



India's leading Denim producer Suryalakshmi Cotton successfully commissions its 4th state-of-the-art plant in Amravati, Maharashtra

- Built at a cost of Rs.131 crore, the fully automated and ultra-modern unit will manufacture high-grade, value-added fancy yarns such as Ring Slub, Stretch, Elli Twist and Compact.
- 40% of the yarns manufactured in the plant will be consumed by the company's captive denim fabric unit at Nagpur, Maharashtra and the balance will be sold to global and domestic players.
- The state-of-the-art plant deploys world-class technologies and will help Suryalakshmi Cotton to continue its market leadership through premium products at premium prices.

September 25, 2015, Hyderabad: Suryalakshmi Cotton, India's leading integrated yarn-to-garment manufacturing company, announced the successful commissioning of its 4th state-of-the-art plant in Amravati, Maharashtra. With a total investment of Rs.131 crore, the plant has commenced operations with the world's most advanced and energy efficient technology. The plant includes fully automated, state-of-the art, imported spinning technology and is in line with the company's strategy to produce value-added and premium fancy yarns. With the addition of 26,000 spindles to its existing capacity of 61,000, the total spindle capacity at Suryalakshmi Cotton goes up to 87,000 spindles. Trial runs at the plant have been successfully completed and the plant is entering commercial production of yarns from 25th September, 2015.

Commenting on the Company's latest milestone, **Mr. Paritosh Agarwal, Managing Director**, said, "The plant is a strategic landmark in our company's vision of building world-class facilities in line with ever changing global fashion trends. Set up within stipulated timelines with no cost overruns, it proves our superior execution and process skills. With commencement of operations at the new plant, we will significantly cut down our dependence on third-party vendors for procuring yarn enabling better quality control and increased cost efficiencies.

"With fancy yarns being a premium product and high margin business, we anticipate annual revenues of Rs.150 crore plus from this plant alone. Most importantly, the in-house unit expands our scope to invest in R&D enabling us to be in sync with the latest trends in the world of denim and to cater to international and domestic fashion demands more effectively. The high value yarns produced in this plant would be used for captive consumption in our denim division. Also, the plant shall utilize power from our 25 MW captive power plant, further adding to the Company's bottom line" he added.

Taking inspiration from our honorable Prime Minister Shri Narendra Modi's call for '*Made in India, Sold to the World*', Suryalakshmi Cotton hopes to produce international quality fancy yarns and sell it to buyers across the globe and in India.

Located in Amravati, which is the cotton belt of Maharashtra, the unit has abundant access to high quality raw material and labor. Further, it is fully compliant to leverage the interest subsidy benefits provided by the Central and State Governments. The plant would provide direct employment to around 250 people and indirect employment to many more. The plant will utilize power from the Company's 25MW captive thermal power plant at Ramtek and thus enable substantial lowering of power costs. On its part, the Ramtek power plant would increase its production of electricity to cater to the needs of the Amravati unit.

Suryalakshmi Cotton is a leading producer of denim fabric in the country with a capacity of 40 million meters p.a. and well positioned as an Original Denim Manufacturer (ODM) to both international and domestic markets. This step is in continuation of the company's strategic endeavor to create presence across all 3 value chains of clothing – yarn, denim fabric and garments. The plant will help the company in creating a robust strategy to intertwine latest fashion trends across the three divisions. This will also de-risk the company's revenues and at the same time help in maintaining a focus on high-value high-margin businesses.

About Suryalakshmi Cotton:

Founded in 1962, Suryalakshmi Cotton is a vertically integrated business leveraging five decades of successful spinning, denim and garment operations. With cutting-edge design, latest spinning technology and end-to-end manufacturing plants, the company manufactures the finest yarn, premium denim fabric and garments for leading private labels, fashion brands and retail chains in 29 countries across the globe.

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