

Date: 13.02.2021

To,  
The Manager,  
Listing Department,  
BSE Limited,  
Phiroze Jeejeebhoy Tower,  
Dalal Street, Mumbai 400 001  
**BSE Scrip Code: 540726**

Dear Sir/Madam,

**Sub: Earnings Presentation-Q3FY21**

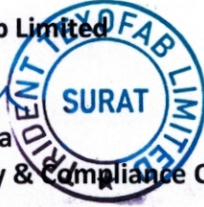
Pursuant to Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed herewith Earnings Presentation for the third quarter and nine months ended on December 31, 2020 (Q3FY21).

Kindly take the above on record.

Yours faithfully,

For Trident Texofab Limited

  
Mehul N. Amareliya  
Company Secretary & Compliance Officer  
M. No. A54306



Encl. a/a

# TRIDENT TEXOFAB LIMITED



Q3FY21 Earnings Presentation  
February 2021

BSE: TTFL | Bloomberg: TTFLTD:IN



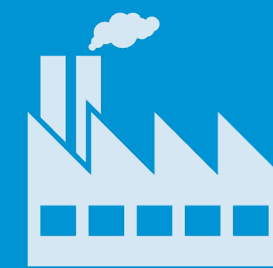
# Company Overview

- Founded in early 2000 by Mr. Hardik Desai and Mr. Chetan Jariwala, and Incorporated in 2008 as Trident Texofab Private Limited. The company converted to a public company and got listed on BSE SME through an IPO in 2017.
- TTFL is a Semi Composite Textile manufacturing and trading company dealing in products for Home Furnishing, Garments, Suiting, Shirting, Technical Textile & Fabrics.
- In 2018-19, the company undertook its 'Shifting Gears' strategy and shifted from being a pure textile-trading company to a semi composite company, manufacturing polyester & poly-blend fabrics.
- At present, the company manufactures various grades of grey fabrics & undertakes job work for Weaving, Digital Printing & Embroidery.

# TTFL at Glance

## 'Shifting Gears'

'Shifting Gears' from Pure-Trading to Profitability-assertive Manufacturing Operations



Semi-Composite  
Manufacturing Unit

## 78 Lakh Meters

Annual Manufacturing  
Capacity - 78 Lakh Meters

## Wide Portfolio

Wide Portfolio of Finished and  
Semi-finished Products



~100

Team Strength



2<sup>nd</sup> Phase of  
CAPEX in Planning  
Pipeline

1<sup>st</sup> Generation Management  
& Promoters

**BSE SME Listed >>**  
Migrated to Main Board

# What is ‘Shifting Gears’?

In the words of our founder Mr. Hardik Desai

“Strategic transformation is critical to survive and thrive in an evolving business environment, hence at TTFL we are building capabilities for the future. In the last year, **we have moved from heavy reliance on trading to manufacturing excellence**, from stagnation to relentless dynamism.

This journey encompasses being ever-vigilant in manufacturing the highest quality products for our customers, to thinking ahead about ways to shape the company for the future, we are investing today to see a brighter tomorrow. **Above all, we are striving to grow from strength to strength, to deliver value to all our shareholders.**

*We are Shifting Gears!”*

# Wide Product Portfolio

## MANUFACTURING

### Finished products

- Embroidered Fabrics
- Digital Printed Fabrics
- Bed Sheets
- Technical Textiles
- Suiting
- Various Polyester and Poly-Blend Fabrics

### Semi-Finished Products

- Grey Fabrics
- Contract Manufacturing Digital Printing
- Value-added Products in Embroidery

## TRADING

### Home Furnishing Including

- Home Furnishing including
- Bed Sheets
- Curtains
- Cushion Covers

### Clothing Articles Like

- Scarfs
- Pareos
- Suiting
- Shirting
- Technical Textile Fabrics

# Shifting Business Divisions

## MANUFACTURING

Commenced in 2018 with completion of the 1st Phase of CAPEX.

To drive incremental growth at TTFL in the years to come.

Contributed 73.22% of Revenue from Operations in Q3FY21 as compared to 75.31% in Q2FY21.

## TRADING

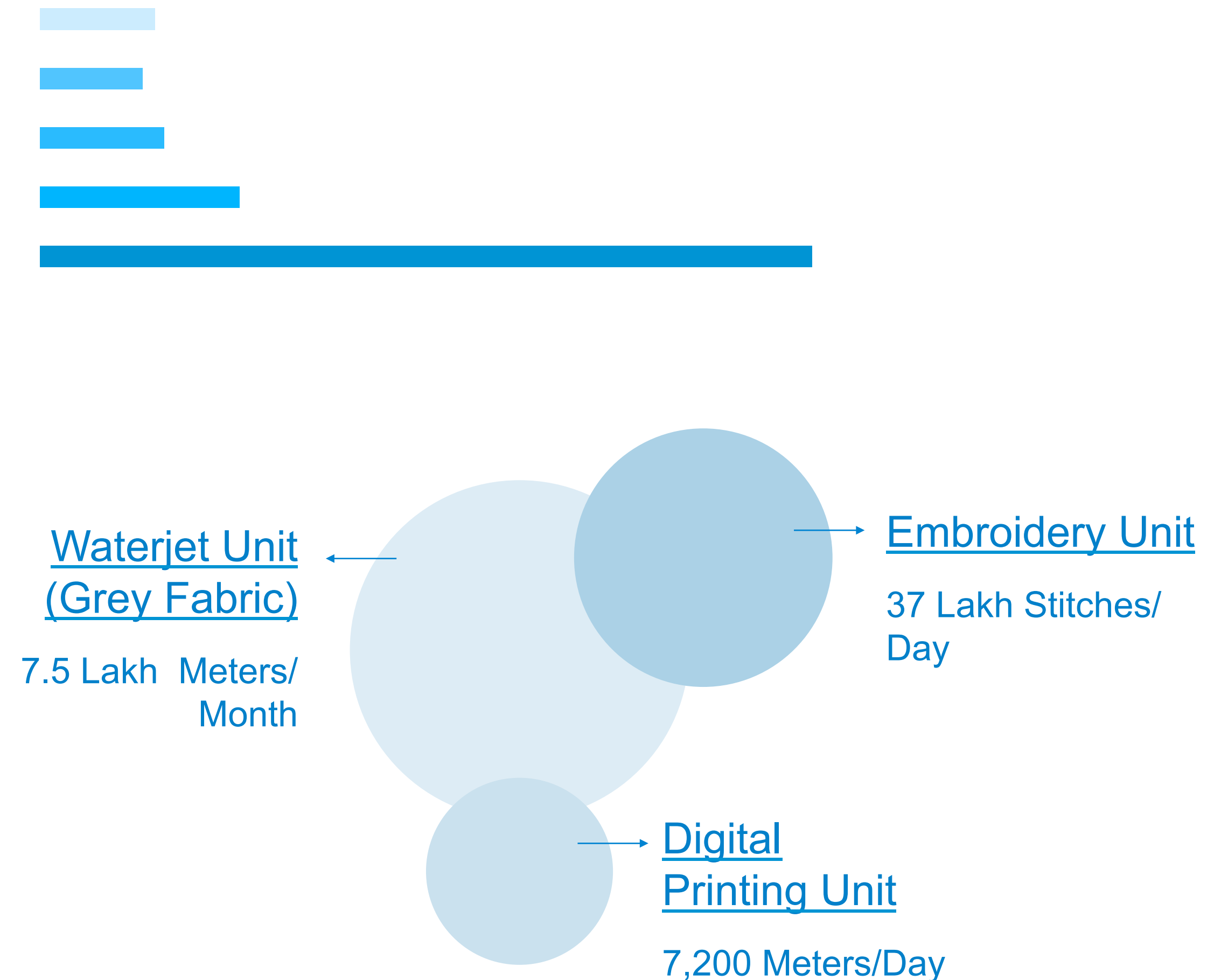
Majority business contributor since inception. Contributed 26.78% of sales in Q3FY21.

Will maintain the same level of growth as witnessed in the 5 years.

Over the years this segment will be phased-out with growing prominence of Manufacturing at TTFL.

# 1<sup>st</sup> Phase of CAPEX

- The 1<sup>st</sup> Phase of CAPEX begun in September 2018.
- In the 1<sup>st</sup> phase the company invested in
  1. Waterjet Unit for Grey Fabrics
  2. Value-added Contract Manufacturing – Embroidery & Digital Printing Unit
- In the last two financial years, the company has built an additional Netblock of 771 Lakhs totaling to 927 Lakhs in FY2020.

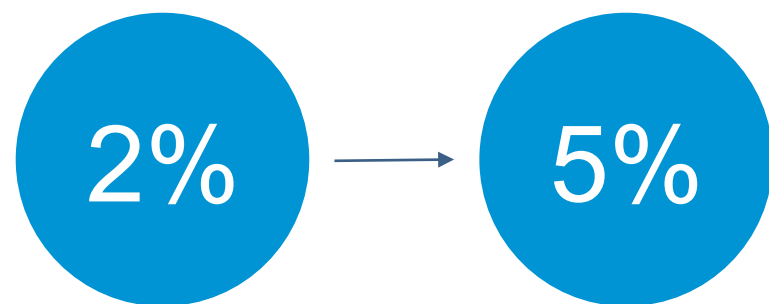




# Early Results → Courage to Invest Further

The early results from our 'Shifting Gears' strategy have been very satisfactory.

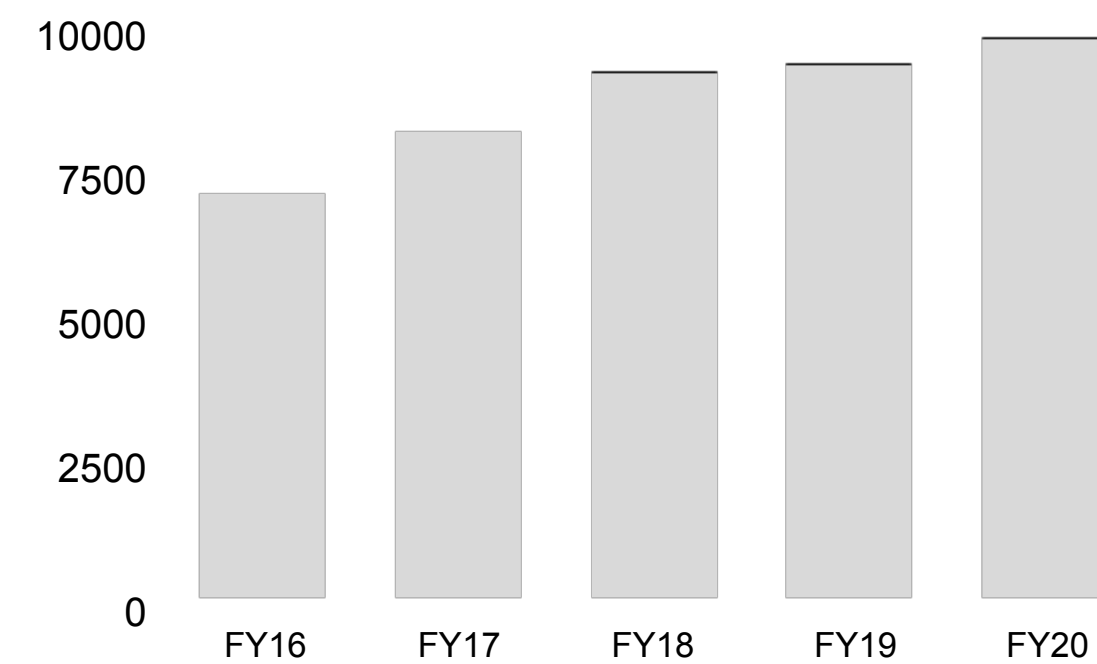
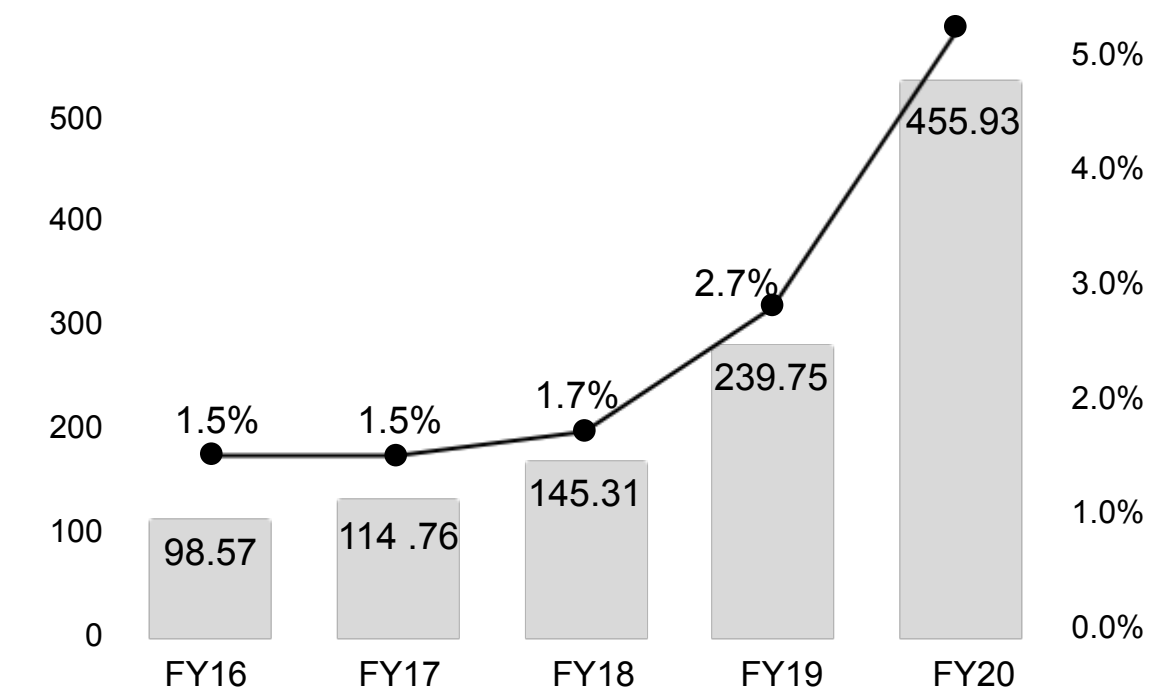
The company has witnessed an exponential 3X jump in its operating profitability in last 2 years.



OPM in Last 2 Years

This has been prominently due a shift in margin profile of the company from sub 2% OPM to 5% OPM in last two years.

The company believes there is further headroom to grow with a 2<sup>nd</sup> Phase of CAPEX.



# Financial Highlights

## Q3FY21 Profit and Loss Summary

(IN INR LAKHS)

PARTICULARS	Q3FY21	Q2FY21	Q3FY20	Y-O-Y%
Revenue from Operations	1395.61	1562.66	1992.15	-29.9%
<b>Total Income</b>	<b>1399.55</b>	<b>1581.94</b>	<b>1999.34</b>	<b>-30.0%</b>
Total Operating Expenses	1311.28	1484.92	1843.99	-28.8%
EBITDA (Excluding OI)	84.33	77.74	148.16	-43.0%
<b>EBITDA (Excluding OI) %</b>	<b>6.0%</b>	<b>4.9%</b>	<b>7.4%</b>	<b>-139 bps</b>
Interest Cost	56.77	59.57	102.33	-44.52%
Depreciation & Ammortisation	20.65	19.62	20.73	-0.39%
Profit Before Taxes	10.85	17.83	25.10	-56.77%
<b>Profit After Taxes</b>	<b>7.90</b>	<b>14.45</b>	<b>23.18</b>	<b>-65.92%</b>

# Financial Highlights

## Balance Sheet Summary

(IN INR LAKHS)

PARTICULARS	FY20	FY19	FY18	FY17	FY16
Shareholder's Fund	<b>1185.43</b>	<b>1099.54</b>	<b>826.35</b>	<b>826.35</b>	<b>346.28</b>
Non Current Liabilities	1172.43	926.19	419.09	419.09	52.35
Current Liabilities	2879.34	2882.75	3248.18	3248.18	3400.06
Total	5237.20	4908.47	4493.66	4493.66	3798.69
Non Current Assets	1243.17	1133.57	470.45	470.45	178.48
Current Assets	3994.03	3774.91	4023.20	4023.20	3620.19
Total	5237.20	4908.47	4493.66	4493.66	3798.67

# Financial Highlights

## Profit and Loss Summary

(IN INR LAKHS)

PARTICULARS	FY20	FY19	FY18	FY17	FY16
Revenue from Operations	9096.41	8689.74	8546.24	7594.76	6597.91
<b>Total Income</b>	<b>9127.25</b>	<b>8722.01</b>	<b>8594.15</b>	<b>7619.19</b>	<b>6603.29</b>
Total Operating Expenses	8670.75	8436.18	8400.95	7480.00	6499.34
EBITDA (Excluding OI)	425.66	253.56	145.29	114.76	98.57
<b>EBITDA (Excluding OI) %</b>	<b>4.7%</b>	<b>2.9%</b>	<b>1.7%</b>	<b>1.5%</b>	<b>1.5%</b>
Interest Cost	241.40	86.47	76.95	68.23	60.45
Depreciation & Ammortisation	80.48	30.39	12.58	13.01	13.50
Profit Before Taxes	134.62	168.97	103.67	56.37	9.32
<b>Profit After Taxes</b>	<b>85.89</b>	<b>127.42</b>	<b>75.00</b>	<b>34.12</b>	<b>5.87</b>

# Management Commentary

## Q3FY21 Result Discussion

- The financial performance of Q3FY21 has been in line with the company's expectations. Although Revenue from Operations is down 29.9% Y-o-Y and 10.7% Q-o-Q, the company is confident of achieving the pre-COVID run-rate of Revenue from Q4FY21 onwards. The company has decent visibility of operations given the current orders in hands and ongoing enquiries from customers.
- EBITDA margins remained healthy at 6.0% in Q3FY21 as compared to 4.9% in Q2FY20 and 7.4% in Q3FY20 – despite operations being not recovered fully. Pro-active cost cutting measures have aided the profitability in the 9MFY21, and the company plans to remain agile going forward as well.
- PAT has remained subdued on a Y-o-Y or Q-o-Q basis, mainly because of lower revenue from operations coupled with higher Depreciation and Finance Costs post completion of the manufacturing setup. PAT is expected to normalize in the longer run.

## Ongoing Expansion of Manufacturing Operations

As communicated earlier, the company is moving forward with the expansion of Manufacturing Capacity at the Waterjet Unit. The same is expected to be commissioned by Q4FY21 and will start contributing revenues from Q1FY22.

This CAPEX has been funded through a mix of internal accruals and debt.

# Contact Us

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Corporate Governance Manager

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