

Dear shareholders,

It is yet another year that brings me this opportunity of connecting with you through our 33rd Annual Report. Despite challenges, the year under review was a year of diverse offerings, innovative designs, deeper reach and customer-centric approach – all with a solid base of a robust fundamentals, geared to maximise the value for our customers.

Amidst the slowdown across the global economies, India managed to retain its status as one of the fastest growing economies in the world. With a GDP of 6.8%, it is a leading economy in Asia. As far as the textile sector is concerned, the Confederation of Indian Textile Industries (CITI) states that the worst is over for the Textile & Clothing Industry and is expected to be on the verge of a turnaround. Also, the Indian textile sector being the largest industrial employment provider employing more than 10 crore people directly and indirectly, it is certainly a major industry for the economic growth of our country.

A continuous support from the Government will put the industry back on track and we anticipate good days for the textile and apparel sector in the years to come. The Indian textile industry has the capacity to produce a wide variety of products suitable to different market segments, both within India and across the world.

During the year under review, the net revenue increased from ₹ 1,649 Crores in 2017-18 to ₹ 1,874 Crores in 2018-19. EBIDTA changed from ₹ 134 Crores in 2017-18 to ₹ 168 Crores in 2018-19. The Net Profit stood at ₹ 16 Crores in 2018-19. Challenging industry circumstances impacted margins of the Company to some extent.

We, at Sangam, continued to be agile by exploring the evolving trends in the market. Our country is

getting younger with the growing volume of the young population. There exists a huge scope beyond the urban lands as well which are growing in all aspects of life including the textile and clothing. The affordability is increasing, the aspirations for spending are growing and the expectations of comfort and better experience are on rise. All this leads to the need of quality products across various product segments. Leveraging on the rising demand, we focused more on expanding our seamless garment segment through our fast growing brand C9.

With firm manufacturing capabilities and a wide variety of products across the textile value chain, such as dyed yarns, fabrics and readymade garments, we aim to be at the forefront of the textile industry. Our passionate commitment to excel at every step, results in maximum value for our customers every time. We aspire to reach and tap the requirement of this industry with our expertise, wide presence, continuous modernisation initiatives and upgradation. We, through our focus on rich values and versatile business approach, are confident of benefiting from the opportunities in the years to come. I take pride in the efforts and perseverance of the entire Sangam family for their contribution in our journey. I would like to thank the investors and stakeholders for their rock-solid support. We hope to have ever-lasting relationship with them that will allow us to create consistent value for all in the future.

Best Wishes,

R. P. Soni
Chairman