garmenting Division

The company has strategically orchestrated the vertical integration of its operations to **advance to the next level of the supply chain**. This initiative aims to reduce production costs and enhance overall operational efficiency.

The company intends to acquire equipment for the processing of denim & cotton fabric, facilitating the capability to **process approximately 25 million meters of denim fabric and 15 million meters of cotton annually**.

CAGR for 3 to 5 years (Basis FY23) - 20% to 25%



FINANCIAL HIGHLIGHTS



HALF YEARLY HIGHLIGHTS



INR 1429 Mn
218.5% YoY

Revenue from Operations



INR 159 Mn
75.0% YoY

EBITDA



INR 55 Mn
253.3% YoY

Profit After Tax

11.1 %

EBITDA Margin

3.8%

Net Profit Margin

HALF YEARLY FINANCIAL STATEMENT (Consolidated)



Particulars (INR Mn)	H1FY24	H2FY23	H1FY23	YoY%	FY23	FY22	YoY%
Revenue from Operations	1,428.7	1,744.4	448.5	218.5	2,192.9	1,288.3	70.2
Total Expenditure	1,269.7	1,600.5	357.7	255.0	1,958.1	1,154.7	69.6
EBITDA	159.0	143.9	90.9	75.0	234.8	133.6	75.7
EBITDA Margin (%)	11.13	8.25	20.26	-912 bps	10.71	10.37	+33 bps
Other Income	10.3	4.2	2.2	371.4	6.3	4.7	34.4
Depreciation	37.0	34.3	44.5	-16.9	78.8	47.2	67.1
EBIT	132.3	113.8	48.5	172.6	162.3	91.2	78.0
Interest	58.8	58.9	27.3	115.3	86.2	30.2	185.1
Profit Before Tax	73.50	54.93	21.21	246.5	76.1	61.0	24.9
Tax	18.6	15.1	5.7	227.8	20.8	15.2	36.4
Profit After Tax	54.9	39.8	15.5	253.3	55.4	45.7	21.1
Net Profit Margin (%)	3.84	2.28	3.46	+38 bps	2.52	3.55	-103 bps
Reported Earnings Per Share (Rs)	3.58	5.53	2.16	66.1	7.69	6.35	21.1

INCOME STATEMENT (Consolidated)



Particulars (INR Mn)	FY20	FY21	FY22	FY23
Revenue from Operations	581.8	598.7	1,288.3	2,192.9
Total Expenditure	450.7	500.3	1,154.7	1,958.1
EBITDA	131.1	98.4	133.6	234.8
EBITDA Margin (%)	22.54	16.43	10.37	10.71
Other Income	2.6	3.5	4.7	6.3
Depreciation	58.2	39.8	47.2	78.8
EBIT	75.5	62.0	91.2	162.3
Interest	36.4	29.5	30.2	86.2
Profit Before Tax	39.1	32.5	61.0	76.1
Tax	6.5	6.4	15.2	20.8
Profit After Tax	32.6	26.1	45.7	55.4
Net Profit Margin (%)	5.59	4.36	3.55	2.53
Reported Earnings Per Share (Rs)*	8.40	5.85	6.35	7.69

* In FY22, bonus shares issued in the ratio of 1:1, hence historical EPS is recalculated for equitable comparison.

BALANCE SHEET (Consolidated)



Particulars (INR Mn)	FY22	FY23
EQUITY & LIABILITIES		
Shareholders' Fund	603.4	658.7
Share Capital	72.0	72.0
Other Equity	531.4	586.7
Non-Current Liabilities	597.4	575.6
Borrowings (Long Term)	587.6	556.5
Provisions	6.8	9.9
Deferred Tax Liabilities (Net)	2.9	9.2
Current Liabilities	212.8	1,065.8
Borrowings (Short Term)	151.3	577.5
Trade Payables	25.5	448.3
Other Current Liabilities	16.3	25.3
Provisions	19.7	14.8
Total	1,413.6	2,300.2

Particulars (INR Mn)	FY22	FY23
ASSETS		
Non-Current Assets	862.1	956.3
Property, Plant & Equipment	367.6	805.3
Capital WIP	409.1	31.0
Other intangible Assets	-	3.8
Investments	26.2	26.2
Loans and Advances (Long Term)	5.0	5.2
Other Non-Current Assets	54.3	84.9
Current Assets	551.5	1,343.9
Inventories	302.7	681.0
Trade Receivables	140.9	566.5
Cash & Cash Equivalents	21.0	4.3
Loans & Advances (Short Term)	86.9	92.1
Total	1,413.6	2,300.2

THANK YOU!

SWARAJ SUITINGS LIMITED

F-483 to F-487, RIICO Growth
Centre, Hamirgarh, Bhilwara
(Rajasthan) – 311 025.
www.swarajsuiting.com

KAPTIFY® CONSULTING

Strategy & Investor Relations | Consulting
contact@kaptify.in
+91-845 288 6099
www.kaptify.in

