Twitter Thread by Saket Reddy



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According to management, KPRMILL's 4.2Cr pieces garmenting facility is expected to be commissioned by Q2FY22 & fully ramped up by Q2FY23.

At realisation of Rs.150/piece, the facility would generate incremental revenue of ~600Cr, (2.5x Asset turns).

Current revenues are 3500Cr!

The new sugar and ethanol plant
is expected to be commissioned in Q3FY22. With the new expanded capacity in the sugar biz, the management is aiming at overall sugar revenues to cross 1000Cr in next 2 to 3 years.

Current Sugar revenues are 496Cr.

Considering the CAPEX being ramped up and current growth prospects, KPRMILL can notch revenues of Rs. 4800Cr and over Rs. 1100Cr EBITDA in FY23.

ROCE could improve as Garmenting CAPEX can generate 30% ROCE & Ethanol CAPEX 22%.

KPRMILL strategically has a vertically integrated alignment from yarn to apparels.
This has translated into lower RM volatility and steady EBITDA margins over the years.
Higher proportion of garmenting enhances overall margin profile as the segment yields over 20% margins.