



March 23, 2021.

To, The Secretary, BSE Limited, P.J. Towers, Dalal Street, Mumbai- 400 001 Scrip Code: 539542	To, The Secretary, National Stock Exchange of India Ltd., Exchange Plaza, C-1, Block G, Bandra Kurla Complex, Bandera (E), Mumbai – 400 051 Symbol: LUXIND
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Dear Sir,

Sub: Intimation under Regulation 30 of the SEBI (listing Obligations and Disclosure Requirements) Regulations, 2015.

Pursuant to Regulation 30 of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, we wish to inform you that that the Board of Directors of the Company at their meeting held today i.e. March 23, 2021 has approved capital expenditure of Rs. 110 crores for capital expansion plans for the next 12-18 months. Majority of the capital expenditure would be for capacity expansions in production and storage. Company has already identified one land parcel measuring the construction area of around 460 K Sq.ft. Company is also working towards way more flexibility in terms of capacity with enhanced mechanical tools and scientific way of working according to the market demand. With this investment company is expecting to get an incremental sale of around Rs. 400 Crores post commissioning of facility.

Lux always works for increasing customer satisfaction by providing value for money. The company target is to capture the additional market share in existing segment as well as in new segments.

The Investor Release on the above is enclosed herewith.

We request you take the same on your record.

Thanking You
Yours faithfully,
for LUX INDUSTRIES LIMITED

Smita Mishra
Smita Mishra
(Company Secretary & Compliance Officer)
M.No: 26489

LUX INDUSTRIES LIMITED

Investor Release

Lux Industries plans Greenfield expansion with capex of Rs. 110 crores

March 23, 2021, Kolkata - Lux Industries Limited, one of India's largest hosiery producer and exporter has announced that its Board of Directors has approved a greenfield expansion plan of Rs 110 crores. The company has already identified a land parcel measuring the construction area of around 4,60,000 Sq.ft of which ~20% to 30% will be used for manufacturing unit and balance for warehousing, storage and finishing facilities. The capex will be completed over next 12-18 months. Company has three major facilities in Kolkata, Tirupur and Ludhiana, are capable of producing more garments than the installed capacity due to the improved efficiency and flexible manufacturing capabilities. Company is also working towards way more flexibility in terms of capacity with enhanced mechanical tools and scientific way of working according to the market demand.

Currently the company is running at full production capacity however we are also having 3rd party long term contract to enhance the production capacity and hence company is planning to infuse the capital for supply chain but well supported with the increase in own production capacity also.

Lux Industries generate sufficient internal accruals to finance its capital expenditure and do not need any external funding. Our profits take care of our capital expenditures. With this investment Company is expecting to get an incremental sale of around Rs. 400 crores.

Currently the company has around +1 million sq. feet area of which around 30% is being used for manufacturing process like knitting, Cutting and rest is used as warehousing, storage and finishing facility. Due to improved operating efficiency and flexible manufacturing approach, the total stock movement in FY20 was around 200 million pieces translating to a utilization of around 100% across all the major facilities in Kolkata, Tirupur and Ludhiana.

The company continues to operate at full capacity, which necessitated the investment in greenfield expansion of manufacturing as well as warehousing and storage facilities.

Commenting on the expansion Mr. Ashok Kumar Todi, Chairman said,

“Despite the advent of Covid-19, our performance continues to remain strong, and we continue to see robust demand. To support this robust demand, we have decided to invest Rs. 110 crores in a greenfield expansion to be completed in next 12-18 months. Our flexible manufacturing approach has made us more agile in responding to strong demand estimation. The new investment will further augment our ability to act swiftly and improve our market share in existing segments as well as new segments like Kids and women innerwear.”

Commenting on the expansion Mr. Pradip Todi, Managing Director said,

“The new capex of Rs. 110 crores will have an asset turnover of around 4 times thereby generating additional revenue of around Rs. 400 Crores. The flexible manufacturing approach has helped us to improve our operating as well as return matrix and the new capex will strengthen it further. As on December 31, 2020, we had a cash balance of Rs. 140 crores which will be sufficient to fund the capex fully. We expect to maintain our Net Cash status positive even after completing the capex backed by our strong operating cashflow and focus on reducing working capital further.”

About Lux Industries Limited

Lux Industries Limited, incorporated in 1995 is one of the largest players in the hosiery business having a market share of ~20% of the organised industry. Products include Men's, Women's & Kids Innerwear, Winterwear, Socks & Slacks for Women in varied colours and designs. The company has ~5,000 SKU's under various Brands and Sub Brands of LUX. With focus on growing exclusive retail outlets and in providing customers with a seamless buying experience, the company's products are available in ~4,50,000 retail points spread across India. LUX has a presence across the globe with exports to 47 countries.

Safe Harbor Statement

Statements in this document relating to future status, events, or circumstances, including but not limited to statements about plans and objectives, the progress and results of research and development, potential project characteristics, project potential and target dates for project related issues are forward-looking statements based on estimates and the anticipated effects of future events on current and developing circumstances. Such statements are subject to numerous risks and uncertainties and are not necessarily predictive of future results. Actual results may differ materially from those anticipated in the forward-looking statements. The company assumes no obligation to update forward-looking statements to reflect actual results changed assumptions or other factors.

For further information, please contact

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