KPR Mill Ltd.

19th May 2025 | Close* – ₹1176/- | View – **Book Profit**

Q4FY25 Performance

- Revenue grew 4.6% YoY to ₹1,701crs led by strong growth in sugar segment. Textile and sugar segment posted revenue growth of 2.3% & 13.6% YoY respectively to ₹1,427crs and ₹318crs.
- On a YoY basis, gross margins contracted ~50bps to 38.3%. EBITDA declined 0.7% YoY to ₹333crs while margin declined 100bps to 19.6% due to increase in raw material and employees' cost.
- Other income declined 6% YoY to ₹11.2crs. Finance costs and depreciation costs increased 44% & 5.5% YoY respectively. Reported profit after tax declined 4.2% YoY to ₹205crs and PAT margin stood at ~ 12% vs 13.1% in Q4FY24.

Important Statics

Nifty	25,019
Sensex (₹ crs)	82,330
Close* (₹)	1176
Mcap (₹ crs)	₹39,990.53
52 Week H/L (₹)	1389/743
NSE Code	KPR MILL
BSE Code	532889

Close as on 16th May 2025*

Shareholding pattern (%)	Mar'25
Promoter Holding	70.68
FII	06.25
DII	16.47
Public & Others	06.58

Key Highlights

- Revenue for Q4FY25 grew +4% YoY, driven by an increase in garment and sugar volumes, partially offset by a decline in textile realization. Overall, FY25 was a muted year with revenue of ₹6135crs bn (5.4% YoY growth), EBITDA of ₹1246crs (0.8% YoY growth) with margin falling 90 bps to 20.3%, and PAT of ₹816crs bn (1.3% YoY growth).
- Textile business revenue grew 2.3% YoY to ₹1427crs. Garment volumes increased by 8% YoY, while yarn volumes remained flat. Yarn & fabric sales volumes were flat during the quarter. Textiles EBIT grew 11.5% YoY and 4.5% QoQ to ₹241crs. EBIT margin expanded by a healthy 140 bps YoY but contracted 190bps QoQ to 16.9%.
- The Sugar division records a healthy topline. Revenue grew 13.6% YoY to ₹318crs in Q4FY25. Sugar and ethanol volume grew 11% YoY and 5% YoY respectively. Segment EBIT declined 43% YoY to ₹39.4crs.
- Region-wise mix for FY25: Europe – 58%, North America – 21%, Australia – 15%, and Asia – 4.3%.
- KPR's significant presence in Europe positions it to benefit from the FTA between the UK and India.
- Management is optimistic about the overall demand scenario in the garmenting division. It is targeting low double-digit volume growth for FY26 as the division currently operates at almost full capacity utilization.

Financials

(₹ crs)

Particulars	FY23	FY24	FY25
Revenues	6186	6060	6387.9
EBITDA	1274	1237	1320.4
EBITDA Margin	21%	20%	20.4%
Net Profit	814	805	815.1
EPS (₹)	23.8	23.6	23.9
RoCE (%)	22.6	26.4	26.5
P/E (x)	49.4	49.8	49.2

Source: Company, Way2Wealth

Relative Performance

Returns	1 Yr	3Yr	5 Yr
KPRMILL	**45**	**104**	**1298**
Nifty 50	11	54	176
Sensex	11	51	168

Source: Company, Way2Wealth

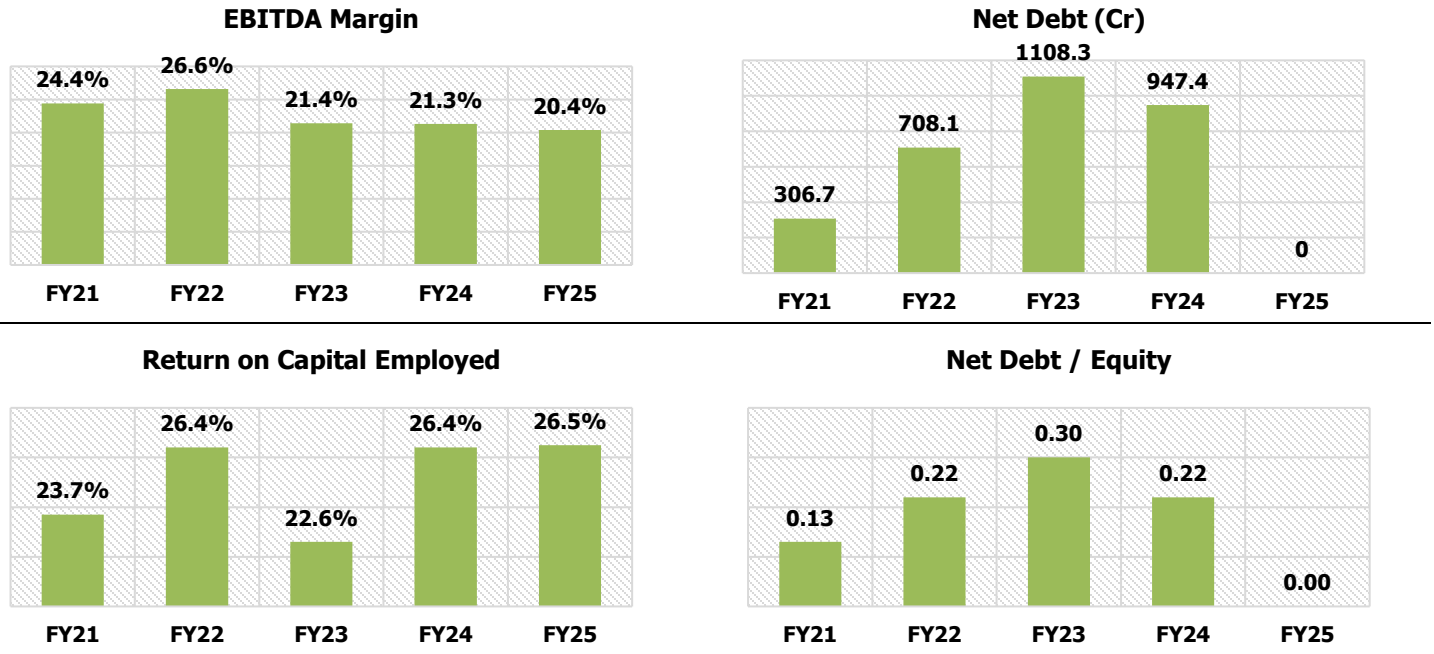
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W2W Lighthouse - A Quick Perspective

KPR Mill Ltd.

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Story in Charts



Source: Company, Way2Wealth

Key Risks

- Slower than expected demand recovery in its key markets
- Delay in capex implementation could impact financials of company

View

The Free Trade Agreement (FTA) with the UK has opened new market opportunities across the entire textile value chain. With 58% of its revenues already derived from Europe, KPR is strategically positioned to capitalize on this development. Additionally, the government's focus on implementing policies aimed at enhancing global competitiveness further strengthens the industry's growth prospects.

Backed by consistent capacity expansion over the years and an integrated business model, KPR's financial performance has remained robust in a highly cyclical industry. Its revenue and operating profit have grown by 12% and 19%, respectively, over the past five years

KPR's strong fundamentals — including operating margins of over 20%, a superior return ratio profile, and a healthy balance sheet — boost our confidence in the company.

Since our initial coverage on October 27, 2021, the stock has delivered strong returns of 200%+, reaching a 52-week high of ₹1389 (May 9, 2025). Given this significant appreciation, we recommend investors **BOOK PROFITS**. However, long-term investors may continue to hold, as we remain constructive on the company's long-term prospects. At CMP of ₹1176, the stock is trading at ~49.1x P/E on FY25 EPS of ₹23.9.

W2W Lighthouse - A Quick Perspective

Way2Wealth Brokers Pvt. Ltd. (CIN U67120KA2000PTC027628) SEBI Rgn. No. : INH200008705.
Registered Office: Rukmini Towers, 3rd& 4th Floor, # 3/1, Platform Road, Sheshadripuram, Bangalore - 560 020,
Website: www.way2wealth.com Email: research@way2wealth.com *Way2wealth Research is also available on Bloomberg WTWL<GO>*

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Consolidated Financial Highlights

(₹ crs)

Particulars	Q4FY25	Q4FY24	VAR [%]	Q3FY25	VAR [%]	FY25	FY24	VAR [%]
Net Sales	**1,701.0**	**1,626.1**	**4.6%**	**1,467.4**	**15.9%**	**6,135.7**	**5,823.9**	**5.4%**
Other Operating Income	68.03	70.66		61.8		252.2	235.8	
TOTAL OPERATING INCOME	**1,769.0**	**1,696.7**	**4.3%**	**1,529.2**	**15.7%**	**6,387.9**	**6,059.7**	**5.4%**
Other Income	11.2	11.9	-6.1%	16.0	-30.3%	74.4	67.3	10.6%
TOTAL INCOME	**1,780.2**	**1,708.6**	**4.2%**	**1,545.2**	**15.2%**	**6,462.3**	**6,126.9**	**5.5%**
Total Expenditure	1,090.7	1,037.7	5.1%	897.3		3,889.7	3,607.2	7.8%
Raw Material Consumed	1,306.5	1,103.0	18.4%	1,061.0	23.1%	3,861.3	3,478.2	11.0%
Purchase of stock in trade	14.9	10.3	44.1%	14.7	1.5%	54.9	78.9	-30.4%
Stock Adjustment	(230.7)	(75.6)	205.1%	(178.3)	29.3%	(26.5)	50.2	-152.9%
RMC as a %age of sales	*64%*	*64%*		*61%*		*63%*	*62%*	
Employee Expenses	183.7	152.2	20.6%	173.3	6.0%	671.9	600.6	11.9%
EPC as a %age of sales	*10.7%*	*9.3%*		*11.7%*		*10.8%*	*10.2%*	
Other Expenses	161.9	171.7	-5.7%	156.4	3.5%	580.2	615.2	-5.7%
Other Expenses as a %age of sales	*9.5%*	*10.5%*		*10.5%*		*9.3%*	*10.4%*	
TOTAL EXPENDITURE	**1,436.3**	**1,361.7**	**5.5%**	**1,227.0**	**17.1%**	**5,141.8**	**4,823.0**	**6.6%**
EBIDTA	**332.7**	**335.1**	**-0.7%**	**302.2**	**10.1%**	**1,246.0**	**1,236.7**	**0.8%**
EBITDA Margins %	***19.6%***	***20.6%***	***-1.0%***	***20.6%***		***20.3%***	***21.2%***	***-0.9%***
Interest	11.0	19.7	-44.0%	9.4	18.0%	49.8	74.4	-33.1%
PBDT	**332.8**	**327.3**	**1.7%**	**308.9**	**7.7%**	**1,270.7**	**1,229.6**	**3.3%**
Depreciation	52.1	49.4	5.5%	53.0	-1.7%	207.9	189.2	9.9%
PBT	**280.7**	**277.9**	**1.0%**	**255.9**	**9.7%**	**1,062.8**	**1,040.4**	**2.2%**
Tax	76.2	64.3	18.5%	53.6	42.2%	247.1	235.0	5.1%
Tax Rate	*27.1%*	*23.1%*		*20.9%*		*23.2%*	*22.6%*	
Reported Profit After Tax	**204.6**	**213.6**	**-4.2%**	**202.3**	**1.1%**	**815.7**	**805.3**	**1.3%**
PATM %	***12.0%***	***13.1%***		***13.8%***		***13.3%***	***13.8%***	
EPS	**5.98**	**6.25**	**-4.2%**	**5.92**		**23.87**	**23.56**	**1.3%**
Equity	34.2	34.2		34.2		34.2	34.2	
Face Value	1.0	1.0		1.0		1.0	1.0	

Source: Company, Way2wealth Research

W2W Lighthouse - A Quick Perspective

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Segmental Performance

(₹ crs)

Particulars	Q4FY25	Q4FY24	VAR	Q3FY25	VAR	FY25	FY24	VAR
Revenue from Operations	**1,769.0**	**1,696.8**	**4.3%**	**1,529.2**	**15.7%**	**6,388.2**	**6,060.1**	**5.4%**
Textile	1,426.5	1,394.0	2.3%	1,221.6	16.8%	5,184.7	4,713.8	10.0%
% Mix	*80.6%*	*82.2%*		*79.9%*		*81.2%*	*77.8%*	
Sugar	317.6	279.4	13.6%	282.5	12.4%	1,114.7	1,226.2	-9.1%
% Mix	*18.0%*	*16.5%*		*18.5%*		*17.4%*	*20.2%*	
Others	25.0	23.4	6.9%	25.2	-0.8%	88.8	120.1	-26.1%
% Mix	*1.4%*	*1.4%*		*1.6%*		*1.4%*	*2.0%*	
Less : Inter Segment Revenues	0.1	0.1	-50.0%	0.0	500.0%	0.3	0.5	-39.1%
Net Revenue from Operations	**1,769.0**	**1,696.7**	**4.3%**	**1,529.2**	**15.7%**	**6,387.9**	**6,059.7**	**5.4%**
Profit/Loss Before Interest and Tax	**280.6**	**285.7**	**-1.8%**	**249.2**	**12.6%**	**1,038.2**	**1,047.5**	**-0.9%**
Margin %	*15.9%*	*16.8%*		*16.3%*		*16.3%*	*17.3%*	
Textile	240.9	216.0	11.5%	229.7	4.9%	979.9	752.8	30.2%
Margin %	*16.9%*	*15.5%*	*1.4%*	*18.8%*	*-1.9%*	*18.9%*	*16.0%*	*2.9%*
Sugar	39.4	68.7	-42.6%	18.8	109.4%	56.5	290.8	-80.6%
Margin %	*12.4%*	*24.6%*		*6.7%*		*5.1%*	*23.7%*	
Others	0.3	1.0	-74.5%	0.7	-64.9%	1.8	3.9	-53.8%
Margin %	*1.0%*	*4.4%*		*2.9%*		*2.0%*	*3.2%*	
Less : Interest	11.0	19.7	-44.0%	9.4	18.0%	49.8	74.4	-33.1%
Add: Other Income	11.2	11.9	-6.1%	16.0	-30.3%	74.4	67.3	10.6%
Net Profit/Loss Before Tax	**280.7**	**277.9**	**1.0%**	**255.9**	9.7%	**1,062.8**	**1,040.4**	**2.2%**

Source: Company, Way2wealth Research

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Disclosure of Interest Statement KPR Mill Ltd. as on May 19th, 2025

Name of the Security	KPR Mill Ltd.
Name of the analyst	Ashwini Sonawane
Analysts' ownership of any stock related to the information contained Financial Interest Analyst : Analyst's Relative : Yes / No Analyst's Associate/Firm : Yes/No	NIL No No No
Conflict of Interest	No
Receipt of Compensation	No
Way2Wealth ownership of any stock related to the information contained	NIL
Broking relationship with company covered	NIL
Investment Banking relationship with company covered	NIL

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