

RAJ RAYON INDUSTRIES LIMITED

CIN NO.: L17120DN1993PLC000368

REGD. OFFICE & FACTORY : SURVEY NO. 177/1/3 & 177/1/4, VILLAGE : SURANGI, SILVASSA - 396 230 (U. T. OF DADRA & NAGAR HAVELI & DAMAN & DIU)
Contact : +91 98795 04195, 99988 20661• E-mail .: admin.surangi@rajrayon.com

PAN AAACR7820E

GSTIN 26AAACR7820E1ZL

Date: 02/07/2025

To,

The Secretary BSE LIMITED P J Towers Dalal Street, Fort, Mumbai 400 001	NATIONAL STOCK EXCHANGE OF INDIA LIMITED Listing Department Exchange Plaza, 5 th Floor, Bandra-kurla Complex, Bandra (East), Mumbai – 400 051.
Company Code No. : 530699	Company Code : RAJRILTD

Dear Sir,

Sub: Corporate Presentation

Ref: Regulation 30 of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015('Listing Regulations')

Pursuant to Regulation 30 of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, we are attaching herewith presentation titled "Corporate Presentation – Quarter 4- F.Y. 2024-25".

You are requested to take the same on record for dissemination to the stakeholders.

Thanking you,

Yours faithfully,

For RAJ RAYON INDUSTRIES LIMITED

SANDIIP SATYANARAYAN AGARWWAL

WHOLE TIME DIRECTOR & CFO

DIN: 00395348

Encl.: A/a



RAJ RAYON INDUSTRIES LIMITED

"Spinning the Quality of perfection"

INVESTOR
PRESENTATION
Q4 FY25



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OUR FOUNDING STORY



About SVG Group



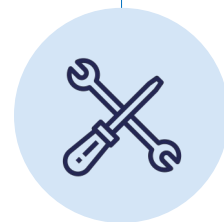
Established in **1984**, SVG fashions is the **leading vertically integrated** Producer of Polyester Knits in India



Converting "**Fibre to Fashion**" they are your **one stop solutions** to all your textile needs right from texturised yarns to stitched garments



4 decades of proven expertise in textiles and strong management pedigree



Fully **equipped manufacturing facilities** set up in Silvassa

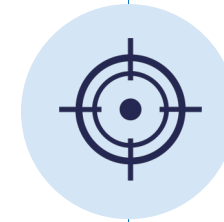
3600
Tonnes/Month
Production

3500+
Customers

About RAJ RAYON



Established in **1993**, Raj Rayon specializes in the production of high-quality man-made fibers



The Company focusses on manufacturing **Polyester chips, Partially Oriented Yarn (POY) and Drawn Textured Yarn (DTY)**



Operations span across **25 acres** land and 900,000sq ft manufacturing plant located in the scenic region of Silvassa.



Raj Rayon Industries **experienced a complete overhaul** under the leadership of new management and since **reviving its operations in 2023**, further investments have been made in buildings and new state of the art machinery.

12000 Tonnes
Per Month
Polymerization

Chips- 1000TPM
POY- 11000TPM
DTY- 4500TPM

THE TRANSFORMATION OF RAJ RAYON INDUSTRIES



- SVG group, recognized for its progressive approach made a Complete Turn-around in Raj Rayon's operations since taking over in 2021.
- Strategic investments were channeled into the company with a focus to eliminate obsolete machinery, update and enhance production capabilities with state-of-the-art Technology and reduce cost of production, setting the stage for future growth.
- Starting with first production in Jan 2023 with a Polymerization capacity of 300TPD, PoY capacity of 125TPD and DTY capacity of 60TPD. RRIL implemented one expansion in FY24 and has now completed the second consecutive expansion to reach a Polymerization capacity of 400TPD, PoY capacity of 350 TPD and DTY capacity of 150TPD and we plan to continue this journey.



Current Capacity of the company stands at

Capacity TPA	FY25	FY26
Chips	18,500	12,000
POY	82,000	1,26,000
DTY	46,800	54,000

“It is the business acumen of the promoters and the dedication of a skilled professional team that led to the transformation of Raj Rayon Industries. Their relentless efforts have made Raj Rayon Industries what it is today”

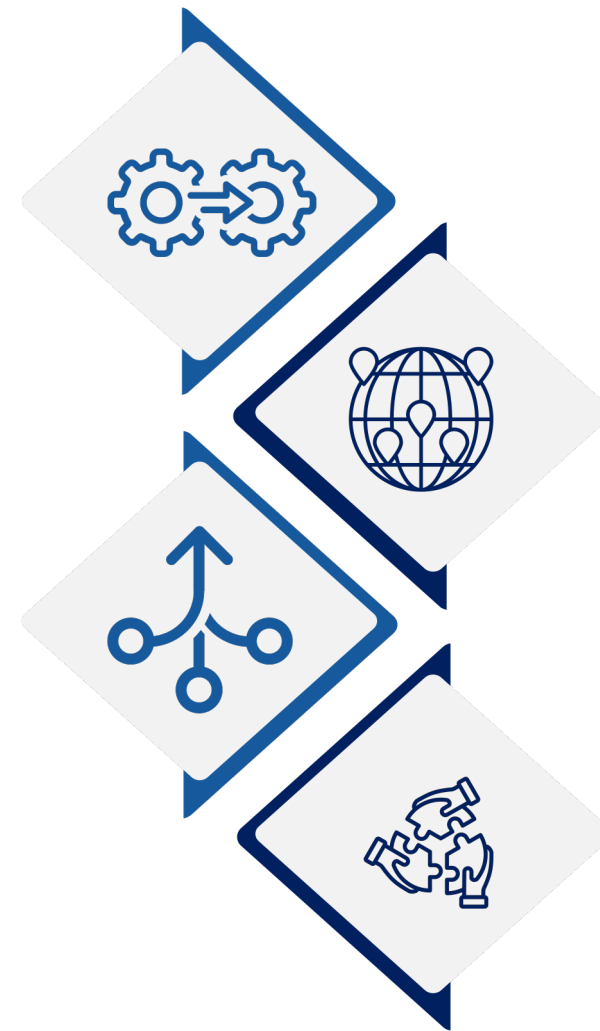


Backward Integration

Raj Rayon, known for its high-quality man-made fibers and yarn manufacturing, serves as the foundational step in the textile production chain, providing a strong basis for backward integration with SVG Fashions.

Operational Consolidation:

Complete integration of production from buying petrochemical molecules at Raj Rayon to Ready made garments at the parent company creates unmatched synergies by optimizing production costs and enhancing supply chain efficiency.



Leveraging Market Presence:

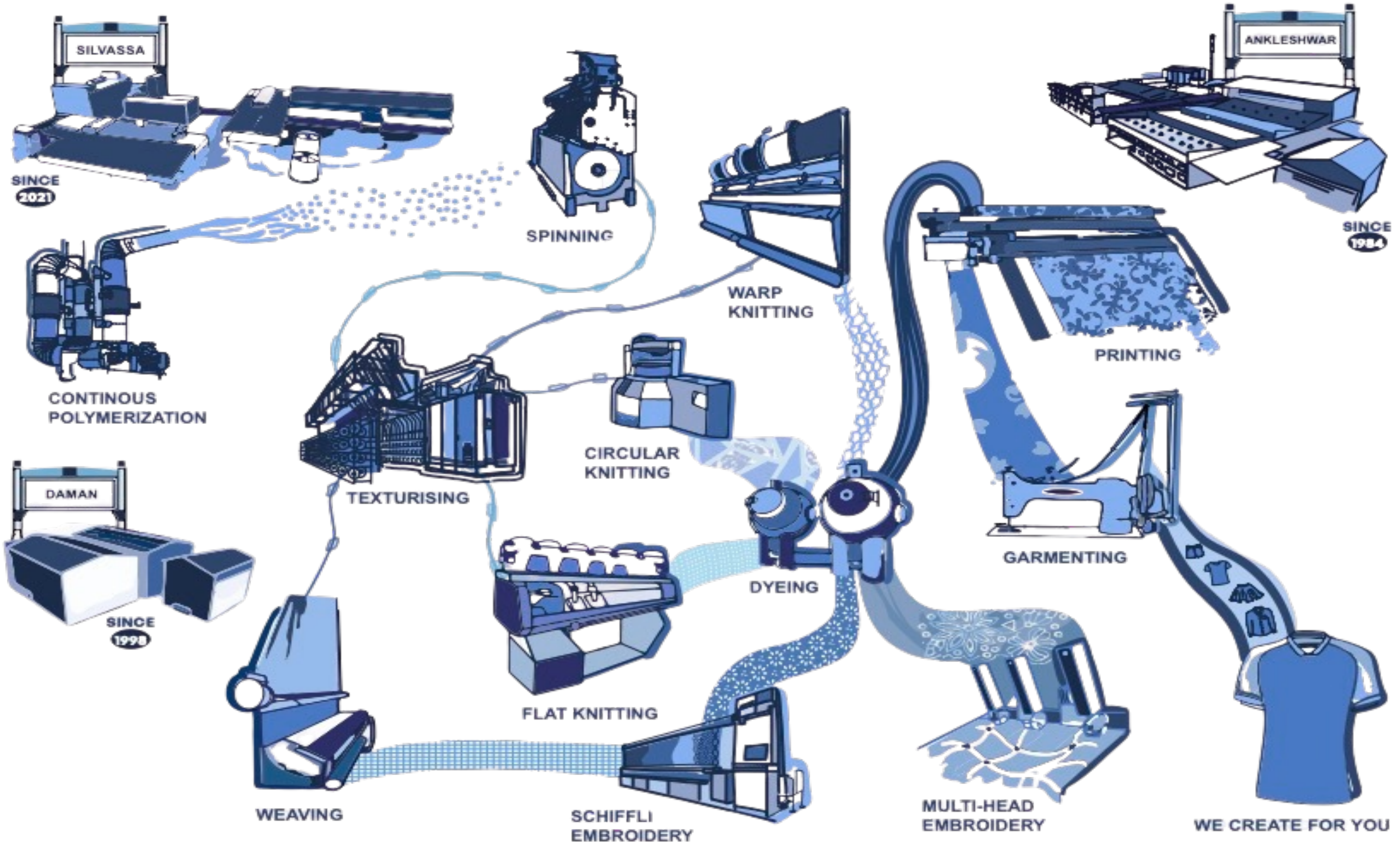
SVG Fashions, with a solid market presence and a premium client base including brands like Skechers, Reliance Retail, Adidas, and Puma, ensures a steady order flow for Raj Rayon, stabilizing production and maximizing output.

Creating Synergies:

The acquisition integrates Raj Rayon's upstream capabilities with SVG's downstream processes, optimizing the value chain from fiber production to finished garments and enabling the delivery of comprehensive textile solutions.

Products	UOM	Group Capacity
Fabric Processing	Mtr/annum	4,00,00,000
Knitted Fabrics	Tons/annum	16,000
Furnishing Fabrics	Mtr/annum	18,00,000
Embroidery Fabric	Mtr/annum	24,00,000
Ready Made Garments	Pcs/annum	12,00,000

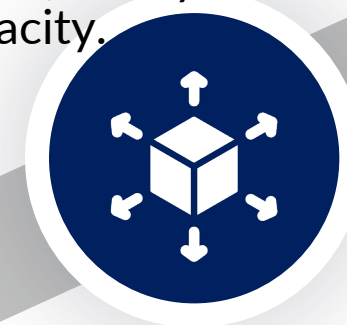
OPERATIONAL CONSOLIDATION LEADING TO COST SAVINGS



THE ROAD MAP AHEAD



Revenue Aspirations:
Management has set an ambitious goal to achieve a topline of INR 2900 crores (POY/FDY - ~780 cr, DTY - ~1760 cr, Chips - ~360 cr) by FY2027, reflecting their confidence in the company's growth potential.



Capacity Expansion:
The company is currently ramping up its production capacity with targeted capital expenditures focused on higher-margin products. The planned investments are expected to increase the existing combined capacity from 400 TPD to 700 TPD, nearly doubling the production capacity.



Vertical and Lateral Expansion:
Raj Rayon Industries Ltd. (RRIL) is poised to upgrade its vertically integrated production capacity of chips, POY, and DTY, by adding niche products in yarns and knitted fabrics. This strategic move will enable RRIL to enter higher value-added segments, which are expected to be margin accretive.



Technological Advancements:
Vapour absorption chillers use waste vapours to generate chilled water for air conditioning and Air Pre heaters use hot air from the plant to reduce fuel consumption. 2 and 3 dimensional pigment dosing systems which help to produce inherent dyed yarns and other specialities like cotton-like yarns.



Cost-Saving Measures:
RRIL has implemented various cost-saving strategies to enhance EBITDA margins. Key measures include - a) Utilizing reusable packaging to reduce costs b) Optimizing logistics to cut expenses c) Leveraging increased capacity to negotiate better dealer margins within the existing network, aiming for an additional 2-3% savings at the EBITDA margin level.



Sustainable Margins:
The management anticipates maintaining sustainable margins in the range of 5-7% for POY, with DTY margins expected to be between 10-12%.

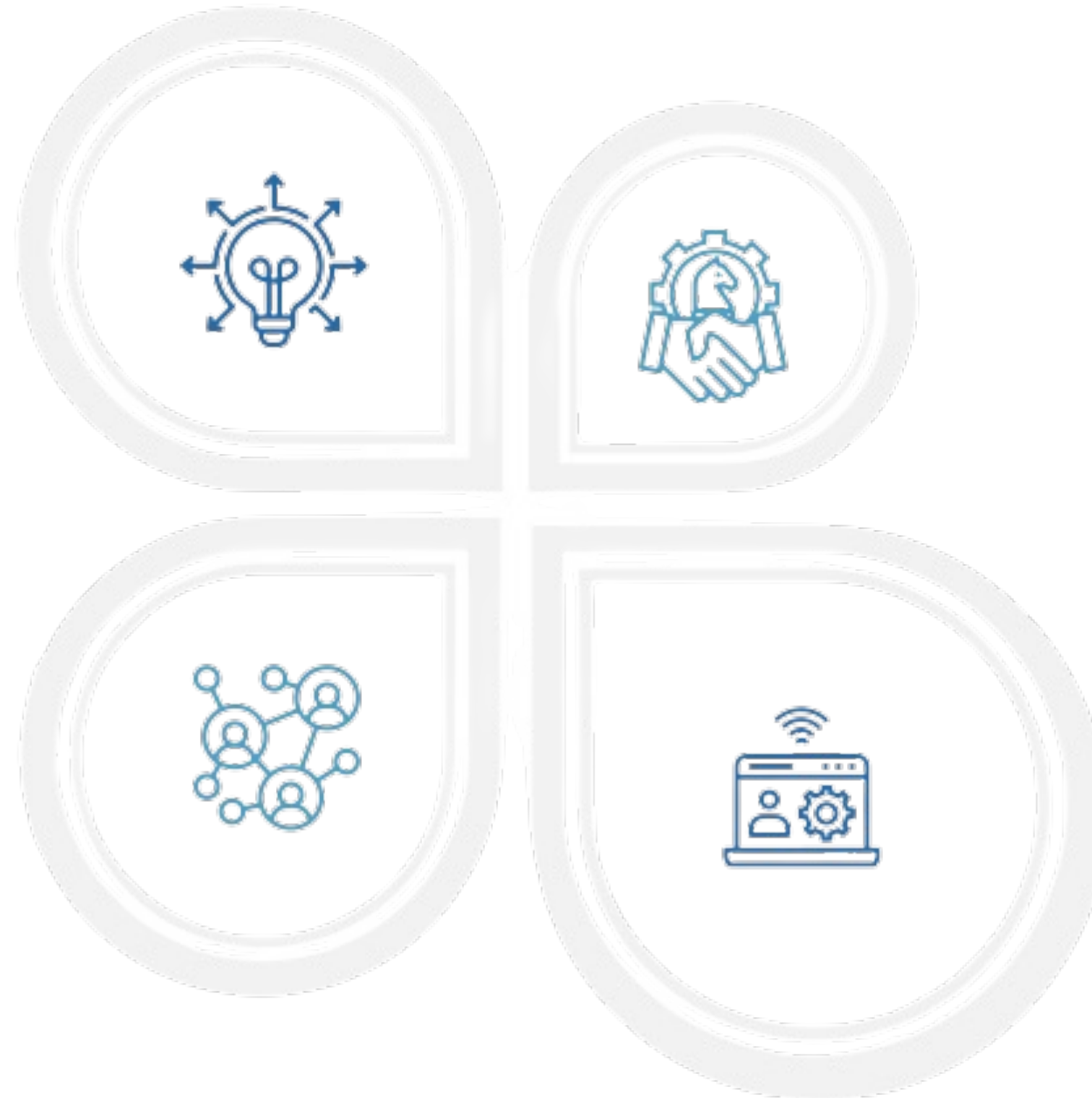


MIP

With the recent MIP(Minimum import price) imposed on cheap textile imports and Quality Control Order(QCO) making BIS certification mandatory for imported POY and FDY yarns, the industry dynamics for local yarn manufacturers is seeing tailwinds and we expect Indian yarn players to benefit from the same

Technology

The presence in complete value chain from yarn to garments, cost saving measures, strong management pedigree along with state-of-the-art equipment for polymer and yarn testing. The company takes pride in having access to such advanced facilities, which are only available in Leading plants worldwide.



PLI Schemes

PLI schemes for polyester fabrics will result in increased demand for polyester yarns. Generous state wise capital subsidies and interest subventions will drive growth across the country.

Global spotlight

With the growing international support through FTAs and the on going crisis in Bangladesh , Sri Lanka and China +1 wave, India will stand to gain by way of growing global demand for man-made fiber products from India.

PRODUCTS





Global Success

The Company has an objective to grow globally through its niche products and cost competitiveness.



Nation-Wide Supply

The Company is supplying white and dyed yarns in various deniers throughout India.



Customer Centricity

It endeavors to maintain optimum customer satisfaction, and excellent brand image.



Research and Development is at the forefront of our vision, we put in extensive time, effort and care into research and development to provide the best and most innovative products to our consumers

Focus



RRIL maintains a strong focus on research and development (R&D) activities, aiming to develop new products, explore innovative applications, improve operational efficiencies, and reduce manufacturing costs

Philosophy



The company's philosophy revolves around innovation and cost competitiveness. To achieve these goals, RRIL possesses comprehensive R&D facilities for spinning and texturizing.

Action



The facilities include state-of-the-art equipment for polymer and yarn testing. The company takes pride in having access to such advanced facilities, which are only available in leading plants worldwide.



"I'm delighted to report that Raj Rayon Industries Ltd. has achieved another significant milestone, completing its 3rd consecutive capacity expansion plan at our Silvassa facility. This accomplishment is a testament to the dedication and expertise of our management team and workforce.

As we reflect on FY24-25, we're proud of the progress we've made in strengthening our position in the textile industry. Our growth strategies are yielding results, and we're confident that our commitment to excellence and innovation will drive sustained growth.

Looking ahead, we're excited about the opportunities that lie ahead. Our comprehensive plan is designed to elevate Raj Rayon to new heights, leveraging our strengths to achieve remarkable success. We're committed to delivering value to our stakeholders and setting new benchmarks in the industry.

With a clear vision and a strong team, we're poised to achieve extraordinary milestones in the coming years. I would like to express my gratitude to our employees, investors, and partners for their unwavering support.

Together, we'll continue to push boundaries and achieve greatness."

BOARD OF DIRECTORS



Mr. Rajkumar Satyanarayan Agarwal
Chairman



Mr. Sandiip Satyanarayan Agarwal
Executive Director & CEO



Ms. Sapna Rajkumar Agarwal
Non-Executive,
Independent Director



Ms. Supriya Mahesh Pujari
Non-Executive,
Independent Director



Mr. Vinodkumar Bajranglal Dalmia
Non-Executive,
Independent Director



Mr. Kailashnath Jeevan Koppikar
Non-Executive,
Independent Director



INVESTMENT RATIONALE



Capex Led Growth

Capex of ~ INR 500-600 crores over the next 2-3 years and adding new cost efficient machineries with latest technologies. Capex will be executed at much lower cost due to existing ready infrastructure. Capex will expand the polymerization from 400 TPD to 700 TPD, POY/FDY from 350 TPD to 650 TPD and DTY capacity from 150 TPD to 400 TPD resulting in reduced fixed costs.



Shift Towards Better Margin Products

The company's continuous polymerization process, which converts PET directly into fiber, has the potential to expand gross margins. Alongside the implementation of cost-saving measures and higher value added product mix, the company expects to achieve high net profit margin. This is further supported by low leverage



Completing Value Chain

with Product features customised to customer needs, due to domain knowledge of down the line Products. Raj rayon is supported by SVG Fashions which has down the line production facilities for making all types of fabrics and finally an in House Apparel manufacturing set-up. This enables Raj Rayon to supply customized products as per the requirement of the end Customer.





The global **polyester fibre market size was estimated at USD 118.51 billion in 2023** and is expected to grow at a CAGR of 7.3% from 2024 to 2030. The market growth is being fuelled by advancements in technology, expansion of research and development capabilities, and the growing utilization of polyester fibre in textile, apparel, and industrial applications. One of the main factors driving the product's growth is the increasing demand for cost-effective and durable materials in these industries. Polyester fibres offer several advantages over natural fibres, including high strength, wrinkle and abrasion resistance, and easy maintenance, making them an attractive choice for manufacturers and consumers alike.

The polyester industry is growing due to a number of factors, including:

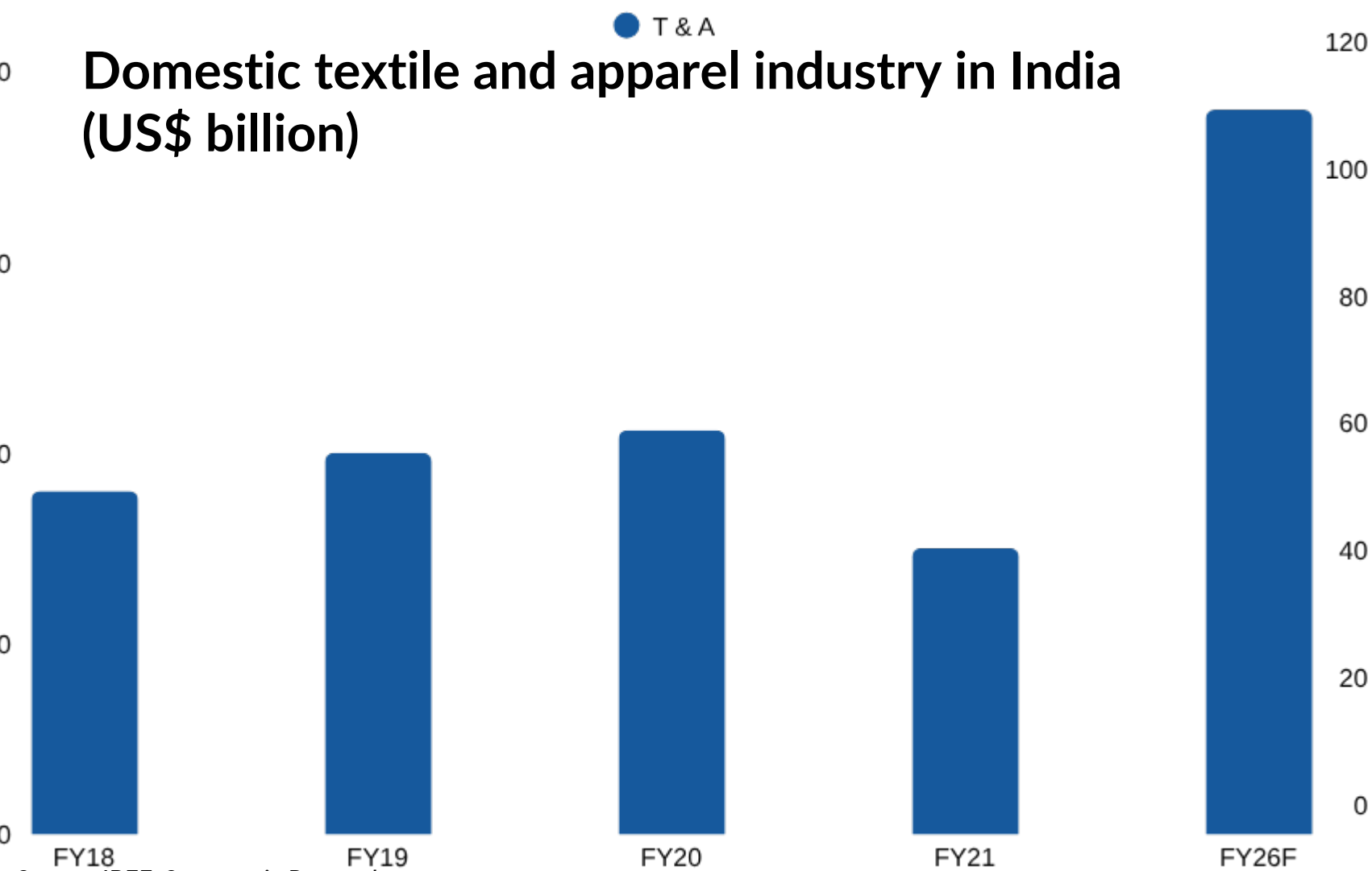
- **Demand for durable, cost-effective materials:**
Polyester fibres are strong, durable, and easy to maintain, making them a popular choice for manufacturers and consumers.
- **Growing Athleisure Market:**
There has been a big shift towards fitness especially after COVID pandemic, which has increased the demand for performance and leisure wear across the globe which is predominantly Polyester.
- **Automotive industry :**
The expansion of the automotive industry is driving demand for polyester fibres, which are used in airbags, seatbelts, headliners in auto, carpets, and interior upholstery.
- **Wide use of Polyester:**
Polyester is used in many products and industries because of its strength, durability, and ability to stretch and shrink without losing strength like athleisure, home textiles, fashion, technical textiles, luggage, electronics, hotel industries, denims are also now 50% poly, mattress, carpet, rugs, fish nets,

INDUSTRY OVERVIEW



- The Indian textile and apparel (T&A) market is estimated to be valued at USD 175bn in FY24, with the domestic market contributing 79% and exports accounting for 21% of the market size. The polyester yarn industry has been growing at an average CAGR of 4-5% only, so the demand supply equation is likely to be favorable for polyester yarn makers.
- The Indian domestic T&A market has registered a CAGR of 8%, growing from USD 50 bn in FY11 to USD 138bn in FY24. The Ministry of Textiles targets the domestic T&A market to touch USD 250bn by FY31, growing at 9% CAGR, faster than the global textile industry.
- Within the total domestic T&A market, India's home textiles market is estimated at USD 10bn for FY24, slated to expand at ~7% CAGR over FY24-FY31 to USD 16bn.

Domestic textile and apparel industry in India (US\$ billion)



India targets to achieve USD 100bn T&A exports at 15% CAGR (FY24-FY31)



Source: IBEF, Systematix Research



Efficient Water Recycling and Treatment

We have installed a state-of-the-art Effluent Treatment Plant (ETP) with a Reverse Osmosis process for water recycling. Our aerobic ETP treats effluent water and generates significantly less CO₂ compared to traditional anaerobic ETPs.



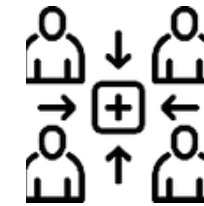
Energy Recovery and Utilization

Residual heat is recovered and utilized for preheating atmospheric air used in HTM heaters. This process ensures proper fuel combustion, reducing overall fuel consumption and CO₂ emissions. RRIL is Going one step further and has planned to install machinery to use Biomass as fuel which will also help reduce cost of production



Innovative Cooling Solutions

Waste vapors from the system are converted into chilled water through vapor absorption chillers. This chilled water is used for air conditioning the plant, thereby significantly reducing the power requirements for cooling production areas



Power Saving Initiatives

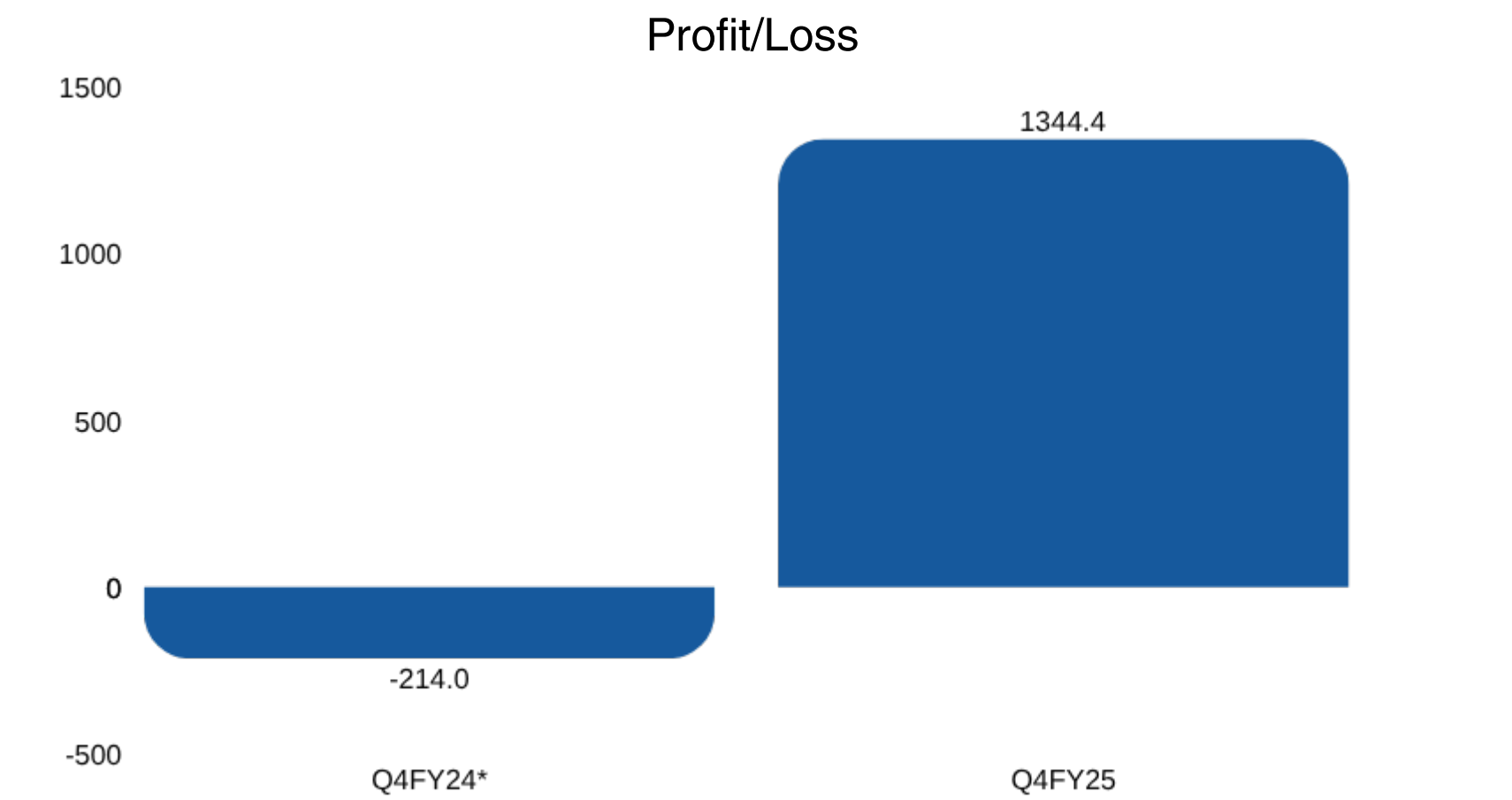
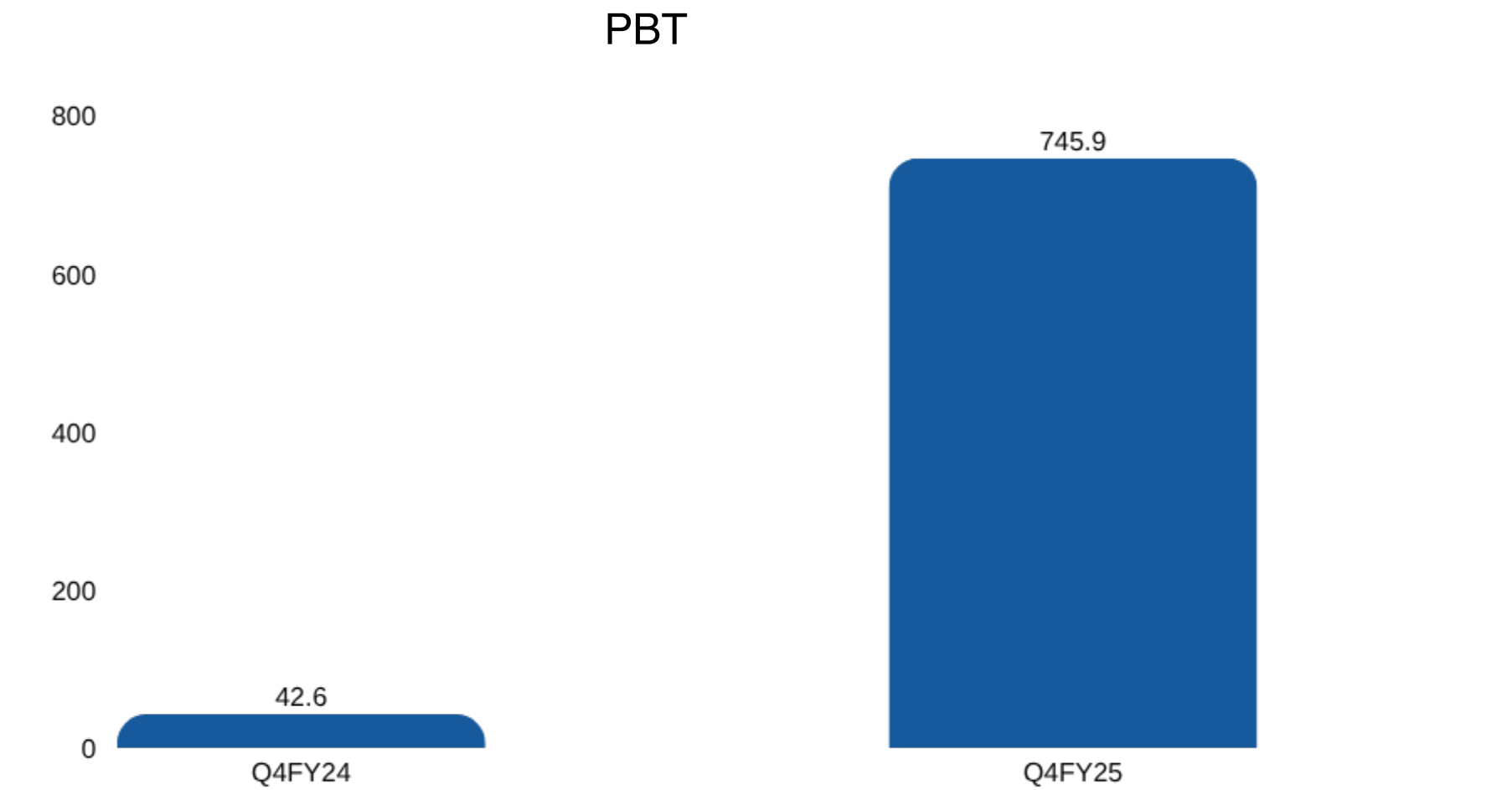
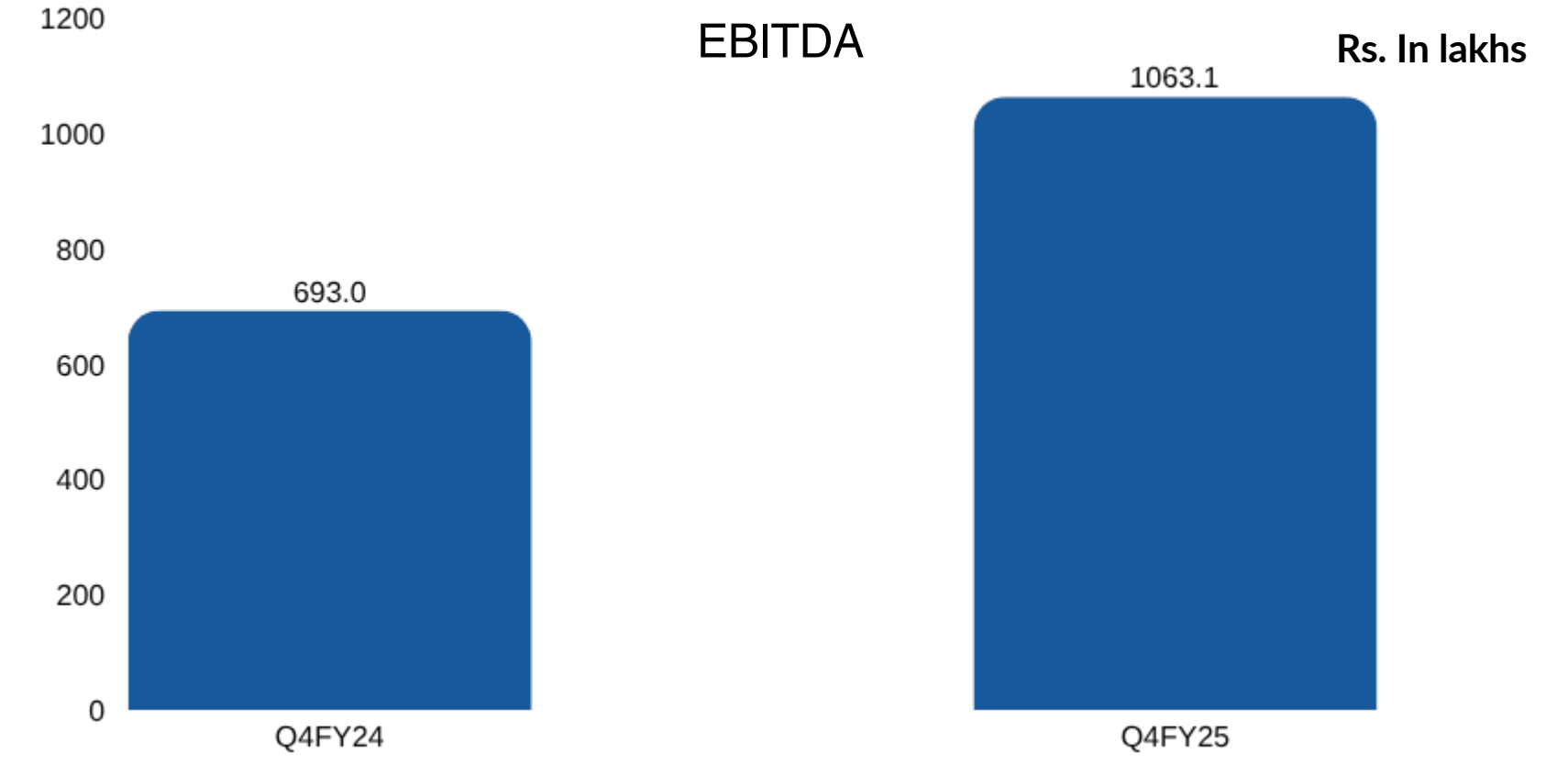
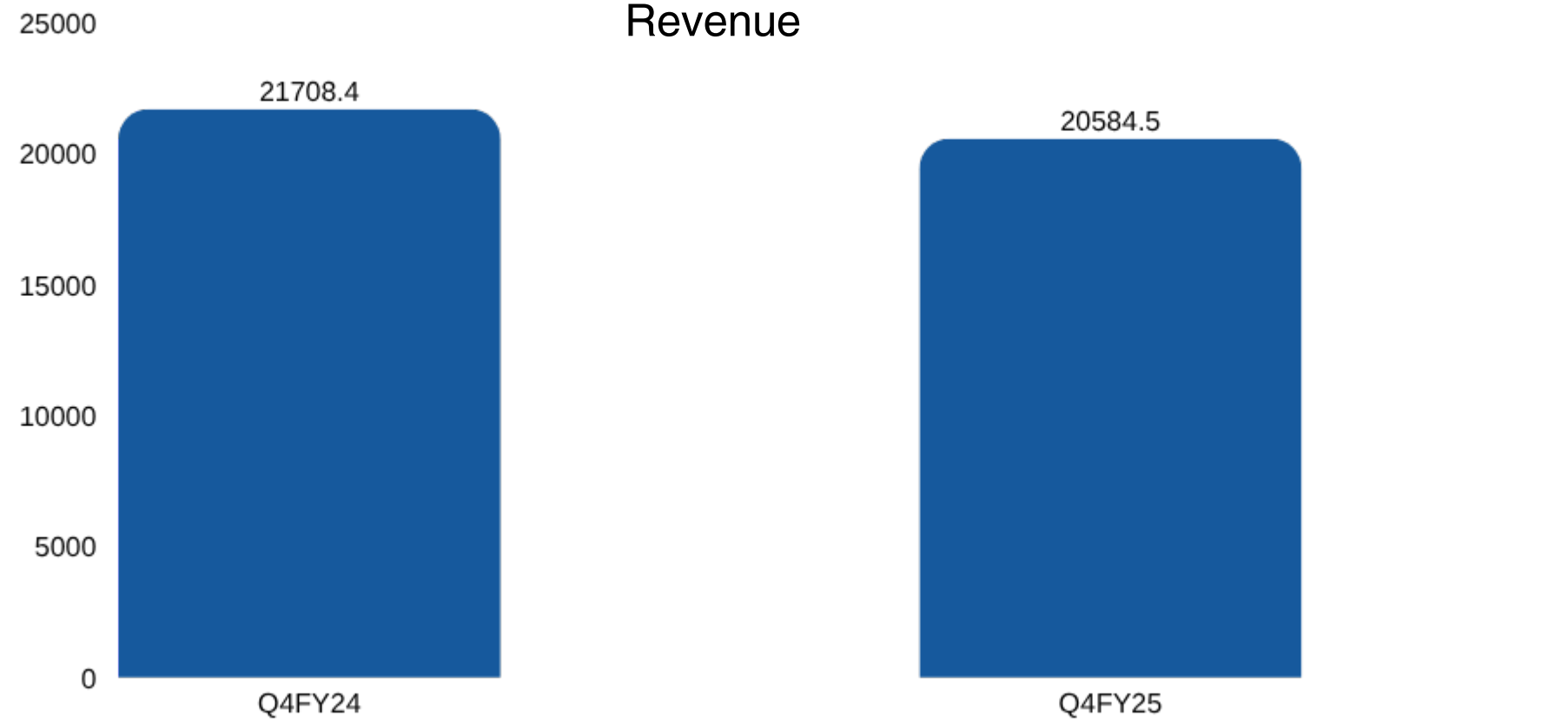
Various power-saving methods are continuously implemented to minimize power consumption. This includes the purchase of energy-efficient motors and the installation of solar power panels.



Sustainable Packaging Solutions

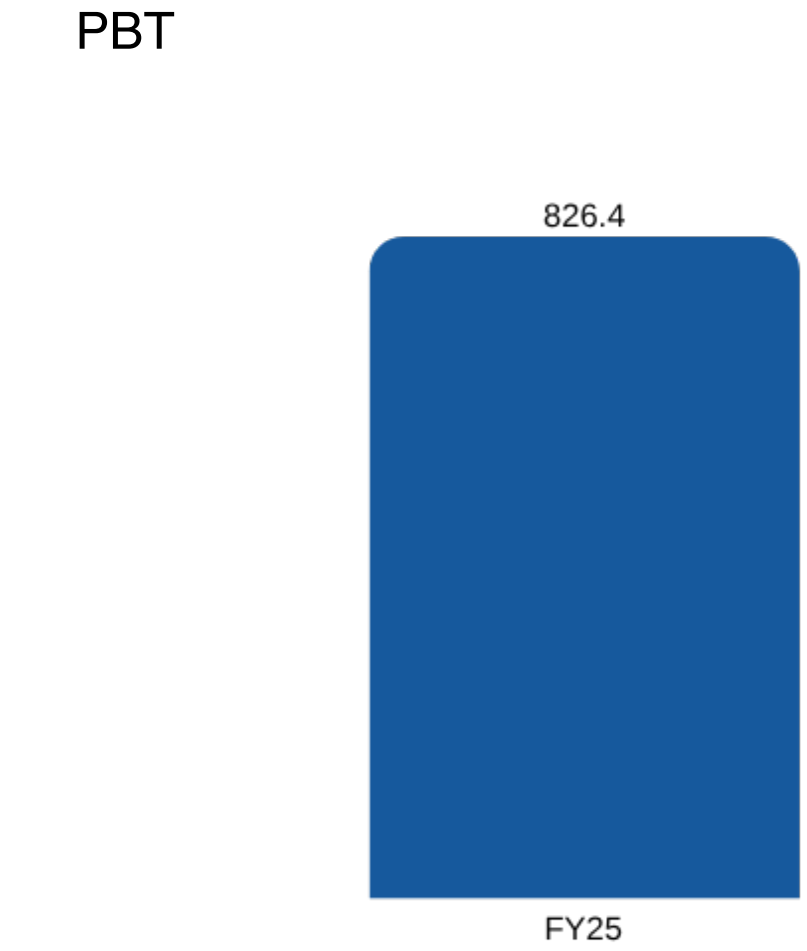
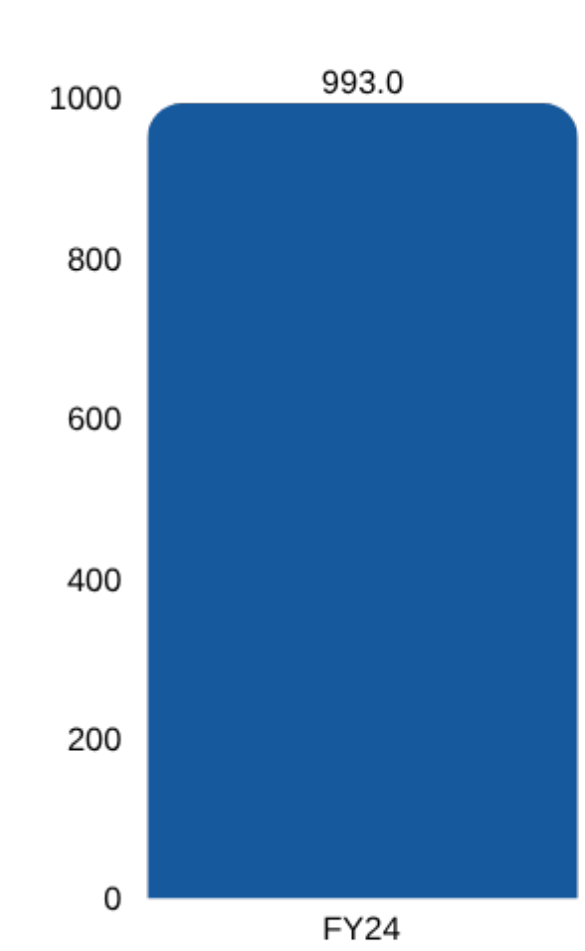
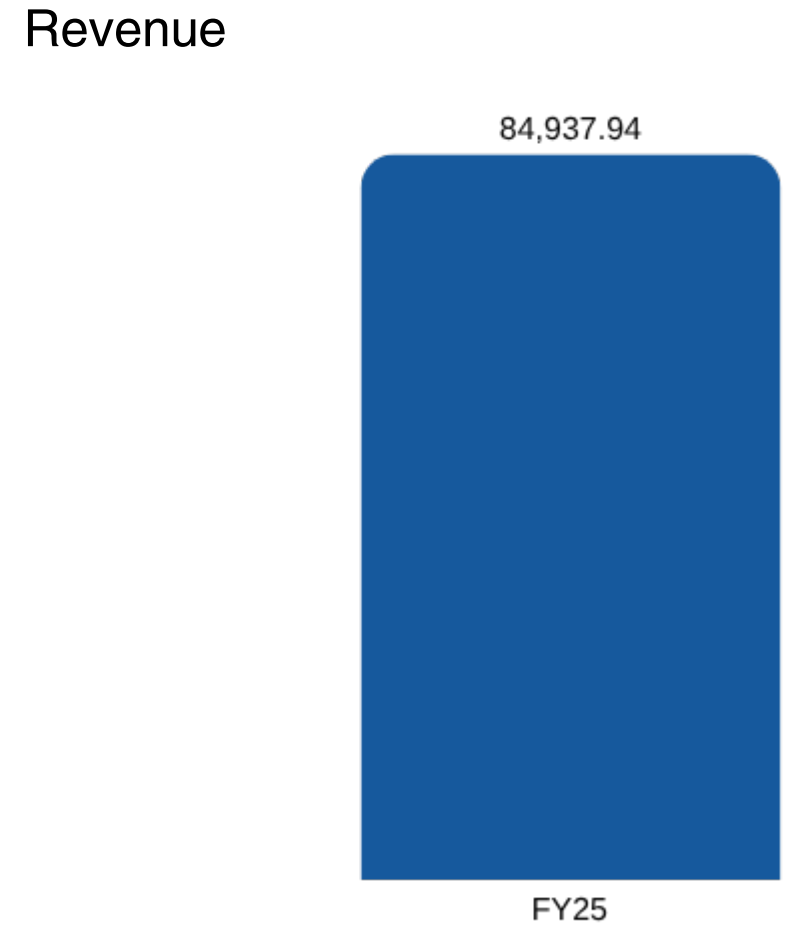
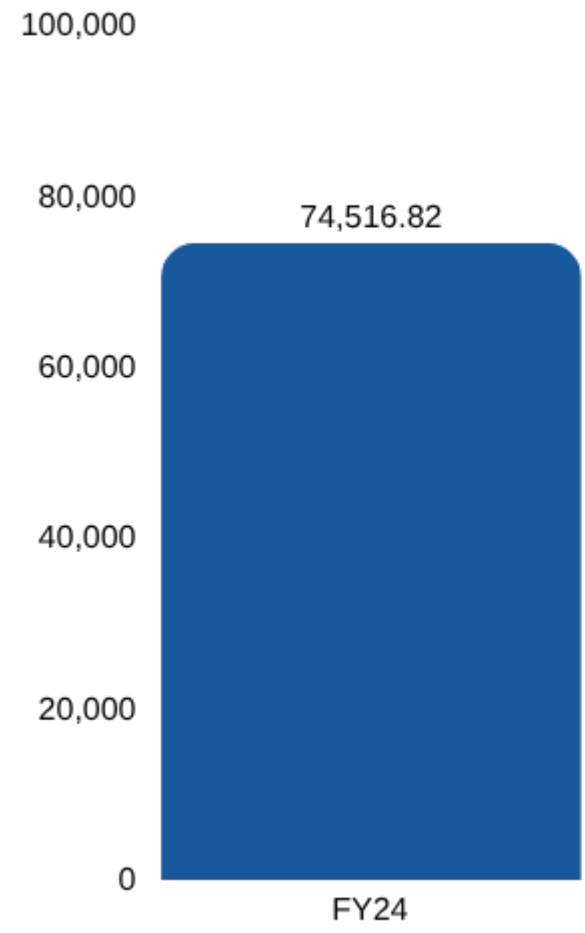
RRIL uses 100% recycled packing materials and have further achieved a reduction in packing material requirements by recycling these materials further by re-using them. Paper tubes and Jumbo bags are an example of re-using of packing materials.

QUARTERLY FINANCIAL PERFORMANCE



*Includes deferred tax effect

FY2025 FINANCIAL HIGHLIGHTS



Rs. In lakhs

PROFIT AND LOSS STATEMENT Q4 & FY25



Particulars (Rs. In Lakhs)	Q4 FY25	Q3 FY25	Q4 FY24	Q-o-Q (%)	Y-o-Y (%)
Revenue	20,584.51	22,933.11	21,708.42	-10%	-5%
Cost of Materials Consumed	17,757.46	17,987.40	16,083.39		
Purchases of Stock in Trade	-	-	-		
Changes in Inventories	-1,630.12	404.93	1,059.56		
Employee Cost	343.50	298.11	308.54		
Other Expenses	3,050.61	2,892.98	3,563.98		
EBITDA	1,063.06	1,349.69	692.95	-21%	53%
EBITDA Margin	5.16%	5.89%	3.19%		
Other Income	261.17	41.03	93.63		
Depreciation	312.25	313.42	347.28		
Finance Cost	266.05	340.47	396.64		
Exceptional Items	-	-	-		
PBT	745.93	736.83	42.64		
Tax	-	-	-		
Deferred Tax	598.42	78.55	-256.67		
PAT	1,344.35	815.38	-214.03	65%	728%
PAT Margin	6.53%	3.56%	-0.99%		
EPS (in Rs)	0.24	0.15	-0.04		

FY25	FY24	Y-o-Y (%)
84,937.94	74,516.82	14%
68,260.83	60,735.88	
-	-	
986.19	-813.17	
1,199.55	1,145.78	
11,538.17	10,713.88	
2,953.20	2,734.45	8%
3.48%	3.67%	
475.18	512.82	
1,244.01	1,134.71	
1,358.02	1,119.58	
-	-	
826.35	992.98	-17%
-	-	
554.26	-588.68	
1,380.61	404.30	241%
1.63%	1%	
0.25	0.07	

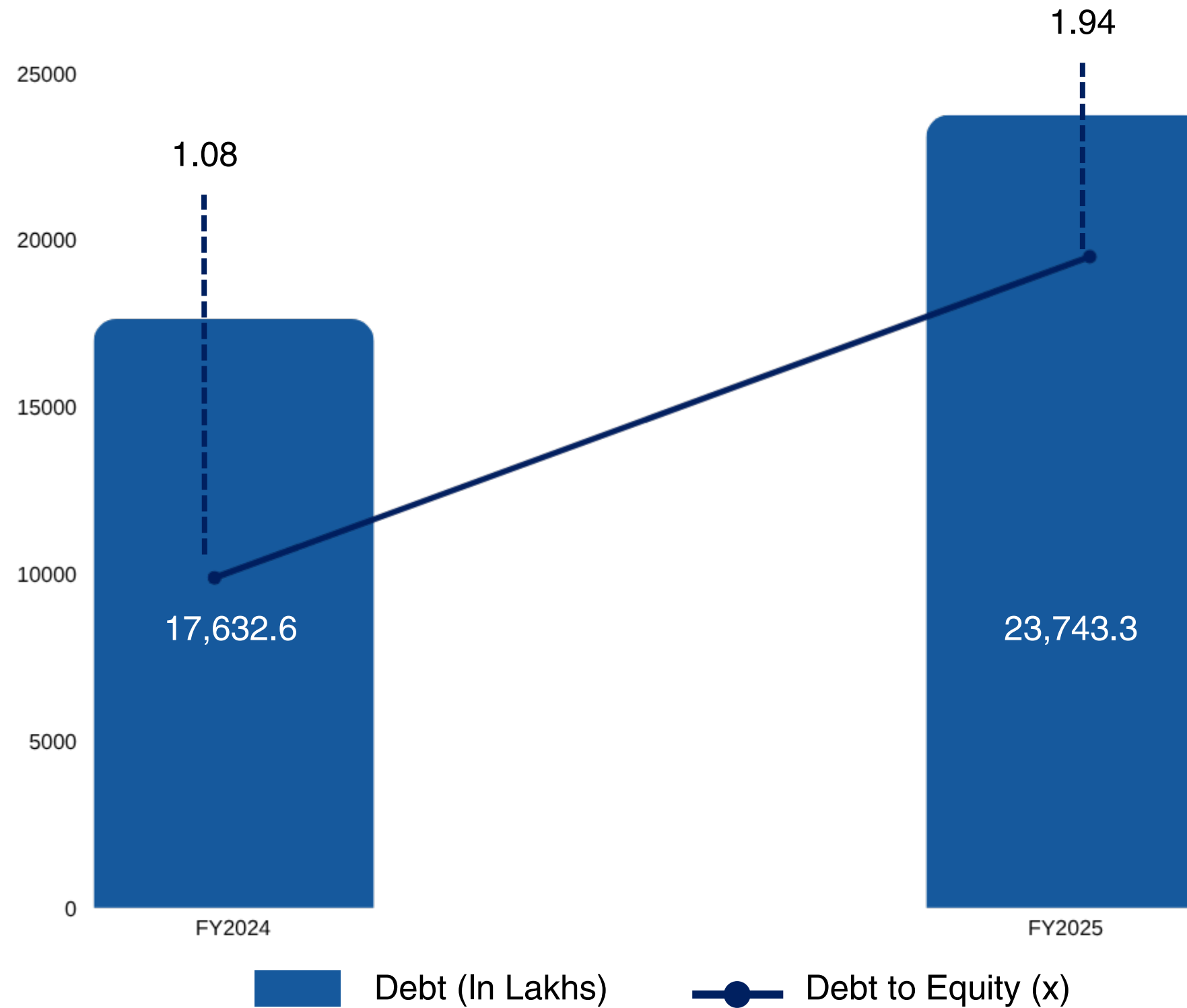
BALANCE SHEET 31ST MARCH 2025



Particulars (Rs. Lakhs)	FY25	FY24
Equity		
Equity Share Capital	5,560.82	5,560.82
Instruments entirely equity in nature	2,500.00	2,500.00
Other Equity	4,186.27	2,759.27
Total Equity	12,247.09	10,820.09
Non-Current Liabilities		
Financial Liability		
Borrowings	15,971.87	9,654.83
Provisions	18.40	19.10
Deferred Tax Liabilities (Net)	23.30	573.13
Total Non-Current Liabilities	16,013.57	10,247.06
Current Liabilities		
Financial Liabilities		
Borrowings	7,771.48	7,977.81
Trade Payables		
Dues to micro & small enterprises	426.01	-
Dues to other than micro & small enterprises	12,492.49	12,116.22
Other Financial Liabilities	1,018.41	893.81
Other Current Liabilities	59.85	40.95
Provisions	0.09	0.07
Current Tax Liability (Net)		
Total Current Liabilities	21,768.33	21,028.86
Total Equity & Liabilities	50,028.99	42,096.01

Particulars (Rs. Lakhs)	FY25	FY24
Non-current Assets		
Property, Plant and Equipment	21,241.55	21,870.10
Capital WIP	10,145.72	276.61
Other Intangible Asset	3.03	
Financial Assets		
Other Financial Assets	131.09	12.86
Other Non- Current Assets	338.64	402.47
Deferred Tax Assets (Net)	-	-
Total Non-Current Assets	31,860.03	22,562.04
Current Assets		
Inventories	10,866.43	10,246.20
Financial Assets		
Trade Receivables	2,857.92	3,630.80
Cash & Cash Equivalent	802.81	702.95
Bank Balances	1.21	2,245.92
Current Tax Assets	93.23	80.63
Other Current Assets	3,547.36	2,627.47
Total Current Asset	18,168.96	19,533.97
Total Equity & Liabilities	50,028.99	42,096.01

Debt Position



As we continue to advance in our ongoing projects, we are committed to maintaining financial discipline. Our overall plan is to revive operations, gradually reduce our debt obligations, and improve our debt-to-equity ratio.



Thank You



investors@rajrayon.com



www.rajrayon.com



RAJ RAYON INDUSTRIES LIMITED
"Spinning the Quality of perfection"