

RUDRA ECOVATION LIMITED

(Formerly known as HIMACHAL FIBRES LIMITED)

CIN - L17119HP1980PLC031020

Registered Office- Plot No. 43-44, Industrial Area, Barotiwala-174103 (Himachal Pradesh)

Date: - 25/05/2024

To,
The Department of Corporate Services,
BSE Limited
P.J. Towers, Dalal Street,
Mumbai - 400001
Scrip Code: 514010

RUDRAECO | 514010 | INE723D01021

Sub.: Investor Desk May, 2024

Dear Sir / Madam,

Please find attached hereby Investor Presentation May, 2024, pertaining to proposed merger between Rudra Ecovation Limited and Shiva Textfabs Limited subject to requisite approvals.

We request you to take the above information on record.

Thanking You,
For Rudra Ecovation Limited
(Formerly Known as Himachal Fibres Limited)

Nancy Singla
Company Secretary cum Compliance officer

Email- hfl.corporate@gmail.com website- <http://www.himachalfibre.com/>
*Corporate Office: 4th Floor, Wood Stock Tower, B-35/958, Adarsh Nagar, Ferozepur Road, Opposite Waves Mall,
Ludhiana-141012, Punjab*



Rudra Ecovation Ltd. (Formerly Himachal Fibres Ltd.) & Shiva Texfab Ltd.

INVESTORS DECK
MAY 2024



Rudra Ecovation Ltd. and Shiva Texfab Ltd. have in principle decided to merge subject to relevant approvals.



Corporate Restructuring



Rudra Ecovation Ltd.



Shiva Textfab Ltd.

Acquired 51% stake
in Shiva Cottex Private
Limited

Business Profile: Recycled PET
(rPET) bottle to bottle chips
business & manufacturing of
acoustic panels from rPET

Pending Merger

Rudra Ecovation has decided to acquire 21.46% equity stake in Shiva Textfab Ltd. The purpose of this investment is to fund ongoing expansion in Shiva Textfab pending the merger of these two entities.

Business Profile:
Manufacturing of staple
fibre, filament yarn, spun
yarn, Anaura, & non-
wovens from rPET



Rudra Ecovation and Shiva Textfab are
proposed to be merged into **single entity**



About Us :

Established in 1997, Rudra Ecovation along with Shiva Textfab have consistently demonstrated unwavering commitment to sustainability, positioning itself as a trailblazer in PET waste recycling. Based in Ludhiana, Punjab, our sprawling 100-acre state-of-the-art facility proudly stands as India's preeminent integrated manufacturing unit for rPET waste recycling. Over our **illustrious 26-year journey**, we have not only achieved the impressive feat of reducing global CO2 emissions by more than 1,40,000 metric tons annually, but have also become synonymous with cutting-edge environmental solutions.



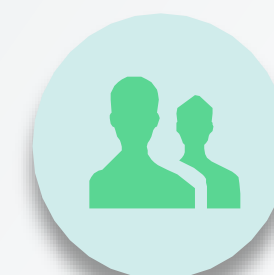
Drone Picture of Shiva Textfab Ltd. based in Ludhiana, Punjab, 100-acre state-of-the-art facility proudly stands as India's preeminent integrated manufacturing unit for rPET waste recycling



140,000 MT
Co2 Emission
saved annually



- Since **1997**
- **100** Acre Own
Land Plant



3000+
employees across
locations



Environment Challenges



Ocean-bound Plastic (OBP)

Studies predict that by 2050, the amount of plastic in our oceans will surpass the population of fish, highlighting a pressing environmental concern.



Waste Landfills

In India, over 85% of plastic is annually directed to landfills, with a staggering 14 lakh tonnes of PET plastic, commonly used for bottled water, consumed each year. This translates to more than 3,800 tonnes daily, emphasizing the scale of the issue.



Plastic Litter

Furthermore, a significant 75% of litter found on sea beaches comprises plastic, exacerbating the marine pollution crisis.

Recent News On Environment Challenges

DECEMBER 7, 2023
New circular economy roadmap reveals how to reduce plastic waste in India
by CSIRO



An Amdavadi creates 11kg of plastic waste a year
Jignesh Parmar / TNN / Updated: Jun 5, 2023, 06:28 IST



Credit:

Considering population of city at 85 lakh according to some estimates, every Amdavadi on an average generates 945 grams of plastic waste.

Environmental advocates cautiously welcomed the outcome of five days of U.N. talks in Paris on plastic pollution, but expressed concern that the petroleum industry and some governments would water down the eventual treaty. Most plastic is made from fossil fuels.

WORLD ECONOMIC FORUM

- Rapid urbanization, economic growth and shifts in consumption patterns mean the world is facing an ever-expanding amount of waste.
- With 350 million metric tons of plastic waste generated each year, there is an urgent need for more effective waste management solutions.
- As a growing number of India initiatives highlight, collaboration and working with all stakeholders from the ground up is essential.

The world faces a steep challenge in the form of an exponentially expanding waste ecosystem reaching unsustainable levels, which is driven by rapid urbanization, economic growth and production, and shifts in consumption

Plastic waste is choking marine landscape in coastal areas of state
Umamaheswara Rao / Jun 5, 2023, 08:12 IST

Around 240 tonnes of plastic waste gets dumped in India's national capital every day, says report

New Delhi, India • Edited By: Prisha • Updated: Jun 05, 2023, 07:03 PM IST



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Union environment minister Bhupender Yadav took to social media to announce the notification of the new Plastic Waste Management (Amendment) Rules, 2022, late on Thursday night

Delegates working to end global plastics pollution agree to craft a draft treaty
ANGELA CHARLTON and JENNIFER MCDERMOTT
3, 2023

Home / Cities / Mumbai News / 75% of litter on city beaches is plastic, finds study
75% of litter on city beaches is plastic, finds study
By Prayag Arora-Desai

Feb 24, 2023 02:46 AM IST

The plastic marine debris threat has been highlighted by other researchers as well. For example, Helen White, an oceanographer at Haverford College in Pennsylvania, USA, found in her 2021 study that polystyrene comprised about 16 percent of plastic debris collected from three beaches of Mumbai



Transforming challenges into opportunities



Integrated Plant :
From Pet Flakes to Sustainable Products



Capacity :
Inhouse capacity for complete value chain



Sustainable sourcing :
ESG-compliant suppliers.



R&D Team :
Continous research on new Products.



ESG Focus :
ESG compliance focus



EPR Support :
Aids brands achieve EPR Goals



Product Offerings



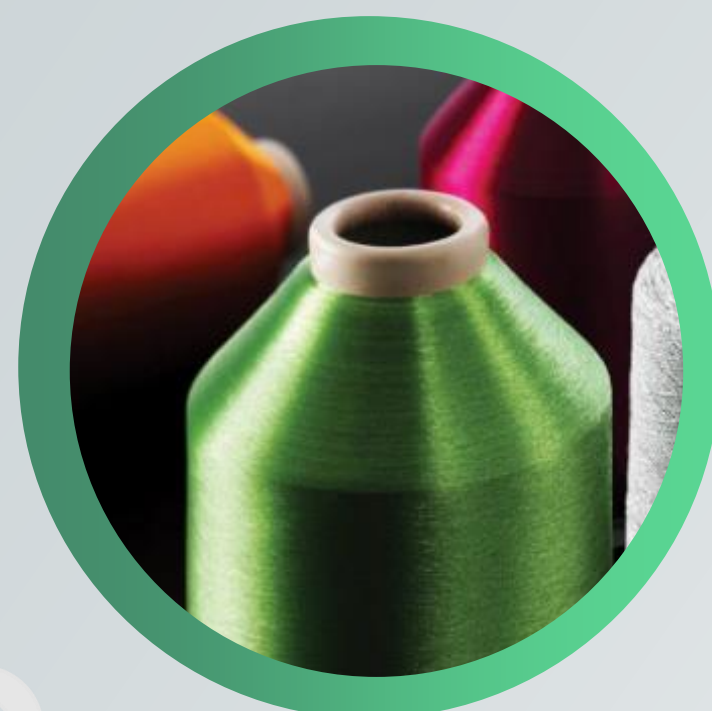
PET Flakes



Fibre



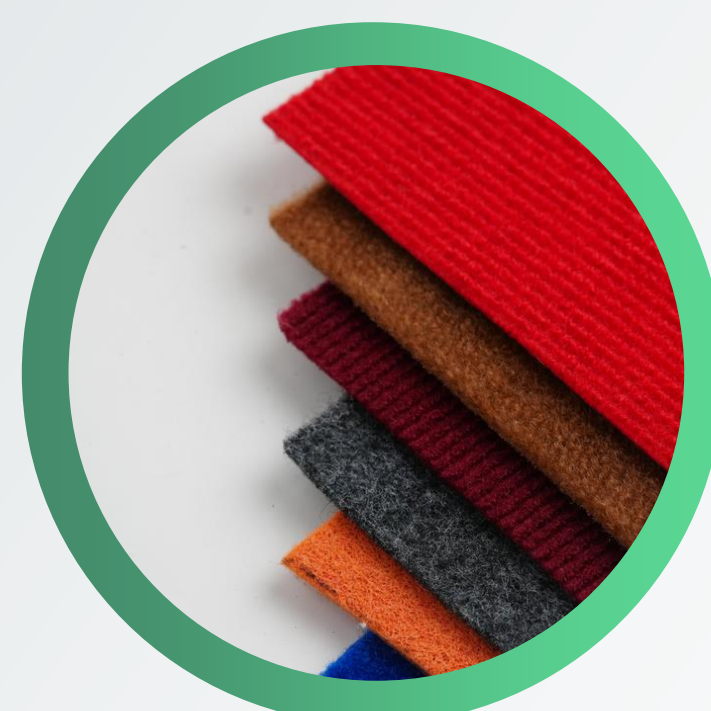
Spun Yarn



Filament Yarn



Anaura



Non Woven Carpets

Certifications



Bureau Of Indian Standards



9001



Introducing Anaura

Anaura where post-consumer PET bottles are transformed into essential wearable material (rPET fabric) items. With a daily production of 320,000 sq. meters, Anaura epitomize sustainability and style. Our skin-friendly, flexible, and durable materials ensure both comfort and longevity, all while reducing environmental impact. Each Anaura offering goes beyond fabric, embodying a conscious shift towards meaningful and stylish wardrobes. By seamlessly blending environmental consciousness with creative expression, where sustainability is not just a trend but a transformative ethos.



Pet Bottle
Recycle



Sustainable



Eco-Friendly



Reduce Water
Consumption



Skin Friendly



Stretchable



Durable



ANAURA

FUTURE-PROOF FASHION



Embrace the
Future of Fashion



Anaura Applications



Anaura comes with a range of seasonal wears including **winter**, **summer** and **spring** collections

From Fiber to Fashion: Rudra Leads Integration – Peer Comparison

Rudra Ecovation Plus Shiva Texfab

- Recycled Polyester Staple Fibre
- Recycled Spun Yarn
- Recycled Filament Yarn
- Recycled PET Flakes
- Recycled non-food grade bottle grade chips
- Non-woven Fabric
- Knitted Fabric
- Recycled Non-PET granules



- Rudra Ecovation goes beyond just being a textile company. We're amongst frontrunners in sustainable textile manufacturing.
- We've integrated every step of the process, from transforming waste pet bottles into high-quality fabric, carpets, etc
- As presented, Rudra leads its industry peers with its fully integrated manufacturing setup:

RUDRA PEER ANALYSIS

Ganesha Ecosphere

- Recycled Polyester Staple Fibre
- Recycled Spun Yarn
- Recycled Filament Yarn
- Recycled food grade bottle chips

JB Ecotex

- Recycled PET Flakes
- Recycled Polyester Staple Fibre
- Recycled bottle grade PET Chips

Alliance Fibre

- Recycled PET Flakes
- Recycled Polyester Staple Fibre
- Recycled Polyester Yarn

RSWM Ltd.

- Yarn
- Fabric

Kanchan Group

- Fibre
- Yarn
- Fabric

CTM Textile Mills

- Textiles Processing
- Home Textiles

SPNG Group

- Yarn manufacturing - Green, Dyed, Acrylic Dyed, Viscose Dyed, Mélange & Slub Yarn

Pashupati Group

- Recycled PET Flakes
- Recycled Polyester Staple Fibre
- Recycled Polyester Yarn
- Recycled PET Chips (Food & Non-Food Grade)
- Other Recycled Packaging Products

Sutlej Textiles

- Recycled Polyester Staple Fibre
- Yarn
- Home Textiles Fabric

*Above facts are based on Industry Research done by Care Edge on Indian Plastic Bottle Recycling players and industry

Global Brands Shift Towards rPET and Sustainable Materials



85% of the brand's plastic fabrics come from a recycled source (2022)



The company aims to source 100% of its materials from recycled or other sustainable sources by 2030.



Used more than 1 bn recycled bottles to create products for its various brands; aims to make 100% of its raw materials recycled or sustainably sourced.



Diverts an average of 1 billion plastic bottles annually from landfills and waterways.



Brand aims to source 100% of its polyester from more sustainable channels (recycled, solution-dyed)



The company committed to 100% more sustainable linen and recycled polyester for all its brands

Rising demand for sustainable fashion leading to exponential growth for recycled textiles material



Globally, customers have been preferring apparels which are sustainable and environment friendly

- 80% of customers in US said sustainability was important while 94% of customers in India said they were willing to pay high prices for “ethical” products
- Following the customer push, sustainability presents as the biggest opportunity for Fashion industry (McKinsey Survey, 2023)



Sustainable & Fair business practices are on the rise to meet customer demand for ethical fashion

- However, the promise of sustainability faces difficulty due to lack of credibility in turn raising demand for certified raw materials & responsible sourcing



Government policies & regulations across the globe have made brands to be more responsible

- GOI launched SURE in 2019 which includes pledge from 16 brands aims to using sustainable raw materials and processes by 2025
- In 2019, Gov of France announced its decision to make Paris the sustainable fashion capital of the world by 2024



Government and organization level initiatives adding fuel to the move towards sustainable alternatives

Indian Oil launches “Unbottled”



- IOCL launched its brand – “Unbottled” through which it has committed to recycle 100 mn bottles every year
- Being the largest initiative globally, IOCL plans to supply the recycled clothes to IOCL workers, non-combat uniforms for Armed Forces and even retail sales
- The initiative was launched by PM Modi and has already gathered positive media response

Indian Airlines Sustainable Uniform



Akasa Airline Sustainable Uniform

- Akasa Air redesigned its crew uniform in July 2022 using recycled polyester fabric made from PET bottle plastic salvaged from marine waste
- Recently, TATA Air-India joined the race by providing in-flight sleepwear made from recycled polyester



Tata Air-India Initiative

Similarly, many other brands from across the industries are expected to follow suit & take substantial steps towards their commitment to become truly sustainable





Introduction of MIP : Boom for Indian Domestic Synthetic Fabrics

Given the imposition of a **Minimum Import Price (MIP)** on synthetic knitted fabrics by the Indian government, Rudra Ecovation Limited is positioned to gain a strategic edge in the market. This regulation, which stipulates a minimum CIF (Cost, Insurance, and Freight) value of US\$ 3.50 per Kg for the import of certain synthetic knitted fabrics, is aimed at curbing underpriced imports and supporting local manufacturers. The policy will be in effect until September 15, 2024, offering a significant time window for Rudra Ecovation to leverage its capabilities as a leader in recycled PET bottle-based synthetic fibers

-  **Strategic Market Edge**
-  **Domestic Manufacturing Boost**
-  **Competitive Advantage in Quality**
-  **Improved Profit Margins**
-  **Alignment with Economic Sustainability**



Future Business Growth Triggers :

-  **Capacity optimization:**
Increase capacity utilization to scale up operations and gain efficiency.
-  **Leveraging existing infrastructure:**
Future investments focused on cutting-edge plant and machinery, leveraging existing infrastructure (land, building & utilities).
-  **Focus on Value-added segments:**
Complete focus on high-margin products like Anaura and Carpets.
-  **Building organizational resilience:**
Strategic hiring to bring expertise and agility to adapt to the changing business landscape.

-  **Import Substitution:**
Modernization and adopt new technology to substitute superior quality imports.
-  **Favorable Governmental Regulations:**
Recent introduction of Minimum Import Price on synthetic knitted fabrics in March 2024
-  **Embracing Sustainability:**
Align business practices with sustainability measures and improve ESG performance.
-  **EPR Advantage:**
Robust business opportunity through Stringent EPR norms.



Shiva Texfab - FY 24 (provisional)



INR 420 Cr.
Sales



INR 36.5 Cr.
EBIDTA



8.7%
EBITDA
Margins



Utilizing 45%
(approx.) of
Current Capacity

Growth Road Ahead :

Setting Up New Capacities:

Setting up new capacities for Fibre, Filament, B2B (Bottle to Bottle Chips) and Acoustic Panels

Achieving 100% Capacity Utilization:

Targeting to achieve 100% utilization of expanded capacity (including new capacities) by FY 2027

Margin Goals:

Expected EBITDA margins between 16% and 17% at full capacity.

Focus on Value-Added Products:

Emphasizing high-margin product lines like Anaura, Non Wovens, B2B, and Acoustic Panels

Revenue Potential:

Projected topline potential of INR 1,700 crore at 100% expanded capacity utilization.

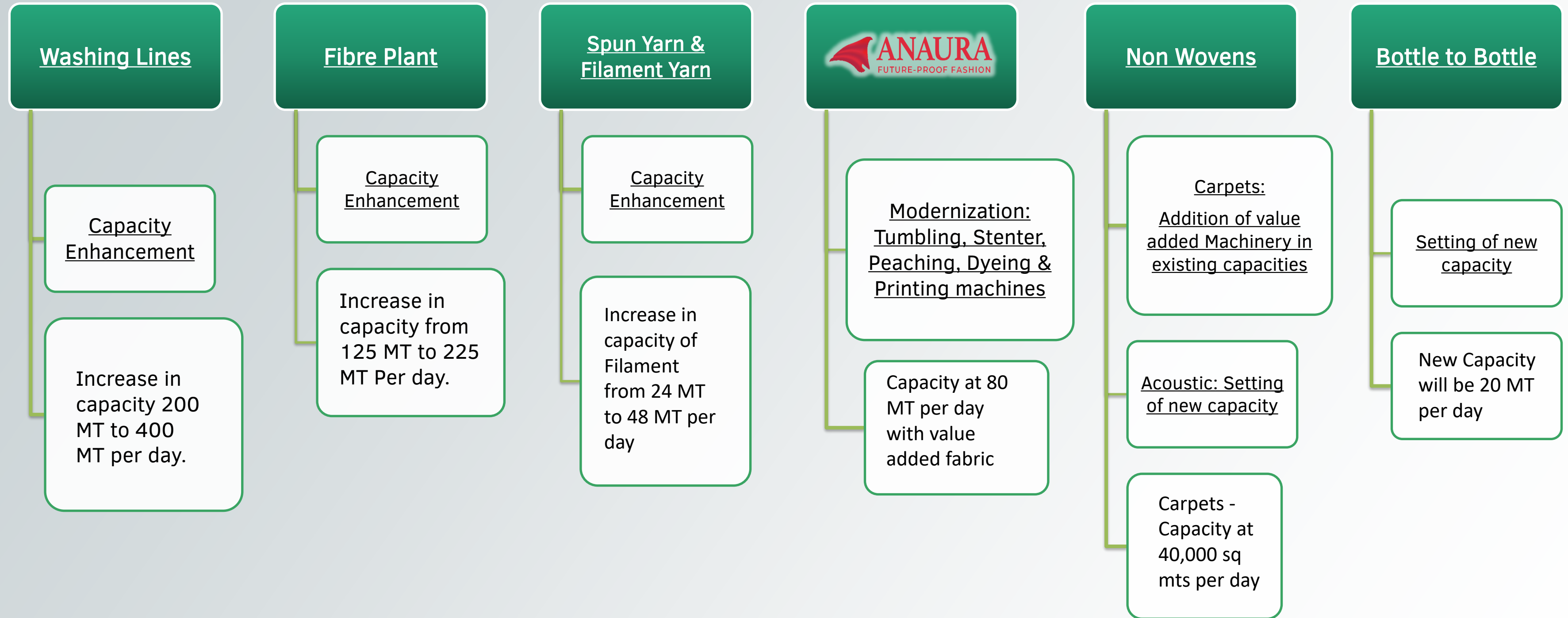
Next Expansion

Next phase of expansion for capacity enhancement of Anaura and Non woven to fully forward integrate the surplus fibre capacity (to be planned post optimum utilization of present expanded capacities)



Planned Upcoming Expansion

SHIVA TEXTFAB EXPANSION PLAN OVERVIEW



Recent Event Highlights and Media Coverage



Event Participation: Bharat Tex 2024 Exhibition Stall



Minister of State for textile Smt. Darshana Vikram Jardosh visited our Stall at Bharat Tex 2024



Promoting Green Fashion

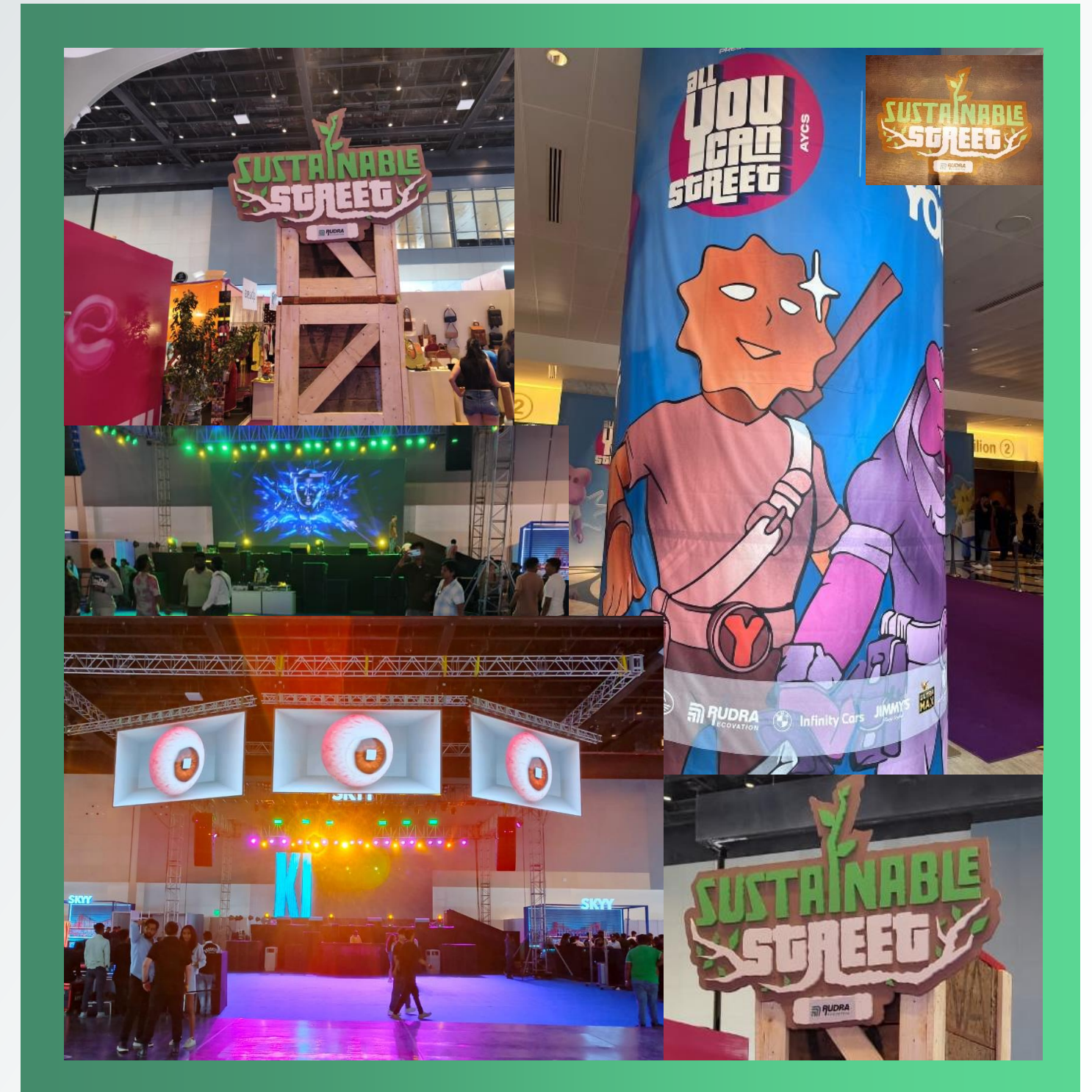
Rudra Ecovation x AYCS: Pioneering Sustainable Fashion

We are thrilled to announce our collaboration with AYCS to bring sustainable innovations to their event! At the exhibition, **We proudly showcased our non-woven carpets and Anaura, created by recycling over 1,50,000 post-consumer plastic bottles.** This initiative is a significant step towards a greener planet and promoting green fashion. Joined by 250 brands participating at AYCS. Rudra also partnered with AYCS at Sustainable Street, a special section of brands using sustainable raw materials for their products, participated in the awareness campaign to support the movement towards sustainability. Together, we can make a difference!

**#RudraEcovation #AYCS #SustainableFashion
#GreenPlanet #Recycling #EcoFriendly #GreenFashion
#Sustainability**



Sustainable Partner at AYCS EVENT 2024



AYCS EVENT 2024, At JIO Convention Center, Mumbai, BKC.

Embedding ESG Principals Into Our Core Values

We are constantly working and improving our ESG standards along with UNSDG goals our ESG Goals also include ESG supply chain, we incentivize compliance among Tier 1 and Tier 2 suppliers.



Rudra has already engaged an external agency to work on **ESG & BRSR compliances** and targets to achieve the same in FY25 voluntarily.





Rudra Ecovation Ltd. (Formerly Himachal Fibres Ltd.)

Thanks