



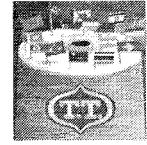
T T LIMITED

“T T GARMENT PARK”

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T T LIMITED ANNOUNCES 10% DIVIDEND AND POSTS 50% GROWTH IN SALES IN Q4

T T Limited crossed Rs 500 crore mark for FY 2012-13. It posted a growth of 50% for Q4 and for the year a growth of 27%. Despite the slowdown in Indian and global economy, the Company saw a turnaround and posted a PAT of Rs.6.55 crs against a loss of Rs. 2.17 crores last year. More importantly the operating EBITDA show a growth from Rs. 18.80 crs to Rs. 52.92 crs i.e. 181% growth. The Company has rewarded the shareholders with a dividend of 10% i.e. Rs 1 per share.

The Company managed this turn around despite poor domestic and global conditions, due to aggressive marketing of yarn in China, strong marketing push of its branded knitwear in the domestic market/ Middle East and product expansion in the value added knitwear segment. The reasonable prices of raw cotton and the weak rupee currency have also helped in posting better margins.

The Company has completed all its ongoing expansion projects. The new 25200 spindles spinning mill in Rajula, Gujarat has been completed in April, 2013 and production has just started. This unit would be able to avail of the recently announced Gujarat Textile Policy, 2012. Apart from benefits of electricity rebate, VAT exemption, the biggest benefit would be the 7% interest subsidy, which the project would enjoy for the next 5 years (over and above the 4% interest subsidy under TUF).

The Company is facing higher energy costs due to the increase in power tariffs and hike in diesel prices. In order to moderate the impact, the Company has started buying power from IE and 3rd party producers wherever possible. This lead to some moderation in the ever increasing energy costs.

Over the last few years, the Company has been working towards improving its contribution of domestic sales and also the % of value added branded knitwear business. The % of domestic sales has increased to 45% from 20% a few years back. Similarly the % of knitwear segment has gone up to 20% from 10% a few years back. We hope to improve these % to 50 and 25 respectively in the coming 2 years.

In order to strengthen its branded value added domestic business, the company has adopted a new slogan – “Zindagi is Good” to align itself with the changing consumer preferences. It has also introduced and expanded its range of products for men, woman and kids. The Company has almost doubled its advertisement budget this year in its efforts to reach out to the masses.

The Company plans to continue strongly leveraging its high brand equity and expand over markets and products with strong designing, advertisement and merchandising efforts. It expects a growth of 25% for its branded knitwear segment and margin expansion is also expected due to removal of excise duty on garments in the Union Budget, 2013. The Company sees immense potential in the new distribution channels like institutional selling, e-commerce and is focusing and investing in these channels in a big way. It has also launched online shopping (www.ttgarmments.com) and stepped up its expenditure on digital marketing.

The yarn and fabric segments are expected to grow at 20% per annum, however margins are expected to be better than last year.

AWARDS AND RECOGNITION

The company was awarded the Top 100 SME Award of India for 2012 by the India SME Forum. The Ministry of Micro, Small and Medium Enterprises were one of the support partners of this award program.