

July 29, 2025

श्रावण- शुक्ल पक्ष, पंचमी  
विक्रम सम्वत् २०८२

**National Stock Exchange of India Limited**  
“Exchange Plaza”  
Bandra – Kurla Complex,  
Bandra (E), Mumbai – 400 051  
**NSE Code: GHCLTEXTIL**

**BSE Limited**  
Corporate Relationship Department,  
1<sup>st</sup> Floor, New Trading Ring, Rotunda  
Building, P.J. Towers,  
Dalal Street, Fort, Mumbai – 400 001  
**BSE Code: 543918**

Dear Sir/Madam,

**Subject: Investors' Presentation – Q1FY26- business update**

In continuation to our earlier communication dated July 19, 2025 that an earning conference call by Company's senior management is scheduled to be held on **Tuesday, July 29, 2025 at 4.00 PM(IST)**, please find enclosed herewith copy of the financials and other business details for Q1FY26 (i.e. Business Update), which is going to be circulated for the scheduled investors' conference for your reference and record.

Please note that copy of this communication shall also be available on the website of the company ([www.ghcltextiles.co.in](http://www.ghcltextiles.co.in)), BSE Limited ([www.bseindia.com](http://www.bseindia.com)) and National Stock Exchange of India Limited ([www.nseindia.com](http://www.nseindia.com)).

You are requested to kindly note the same.

Thanking you

Yours faithfully

**For GHCL Textiles Limited**

**Lalit Narayan Dwivedi**  
**Company Secretary and Compliance officer**  
**Membership No.: FCS10487**



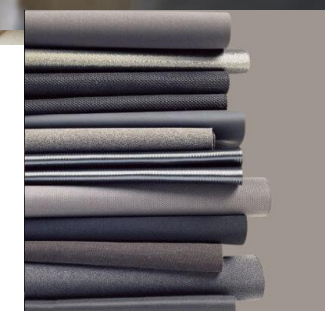
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# GHCL TEXTILES LIMITED

Q1 FY26 Investor Presentation

JULY 2025



Respect



Trust



Ownership



Integrated Team Work

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Such forward-looking statements are not guarantees of future performance and are subject to known and unknown risks, uncertainties and assumptions that are difficult to predict.

These risks and uncertainties include, but are not limited to, the performance of the Indian economy and of the economies of various international markets, the performance of the industry in India and world-wide, competition, the company’s ability to successfully implement its strategy, the Company’s future levels of growth and expansion, technological implementation, changes and advancements, changes in revenue, income or cash flows, the Company’s market preferences and its exposure to market risks, as well as other risks. The Company’s actual results, levels of activity, performance or achievements could differ materially and adversely from results expressed in or implied by this Presentation. The Company assumes no obligation to update any forward-looking information contained in this Presentation. Any forward-looking statements and projections made by third parties included in this Presentation are not adopted by the Company and the Company is not responsible for such third party statements and projections.



**MR. MARSHAL SONAVANE**  
*Chief Executive Officer*

FY26 has started on a solid footing for GHCL Textiles, marked by the **timely completion** and commissioning of our new state-of-the-art spinning facility with 25K spindles. This facility will support **vertical integration** with knitting machines currently under development. **Our vision remains clear: to deliver ready-to-cut fabric** that adds value and meets evolving customer needs. We are committed to quality, innovation, and sustainability. With operational excellence and strong customer relationships, we are well-positioned for sustained growth.

-  With **largely stable Indian cotton prices** and **growing global demand**, we are strategically expanding our capacities, integrating into higher-value fabric production, and strengthening customer relationships.
-  Our focus on value addition is evident by our expansion into fabric production, at the same time our operational excellence and cost efficiency is supported by **62MW** of green energy, which meets **72% of our energy needs**.
-  Our Rs. 1,000 crores in committed investments, including Rs. 500 crores already deployed, are fueling the future growth in **knitting fabrics**, alongside **woven and dyed fabric**.
-  **Trump's tariff policies** have created uncertainty in the near term but likely to create relative advantage for Indian textile industry. Recently concluded India-UK FTA agreement secures duty-free access to UK Apparel Market.

As we continue to expand and innovate, GHCL Textiles is well-equipped to capitalize on **emerging opportunities, driving sustainable growth** and delivering exceptional **long-term value** for our stakeholders..

# Successful Commissioning of new 25K Spindles



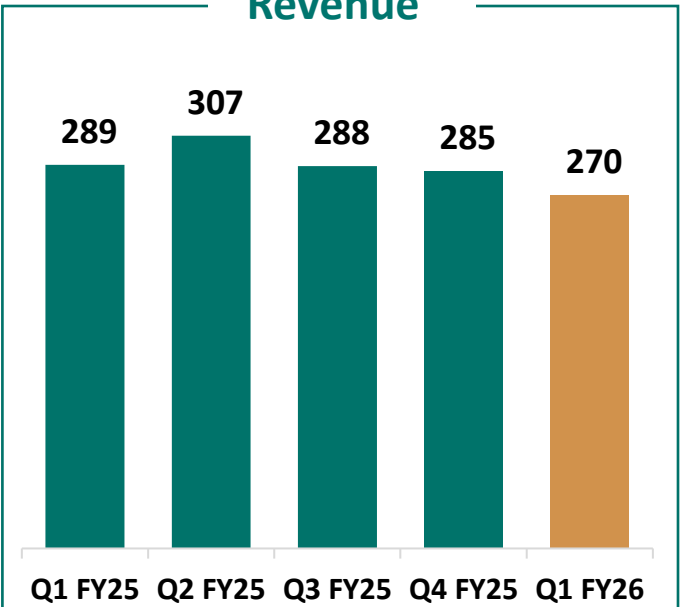
1. Completion of state-of-the-art 25K spindles in June 2025.
2. Aligns with **captive consumption strategy** — yarn to feed upcoming **knitting plant**.
3. We are ramping up the facility and full benefit is expected to come in Q3 FY26.
4. As per the initial feedback, good acceptability of yarn quality in the market.
5. Drives **value chain integration** and supports **margin expansion**.

# Financial Result Highlights

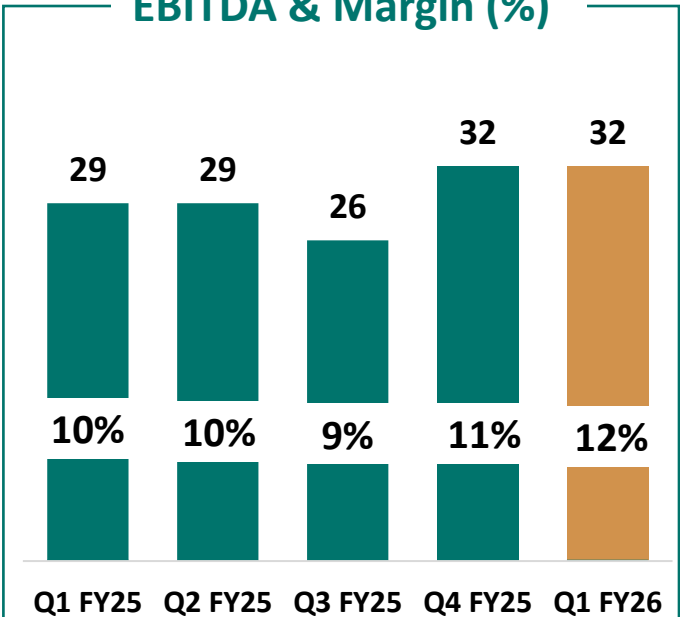


(Rs. Cr.)

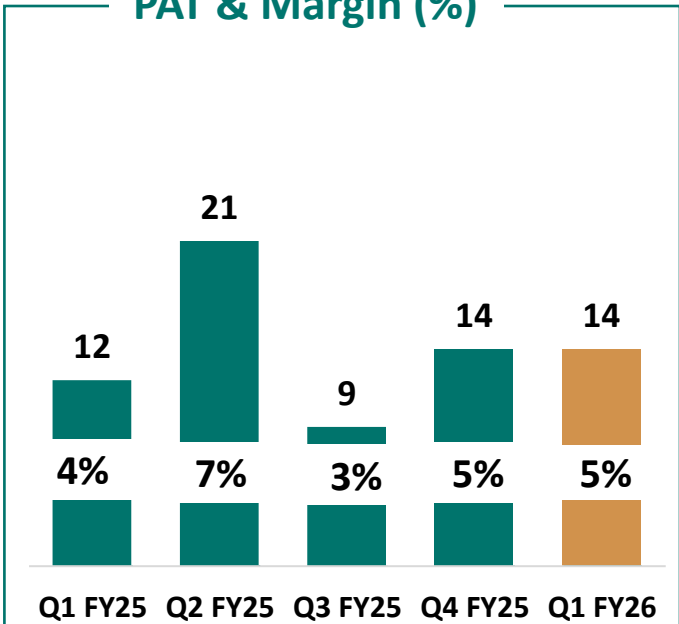
Revenue



EBITDA & Margin (%)



PAT & Margin (%)



YoY Change

(6.5)%

10.5%

14.6%

QoQ Change

(5.3)%

0.2%

(4.8)%

# Efficient Capacity Utilisation with Increasing Fabric Sales & Exports



Particulars	UoM	FY21	FY22	FY23	FY24	FY25	Q1FY25	Q4FY25	Q1FY26
<b>Sales Volume:</b>									
Yarn	000 MT	26.4	28.8	28.6	33.1	36.2	8.8	8.9	8.4
Knitted Fabric	MT	-	-	44	336	514	129	146	247
Griege Fabric	Lakh Meters	-	9	50	114	159	32	46	36
<b>Capacity Utilization</b>	<b>%</b>	<b>95%</b>	<b>98%</b>	<b>94%</b>	<b>98%</b>	<b>99%</b>	<b>98%</b>	<b>99%</b>	<b>99%</b>

<b>Total Revenue</b>	<b>Rs. Cr</b>	<b>611</b>	<b>924</b>	<b>1,037</b>	<b>1,060</b>	<b>1,168</b>	<b>289</b>	<b>285</b>	<b>270</b>
<b>Revenue by Products:</b>									
Yarn	Rs. Cr	611	914	1,005	991	1,071	268	257	245
Fabric	Rs. Cr	-	10	32	69	97	21	28	25
% of Revenue	%	-	1.1%	3.1%	6.5%	8.3%	7.3%	9.9%	9.3%
<b>Revenue by Geography:</b>									
Domestic	Rs. Cr	571	809	903	901	984	229	252	254
Exports	Rs. Cr	39	115	134	159	184	60	33	17
% of Revenue	%	6.4%	12.4%	12.9%	15.0%	15.7%	20.8%	11.5%	6.1%

Note: Before demerger, GHCL Textile was part of GHCL Limited.



# Q1 FY26 Results



Particulars (Rs. Cr.)	Q1FY25	Q4FY25	Q1FY26	YoY	QoQ
<b>Total Income</b>	<b>289</b>	<b>285</b>	<b>270</b>	(6)%	(5)%
Operating Expenses	260	253	238	(8)%	(6)%
<b>EBITDA</b>	<b>29</b>	<b>32</b>	<b>32</b>	11%	0%
<i>EBITDA Margin (%)</i>	<i>10.1%</i>	<i>11.3%</i>	<i>12.0%</i>	<i>190 bps</i>	<i>70 bps</i>
Interest	1	1	1	21%	83%
Depreciation	13	13	13	4%	4%
<b>PBT</b>	<b>16</b>	<b>19</b>	<b>18</b>	15%	(5)%
Tax Expenses	4	5	5	18%	(5)%
<b>PAT</b>	<b>12</b>	<b>14</b>	<b>14</b>	14%	(5)%
<i>PAT Margin (%)</i>	<i>4.1%</i>	<i>5.0%</i>	<i>5.0%</i>	<i>90 bps</i>	<i>2 bps</i>

*Note: Revenue and EBITDA numbers include other income.*



# Ongoing Revenue Diversification to Drive Future Growth

## Value Added Product Portfolio



Giza



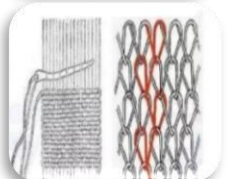
Supima



Australian Yarn

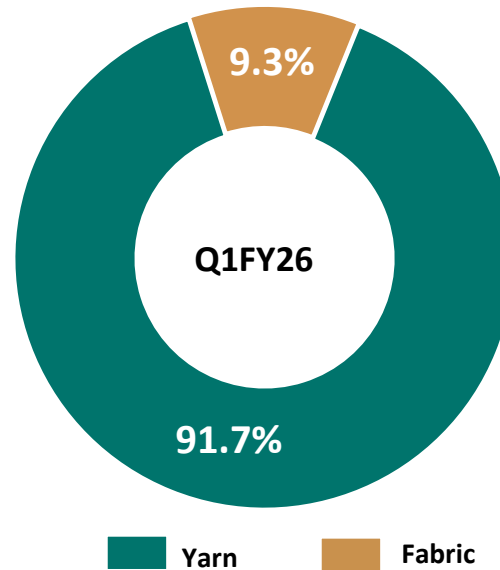


CmiA Yarn

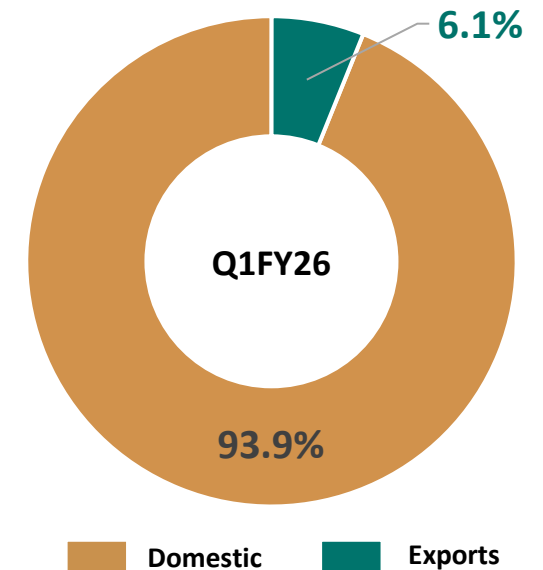


Woven and Knitted Fabric

## Revenue by Product



## Revenue by Geography



# Strengthening the Core: Key Operational Milestones



Yarn Sales Volumes at 8.4k MT, with GHCL Textile well positioned to benefit from any sector tailwinds in H1 FY26.



Reduced working capital to Rs. 380 Crores on account of increase in creditors, focus on resource allocation and optimization.



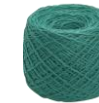
Value-added yarn share increased to 56%, portfolio premiumization to further improve integration with strategic customers.



Renewable energy assets of 62 MW, ongoing green initiatives, contributing to sustainability and to reduce energy costs further.

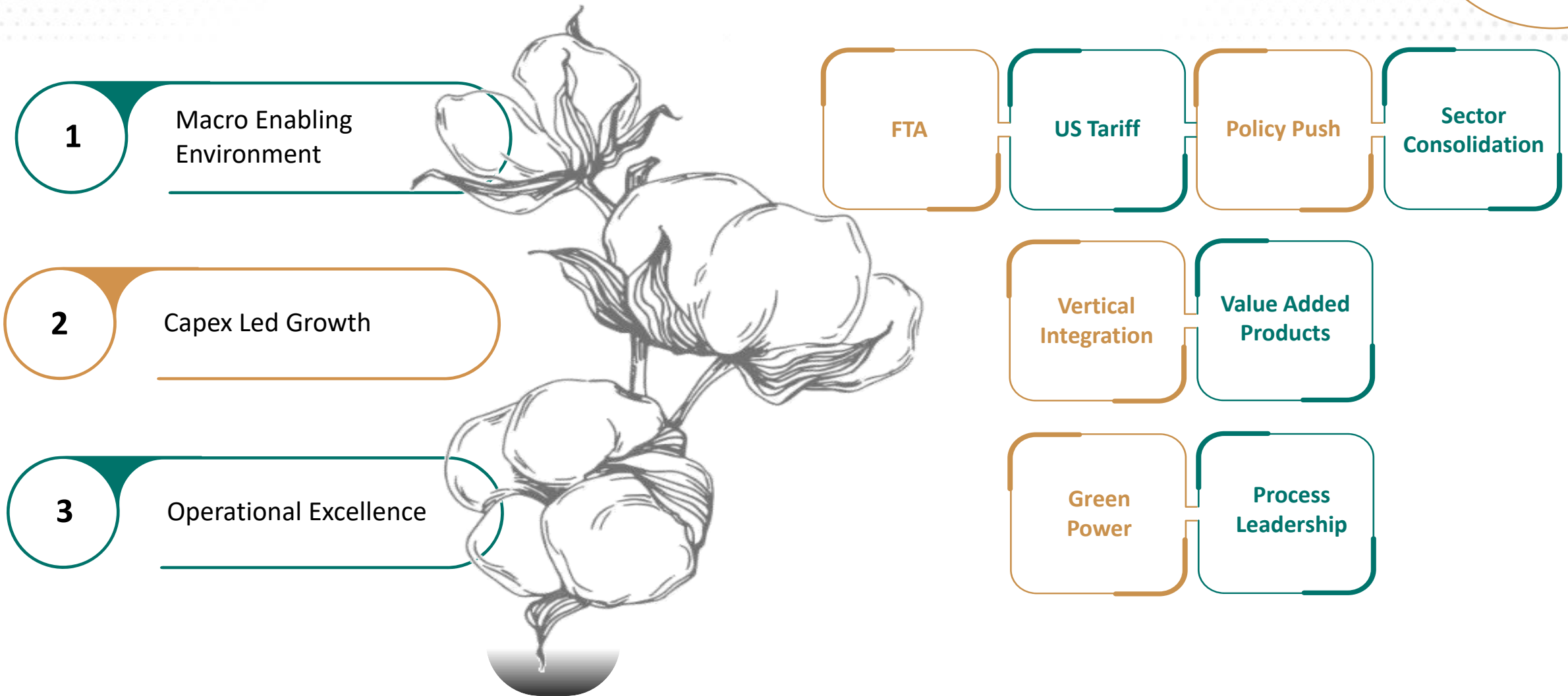


Cotton inventory at 10k MT, sufficient to ensure production continuity and benefit from adverse pricing trend into Q2 FY26.



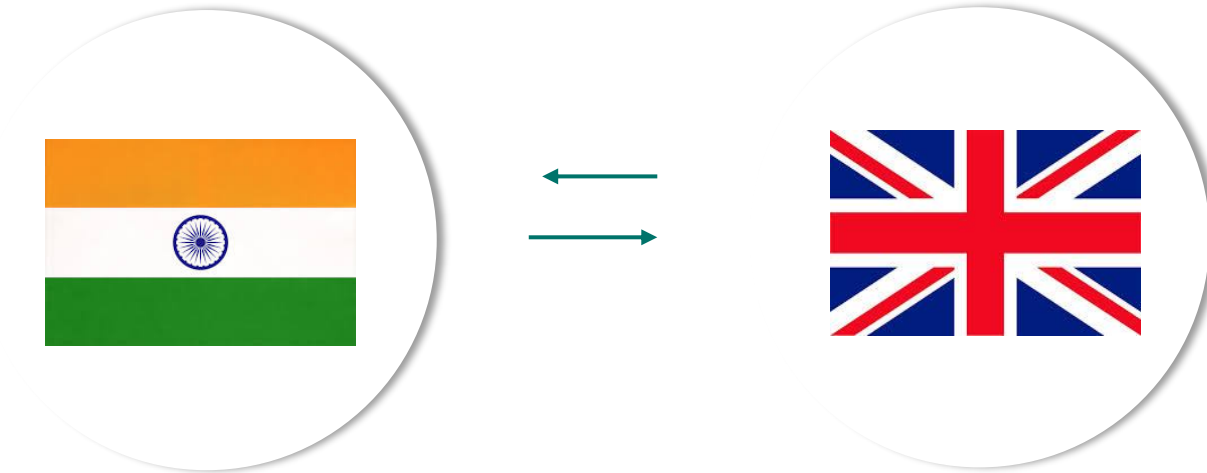
Operational discipline and sourcing efficiency underpin gross margin resilience, with potential to improve as scale, mix and vertical integration evolve.

# Factors Impacting Sector and Our Performance

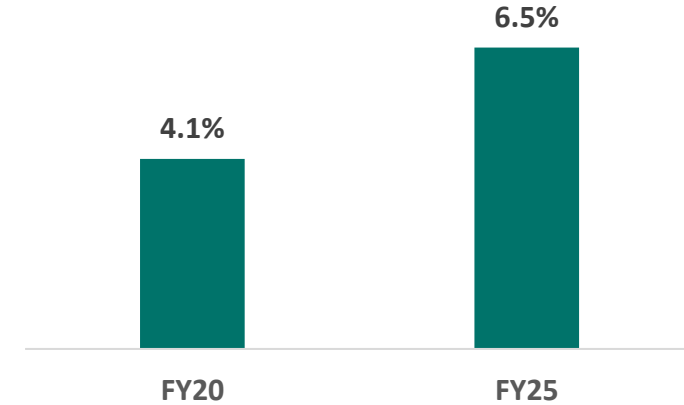


***Our Focus in on Strengthening Our Core and Expanding Our Horizons.***

# India Secures Duty-Free Access to UK Apparel Market



India's Share in UK Apparel Imports



## Tariff Advantage

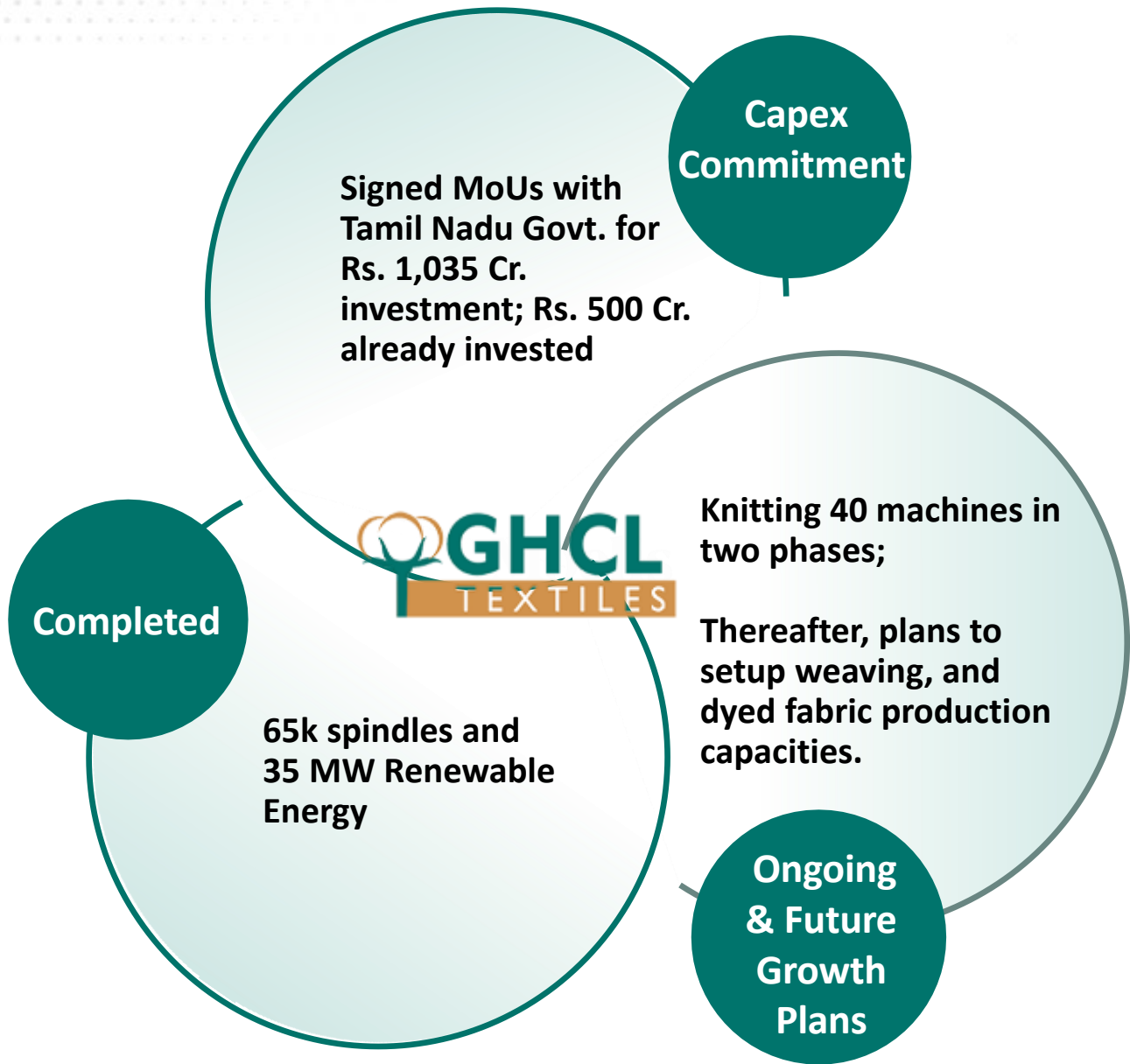
India can now export apparels to the UK at 0% duty, thus gaining parity vis-à-vis Bangladesh, Sri Lanka, Pakistan and China.

## Retailer Realignment

UK buyers may shift sourcing to India to leverage cost savings and diversify sourcing base.

***Indian Textile Sector to Gain Traction from India-UK FTA and not at par with our neighboring countries.***

# Future Expansion Plans



## Capex – Capacity Additions

Project Description	25k Spindles	Knitting
Current Status	Completed on time	Initiated
Timeline	Commissioned in June 2025	Phase 1: Q3FY26 Phase 2: Q4FY26
Implication	Expected to generate revenue of Rs. 250 Cr	Forward integration into own cotton yarn

# Strategic Priorities



**Vertical integration** of the yarn manufacturing to include knitted, weaving and dyed fabrics, which yields superior margin and integration with existing business



**Specialized Yarn** for moving into value added products / premium products in each category



**Enhancement of Green energy** portfolio to 75 MW (from 62 MW currently) to cater up to 75% of our energy requirement



**Operational Excellence** with focused execution, and continuous improvement to drive efficiency, reduce costs, and deliver consistent quality at scale.

These initiatives will more than double the revenue and will be margin accretive.

***Long term EBITDA margins shall be in 15-18% range***





# COMPANY OVERVIEW



# An Introduction to GHCL Textiles



## FY25

- Revenue: ₹ 1168 Cr
- EBITDA Margin: 10%
- Long Term Avg. Margins: 15%

## Capacities

- Ring Spindles: 2.25 lac
- Rotors: 3,320
- Vortex: 480
- TFO Spindles: 5,760

~99%

Capacity Utilisation

- Journey started with acquisition of sick spinning unit in 2002, turnaround to one of the most reputed mills.
- Spinning business demerged to form GHCL Textiles Ltd effective April 1, 2023.
- 2 State-of-the-art manufacturing infrastructure with cutting-edge textile machinery located in the state of Tamil Nadu.
- Producers of high-quality tailor-made yarns, catering to domestic and international markets.
- Committed to sustainability with substantial green energy assets providing cost benefits as well.



# Key Product Offerings

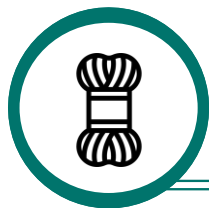
## Product Portfolio



**Open End Yarn**



**Vortex Yarn**



**Ring Spun Cotton Yarns**



**Cellulosic & Blended Yarns**



**TFO Double Yarns**

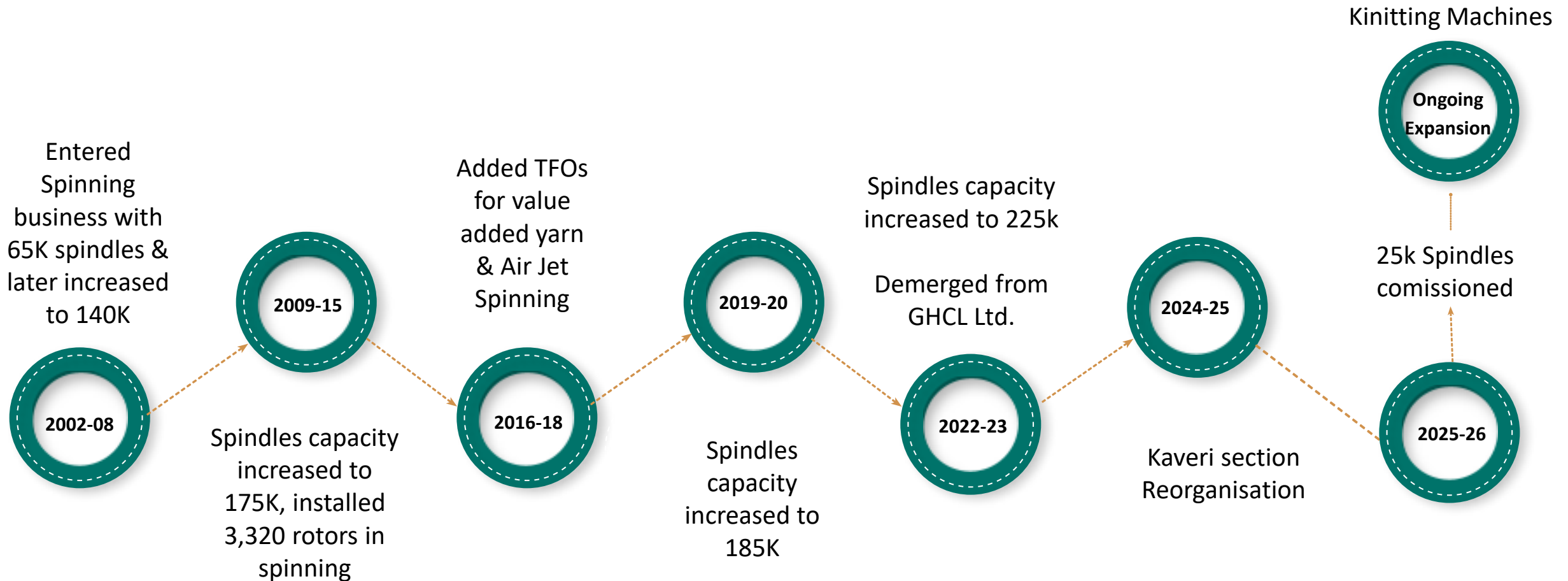


**Synthetic Blended Yarns**

Yarn Type	Range	End Use
100% cotton combed Compact Hosiery yarn from Indian, US and Australian Mix	20s to 60s	Knitting
100% cotton combed compact yarn from Indian, US, Australian, Supima and Giza Mix	30s to 170s	Weaving
Polyester /Cotton & Cotton/Polyester blended Hosiery yarn	25s to 40s	Knitting
PV/PC/100% Polyester normal and Fancy Yarns	25s to 70s	Weaving
100% cotton open end Indian/Contamination Free Yarn	10s to 32s	Knitting / Weaving
100% VSF Vortex and Ring Spun Yarn	30s to 40s	Knitting / Weaving
Micro Modal, Tencel SIRO and its blend yarn	40s to 80s	Knitting / Weaving
100% Cotton TFO yarn in all Mix	2/30s to 2/170s	Weaving

**Preferred supplier to premium customers both at domestic and international level with varied portfolio offerings**

# Decade-long Expertise in Spinning: Focused on Value Creation



*Note: Before demerger, GHCL Textiles was part of GHCL Limited*

# GHCL's Unique Value Proposition



## Operational Excellence

- 98%+ utilization, even in tough markets
- Lean cost structure with efficient power, labor, and admin management
- 62MW renewable energy covers ~72% of energy needs
- ~80% of the workforce consists of skilled women



## Customer-Centric Approach

- Catering to strategic customers who require customized products



## Strategic Shift to Premium Products

- Gradual transition from commodity yarn to higher-margin, value-added yarn segments



## Strong Foundation for Growth

- Expertise in cotton inventory management
- Strong balance sheet supports sustainable growth

# Superior Credibility through Several Certifications



# Strengthening Customer Relationship through Value Creation



## 10+ Years Long Standing Relationship with Several Key Customers

### Fully Equipped

- 39K MTPA yarn production
- Culture for developing value-added products leading to value creation
- Cost benefits driven by a deeply ingrained cost-conscious culture

### Product Basket

- Wide range of products form commodity to value-added
- Tailor-made products to suit specific applications
- Further expanding product portfolio to be one stop shop

### Premium Quality

- Producers of high-quality yarns, including GIZA, SUPIMA, Australian, CmiA, Tencel, Viscose & rPET Yarn, catering to domestic & international markets.
- Adhering to global standards & international best practices

### Quality Assurance

- Machines equipped with latest on-line quality monitoring systems
- Certified member of USTERIZED brand which is a symbol of excellence in spinning

### Serviceability

- Single-step service process for Customers while following the problem through to its resolution
- Outstanding customer service experience to build trusting relationships

### Traceability

- Developed a traceability platform for premium products, offering details on source locations, environmental and social impact to customers.



# Sustainable Energy Solution: Guiding Path to Excellence

*“ We strive to become a responsible steward and aim to reduce the overall environmental footprint of the organisation and will continuously monitor our journey ”*

## Several Initiatives Focused on ESG

- 1 **Renewable Energy:** caters to 72% of energy consumption
- 2 **Environment:**
  - Significant savings in purchased electricity through usage of renewable electricity
  - Saving from water recycling and rain water harvesting
- 3 **Impactful CSR Initiatives by GHCL Foundation Trust**
  - Promoting sustainable Agriculture and Animal Husbandry practices
  - Prioritizing Health initiatives for community well-being
  - Dedicated to Women Empowerment and Education

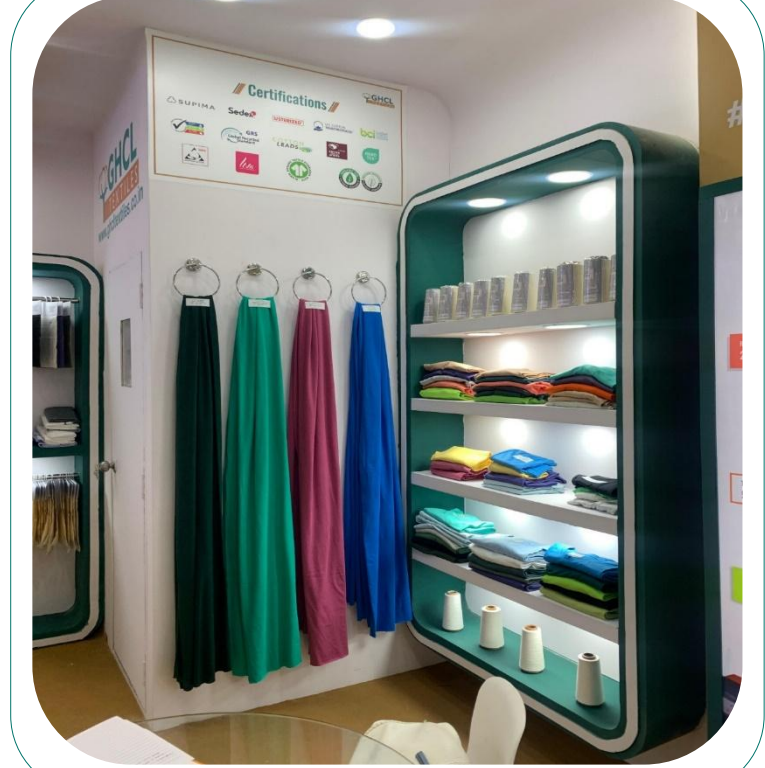




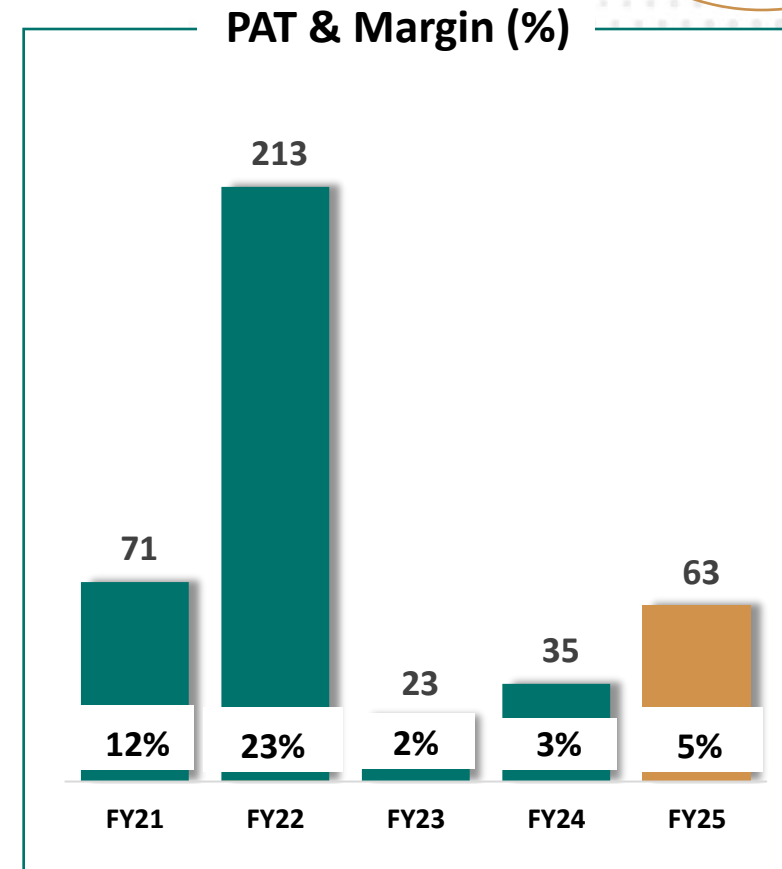
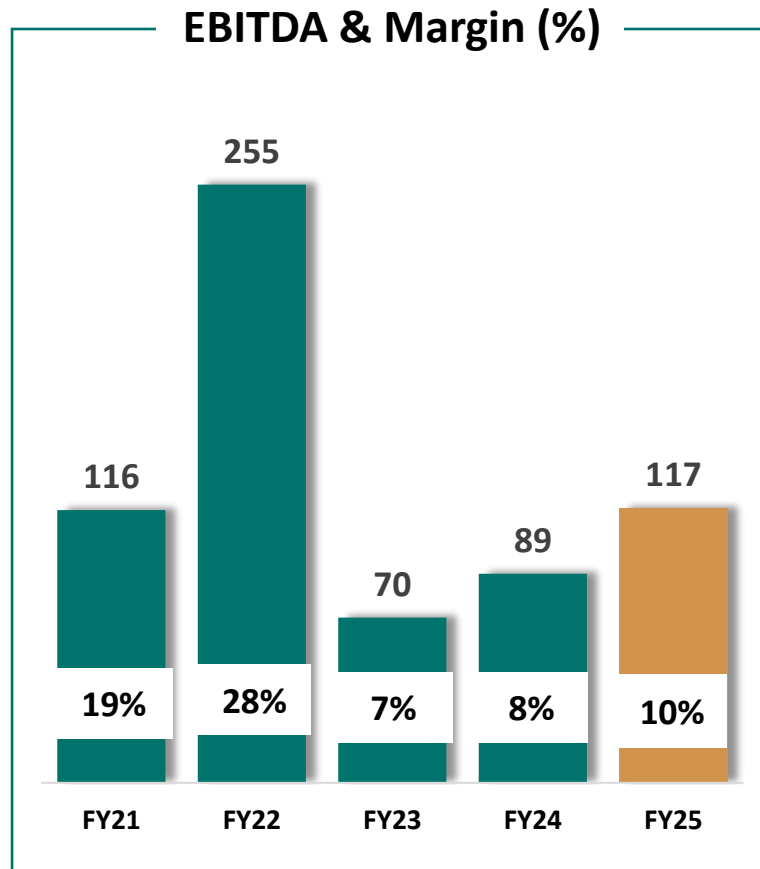
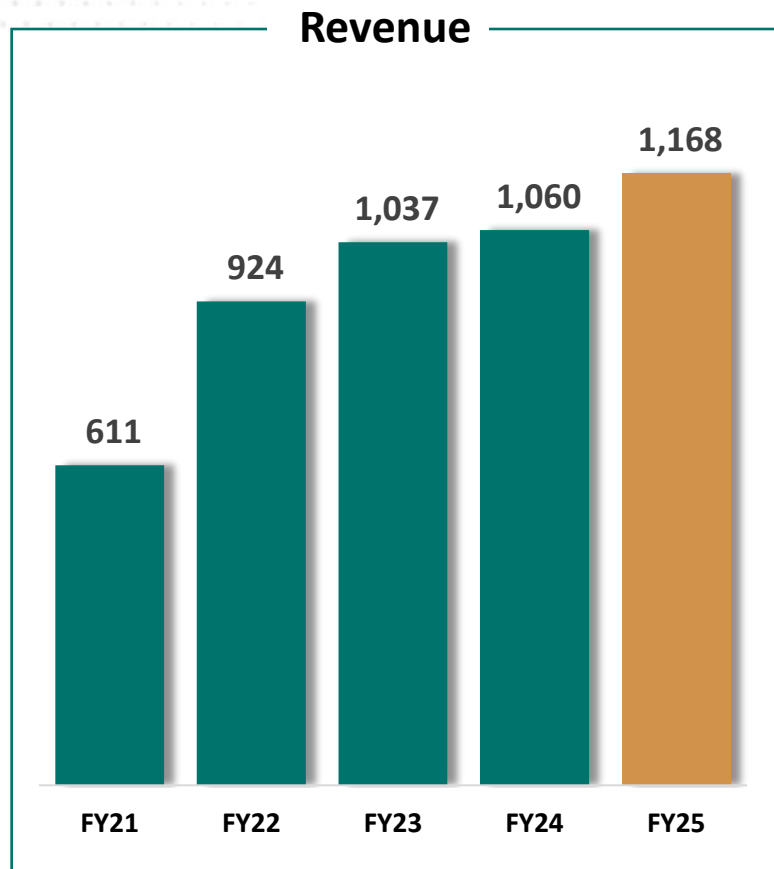
# GHCL Unveils Textile Excellence at Bharat Tex 2025



GHCL Textiles participated in Bharat Tex 2025, held from February 14–17 at Bharat Mandapam, New Delhi. The company exhibited its diverse product range emphasizing its commitment to innovation, sustainability, and excellence.



# Long Term Financial Performance



**Achieved an industry leading average EBITDA margins of ~15% over long term due to Vertical Integration, Value Added Portfolio, Strategic Customers and Operational Excellence.**

*Note: (1) Before demerger, GHCL Textile was part of GHCL Limited. (2) Revenue and EBITDA numbers include other income.*

# Prudent Capital Allocation and Strong Balance Sheet



## Capital Allocation for FY25

**Rs. 111 Crore**

Cash Inflows Generated

**Rs. 8 Crore**

Debt Repayment

**Rs. 5 Crore**

Dividends Paid

**Rs. 158 Crore**

Growth Capex

**Rs. (54) Crore**

Working Capital  
Release

**Decrease in cash & cash equivalents\***  
**Rs. 7 Crore**

**Rs. 58 Crore**

Net Debt

**0.04x**

Net Debt to Equity

**Rs. 0.5**

Dividend Per Share  
25% Payout Ratio

**5%**

Return on Capital  
Employed \*\*

**Closing cash & cash equivalents\***  
**Rs. 5 Crore**

Note: \*Cash and cash equivalents consists of cash, bank and current investments.

\*\* RoCE excludes Rs. 332 Cr. on account of capital reserves from demerger and surplus non-operating assets. Without this adjustment RoCE is 4%.

# Experienced Leadership Team



## Experienced and Accomplished Board of Directors

**Mr. Anurag Dalmia**  
Chairman

**Mr. C. R. Rajagopal**  
Independent Director

**Mr. R. S. Jalan**  
Non-Executive Director

**Justice Mr. Ravindra Singh (Retd.)**  
Independent Director

**Mr. Raman Chopra**  
Non-Executive Director

**Mrs. Sudha Pillai, IAS (Retd.)**  
Independent Director

**Mr. Neelabh Dalmia**  
Non-Executive Director

**Mr. V. K. Jeyakodi**  
Independent Director

## Revamped Management Team

**Mr. Marshal Sonavane**  
CEO

**Mr. Parasuraman M.**  
CFO

**Mr. N. Rajagopal**  
Technical Head

**Mr. R. Satish Kumar**  
Operational Head

**Mr. Lalit Dwivedi**  
Company Secretary

**New independent directors and revamped management team is well positioned to strengthen corporate governance practices and drive the growth for GHCL Textiles.**





**Mr. Manu Jain**

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# THANK YOU

