



Complete Comfort

11th November, 2019

<p>The National Stock Exchange of India Ltd. Listing Department Exchange Plaza, Bandra Kurla Complex, Bandra (East), <u>Mumbai – 400 051</u></p> <p>Company Symbol : ICIL</p>	<p>BSE Limited Department of Corporate Services Floor 25, Phiroze Jeejeebhoy Towers, Dalal Street, <u>Mumbai – 400 001</u></p> <p>Scrip Code No. : 521016</p>
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Subject: Investor Presentation H1FY20

Please find enclosed herewith a copy of Investor Presentation on financial results for H1FY20.

Kindly take the above on record.

Thanking you,

Yours faithfully,

For Indo Count Industries Limited

Amruta Avasare
Company Secretary
ACS No.: 18844



Encl.: A/a

Indo Count Industries Ltd

Head Office: 301, Arcadia, 3rd Floor, Nariman Point, Mumbai - 400 021, Maharashtra, India; T: 022 4341 9500, F: 022 2282 3098

Marketing Office: Dosti Imperia, 2nd floor, Manpada, Ghodbunder Road, Thane (w) - 400 607, Maharashtra, India; T: 022 4151 1800, F: 022 2172 0121

Home Textile Division: T3, Kagal - Hatkanangale Five Star, MIDC Ind. Area, Kolhapur - 416216, Maharashtra, India; T: 0231 662 7900, F: 0231 662 7979

Spinning Division: D1, MIDC, Gokul Shirgaon, Kolhapur - 416234, Maharashtra, India; T: 0231 268 7400, F: 0231 267 2161

Regd. Office: Office No. 1, Plot No. 266, Village Alte, Kumbhoj Road, Taluka Hatkanangale, Dist. Kolhapur - 416 109, Maharashtra, India; T: 0230 2463100 / 2461929

CIN: L72200PN1988PLC066972, E: info@indocount.com, W: www.indocount.com



Indo Count Industries Ltd

Investor Presentation – H1FY20

November 2019



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Chairman's Message

Commenting on the results, Mr. Anil Kumar Jain, Executive Chairman said,

“Our Company has performed well in the quarter despite the challenging environment, on the back of deeper engagement with customers and acceptance of new innovation by global marquee clients.

The company is poised for growth given its long-standing relationship with customers and value-added innovative approach to business.”



3 Pillars of Strength



INNOVATION

- ✓ We are respected by customers for the ability to extend the product frontier. We are known for creating innovative weaves and fabric finishes that enhance our standing as a forward-looking Company addressing the novel and demanding preferences of consumers.



QUALITY

- ✓ We are recognised for the creativity of products that are aesthetic and enduring. The Company has state-of-the-art equipment (spinning, weaving, bleaching, dyeing, cutting and sewing) – a complete quality control solution.

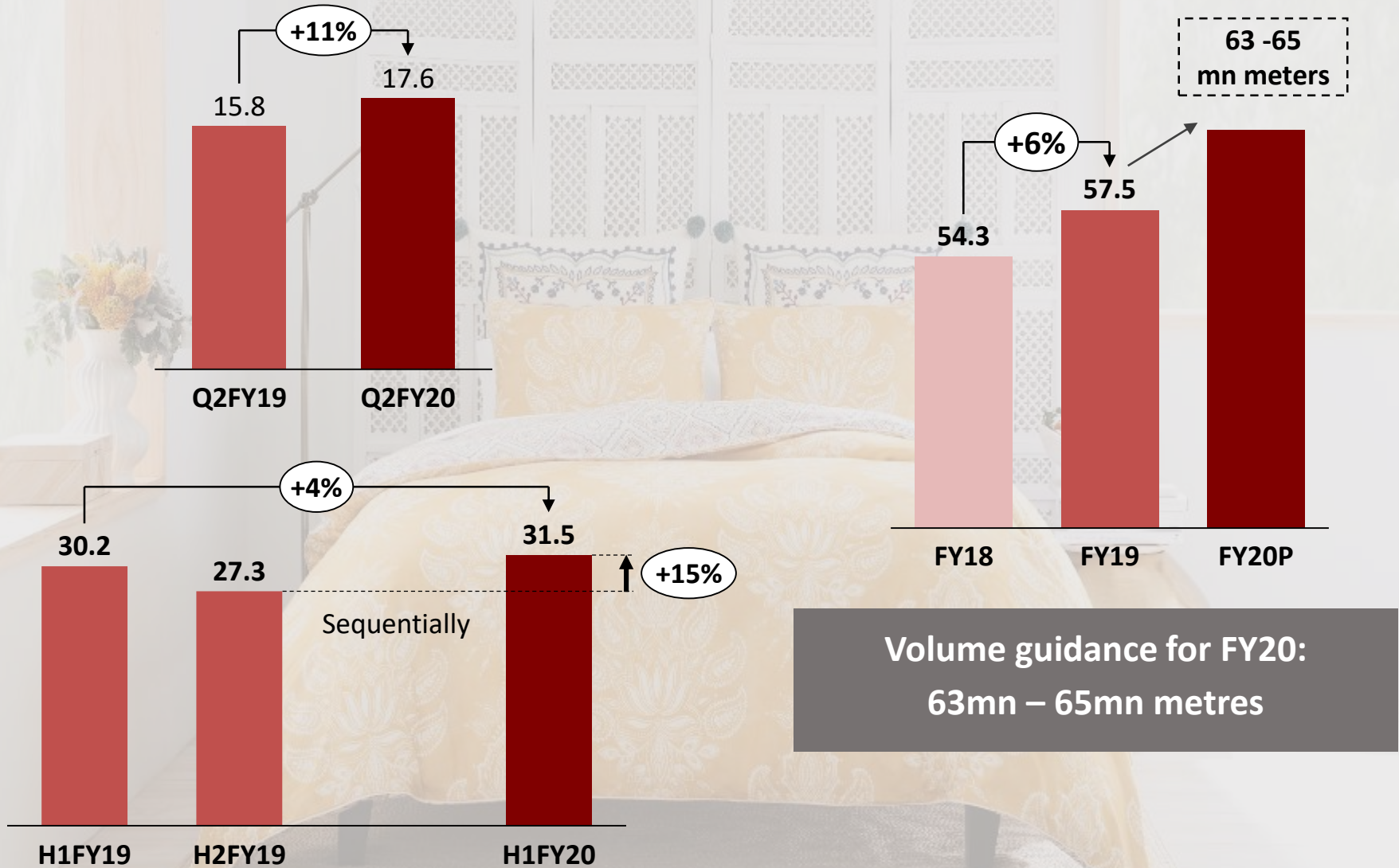


SERVICE

- ✓ We believe that the sale begins once the product has been marketed and delivered. The high service standard invokes provision of not only high on-time and in-full delivery of agreed products but also just-in-time needs of customers.



Volume Performance





Q2FY20 Consolidated Performance

Rs. 587 Crs

Vs

Rs. 509 Crs

15% YoY

Total Income

Rs. 82 Crs

Vs

Rs. 55 Crs

50% YoY

EBITDA

14.0%

Vs

10.8%

323 bps YoY

EBITDA Margin



H1FY20 Consolidated Performance

Rs. 1,106 Crs

Vs

Rs. 986 Crs

12% YoY

Total Income

Rs. 154 Crs

Vs

Rs. 121 Crs

27% YoY

EBITDA

13.9%

Vs

12.3%

162 bps YoY

EBITDA Margin



Consolidated Profit & Loss Statement

Particulars (Rs. Crs)	Q2FY20	Q2FY19	YOY%	Q1FY20	QOQ%	H1FY20	H1FY19	YOY%	FY19
Total Income	587	509	15%	518	13%	1,106	986	12%	1,945
Cost of Material	321	267		263		584	499		1,031
Employee Expenses	37	37		34		71	74		144
Other Expenses	147	150		150		297	291		603
Total Expenses	505	454		447		952	865		1,778
EBITDA	82	55	50%	71	15%	154	121	27%	166
EBITDA Margin	14.0%	10.8%	323bps	13.8%	26bps	13.9%	12.3%	162bps	8.5%
Depreciation	11	9		10		21	17		35
EBIT	71	46	55%	61	17%	132	104	28%	131
EBIT Margin (%)	12.2%	9.1%	309bps	11.8%	41bps	12.0%	10.5%	144bps	6.7%
Finance Cost	11	9		9		20	18		36
PBT before Exceptional Items	60	38	59%	52	15%	112	86	31%	95
Exceptional Items*	94	-		-		94	-		-
PBT	(34)	38		52		18	86		95
Tax	(45)	12		17		(28)	30		36
PAT	11	26		35		45	55		60

*Exceptional Item includes Rs. 94.27 Crores provided against refund of excess export benefits of earlier years by way of MEIS claimed to the extent of Rs. 72.68 Crores along with interest thereon against Adjudication Order issued by office of The Commissioner of Customs to Holding company of the Group



Consolidated Balance Sheet

EQUITY AND LIABILITIES (Rs. Crs)	Sep'19	Mar'19
Equity		
Equity Share Capital	39	39
Other Equity	947	935
Equity attributable to owners	986	975
Non-Controlling Interest	7	7
Total Equity	993	982
Non-Current Liabilities		
Financial Liabilities		
i) Borrowings	44	57
ii) Other financial liabilities	9	0
Provisions	3	6
Deferred Tax Liabilities	71	109
Other Non-Current liabilities	8	9
Total Non-Current Liabilities	135	180
Current Liabilities		
i) Borrowings	475	257
ii) Trade Payables	149	144
iii) Other financial liabilities	36	36
Other Current Liabilities	51	25
Total Current Liabilities	711	462
Total Equity and Liabilities	1,839	1,625

ASSETS (Rs. Crs)	Sep'19	Mar'19
Non-Current Assets		
Property, Plant & equipment	575	572
Capital Work in progress	3	16
Other Intangible Assets	16	3
Financial Assets		
i) Loans	4	2
Other Non-Current Assets	7	8
Total Non-Current Assets	606	600
Current Assets		
Inventories	602	531
Financial Assets		
i) Investments	13	46
ii) Trade Receivables	254	255
iii) Cash and Cash Equivalents	110	23
iv) Bank Balances	11	10
v) Other Financial Assets	7	19
Current Tax Assets	29	16
Other Current Assets	207	124
Total Current Assets	1,234	1,024
Total Assets	1,839	1,625



Outlook for FY2020 and beyond

01

Product development & Innovation

- Focus on Bed Linen in the Home Textiles sphere
- Focus on value-added products through R&D and innovation
- Strengthening design department to promote and service fashion bedding requirements

02

Improving operational efficiency

- Moving towards overall sustainability
- Building strengths in processing through value addition
- Developing skill and talent of employees
- Prudent capital allocation for growth

03

Global reach & Sustainability

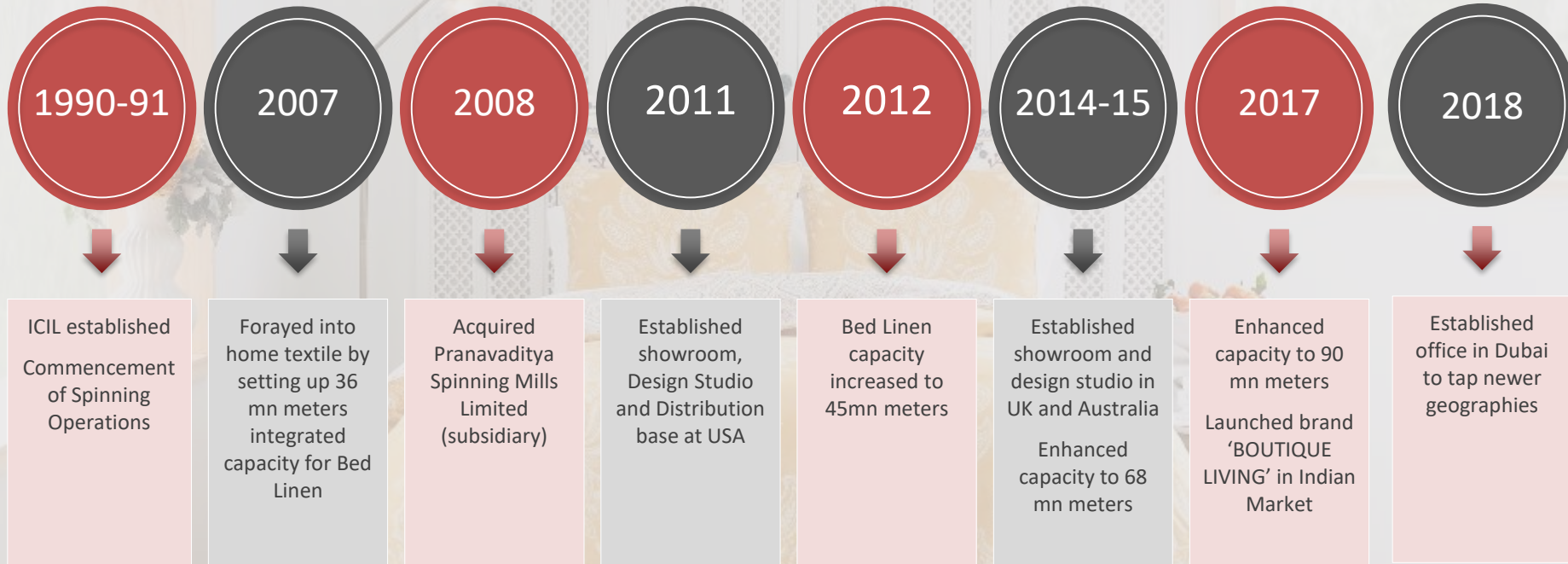
- Establish relationship with new marquee global customers
- Tap newer geographies
- Initiatives in branding, distribution and e-commerce
- Overall focus on sustainability for the entire value chain



Indo Count: At a Glance



28 years of Our Journey





Our Approach to Business: Integrated bedding solutions



Spinning



Processing



Branding & Marketing



Concept
Design &
Sampling



Weaving



Cut & Sew



Complete comfort for the best Sleep experience with... Innovation, Quality and Service



Our competencies and differentiators

01

Global player

- Recognized market player with a focus in bed linen
- Established business with global prestigious clients
- Strong product positioning
- Differentiation through innovation, R&D and continuous product development

02

Strong domain expertise

- Customer-centricity thus focusing on enhanced service
- Wide and innovative product range
- Efficient marketing and branding
- Complete end to end solution in bedding

03

Operationally efficient

- Efficient and scalable operations
- Experienced management with a competitive track record
- Progressive investments in state-of-the-art technology
- Development of human resource in the business of customization



Innovation Collaboration – LEEDS University



UNIVERSITY OF LEEDS - FUTURE OF INNOVATION

Leeds University has a long and distinguished history in textile technology and design stretching back to its predecessor, the Yorkshire College of Science in 1874



The collaboration of Indo Count & the University of Leeds, UK, will provide the technology platform to enhance Indo Count's innovation capabilities to deliver new & exciting products into the home textile sector.



Our Brands

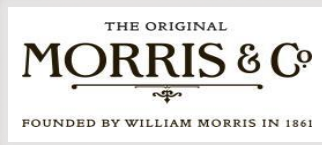
In-House Brands

14
In-House
Brands



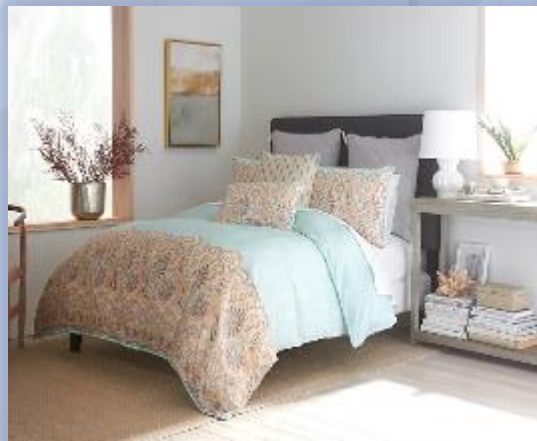
Licensed Brands

4
Licensed
Brands





“Boutique Living” Brand in India



- In India, our in-house brand ‘Boutique Living’ provides premium bedding through more than 500 stores pan-India
- Products available online at: www.boutiquelivingindia.com





Global Presence



India

Headquartered in Mumbai

Manufacturing facilities in Kolhapur, Maharashtra

Showrooms and design studios



USA

Showroom and design studio in New York

Warehouse for distribution at Charlotte



UK

Showroom, design studio and warehouse in Manchester



Australia

Showroom and design studio in Melbourne



UAE

Established office in Dubai to tap newer geographies

Indo Count exports to more than 54 countries across 5 continents and going forward to widen its geographical footprint



Sustainability Initiatives



Project GAGAN: A Sustainable Cotton Initiative



- ✓ **Improve sustainability in cotton farming for farmers in Warora Taluka of Chandrapur District in Maharashtra state**
- ✓ **Aims at covering 1,500 farmers in 10 villages to begin with and subsequently increasing the scope of this program to 30 villages thus helping close to 4,500 farmers in near future**

Objectives of the Program

- Backward Integration from Farm to Fashion
- Promotion of BCI and organic cotton
- Secured supply chain of BCI cotton

- ✓ Towards the program, we have recruited scouts who shall be interacting with farmers and shall try to help them in increasing their yield and rationalize the use of water, pesticides and fertilizers
- ✓ Dedicated a Ginning Mill to facilitate the farmers and have made necessary systems to secure supply chain

These initiatives will help farmers in increasing productivity of their farms along with judicious use of water, pesticides and fertilizers



Partnering Walmart in Project GIGATON



Indo Count commitment towards Walmart Project Gigaton : Sustainability Goals

Sustainability Parameter	Unit	Per Annum - Target
Power	KWH	“1.5 million Units” Power Consumption Reduction
Fuel	MT	Carbon Footprints – Reducing CO2 emission equivalent to 10,000 MT’s by Optimizing Efficiencies
Water	Ltrs	“50 million Liters” of Fresh Water Intake reduction

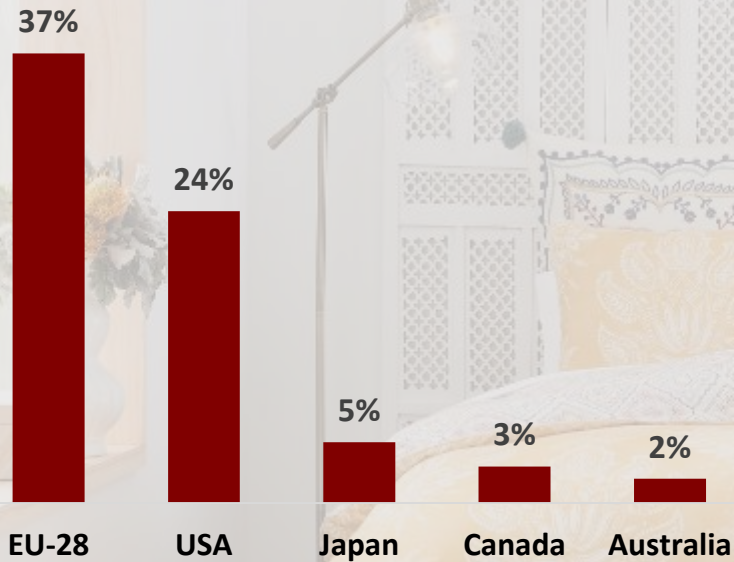


Industry Perspective



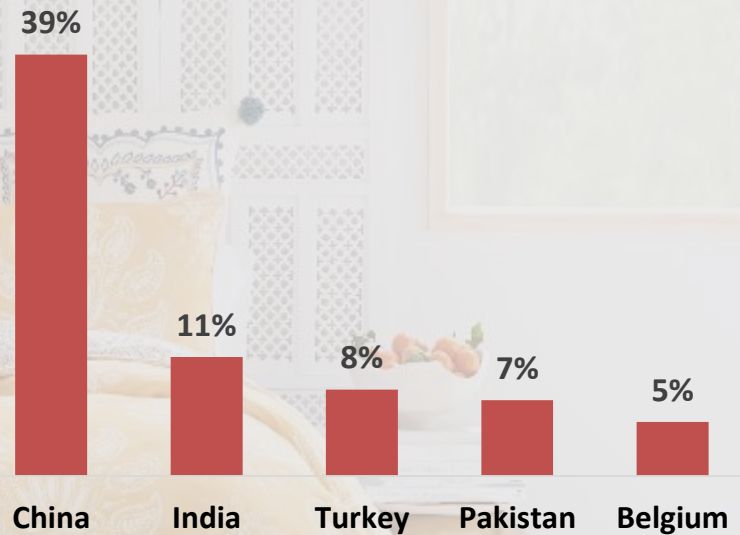
Top 5 Importing & Exporting Nations

Top 5 Home Textiles Importing Nations



EU-28 is the largest market for home textiles with a share of 37% and import value of US\$ 18 bn. This is followed by USA with import value of US\$ 12 bn. and a share of 24%.

Top 5 Home Textiles Exporting Nations



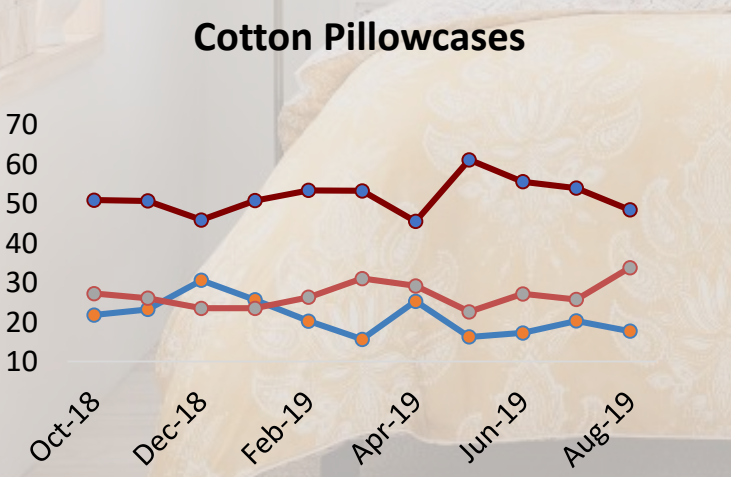
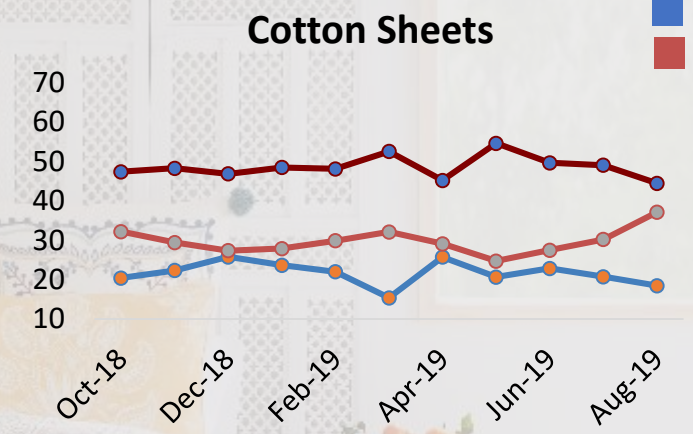
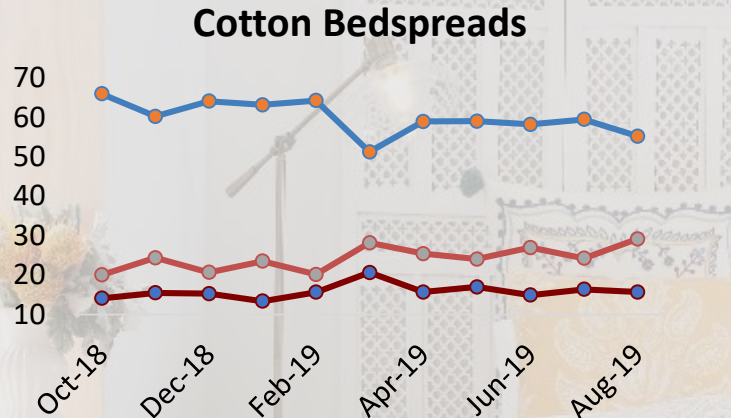
China has a share in home textile exports at 39% with US\$ 19 bn followed by India at 11% with US\$ 5 bn.

India with growth rate of 4%, has increased its world share from 9% to 11% in the past 5 years. China has remained almost stagnant with a CAGR of 0.7%



Home Textile imports by US

(in % Market Share)

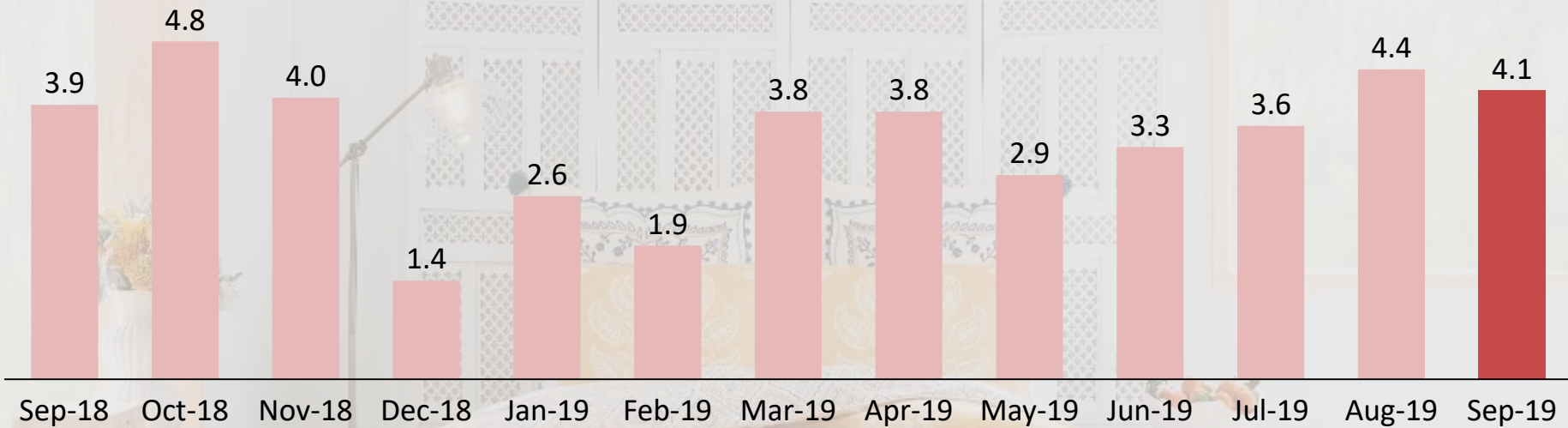


Over a long-term period, with integrated approach and abundant availability of Raw Material, India is poised to increase its market share

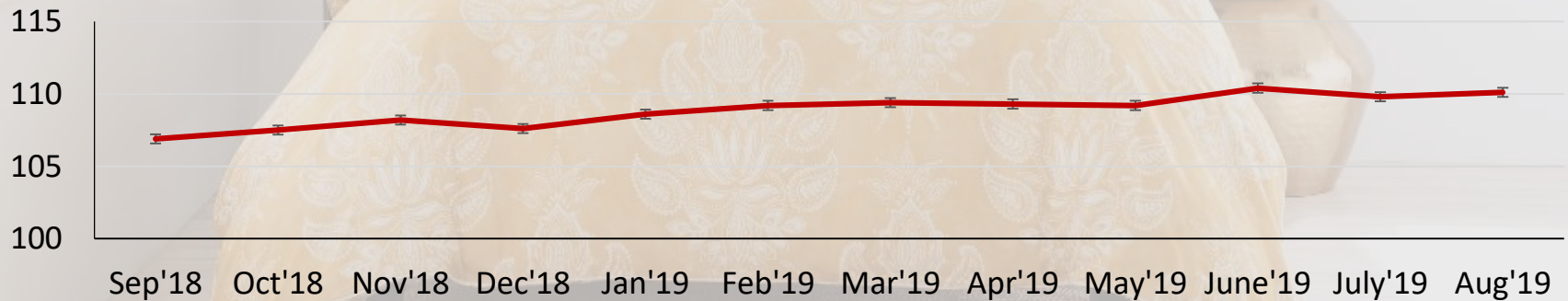


USA Retail Sales

USA YoY change in Retail Sales (in %)



Europe Retail Sales (2015 as Base 100)





India's edge in the home textiles market





Texprocil Award for 2018-19



Gold

Winner of Gold Trophy
for the Special Achievement Award in Made-ups



Gold

Winner of Gold Trophy
for the Highest export performance in Made Ups-
Bed Linen/Bed Sheets/Quilts under Category III



Silver

Silver Plaque
for the Second Highest exports performance in
Yarn-Counts 50s and below in Category I



Awards & Accolades



KOHL's, a large retailer in USA has awarded our Company for **“Best Collaboration in Design & Product development”**

JC Penney, a large retailer in USA has awarded us with a **“Platinum Certification Status”** for Sheets & Fashion bedding category



CSR: At Indo Count 'Every smile counts'



EDUCATION

- Promoting Education by implementation of E-learning systems in schools
- Benefiting ~50,000 students of 110 schools in and around Kolhapur on an Annual basis



HEALTHCARE

- 4 Medical Vans reaching 100 rural villages around Kolhapur providing free medicines and check-ups
- In FY19 more than 95,000 patients attended
- Till date ~1,95,000 patients benefitted
- Renovated Female Maternity & Gynac ward along with Cardiac Department for a government hospital in Kolhapur



WOMEN EMPOWERMENT

- Distributed sewing Machines and trained 950 women's
- Aimed at making women independent and upgrading their standard of living



WATER & SANITATION

- Promoting sanitation by building/ maintaining toilet blocks
- Installed pure drinking water facilities in various schools and public places



About Us

- **Indo Count Industries Ltd (ICIL)**, is one of India's largest home textiles manufacturer.
- Mr. Anil Kumar Jain, Executive Chairman, has been ranked 10th amongst the India's Best Top 100 CEO's 2017 by *Business Today*. Under his leadership, the Company has focused on some of the world's finest fashion, institutional and utility bedding and sheets and has built significant presence across the globe.
- Over the years, the Company has successfully carved a niche for itself and has become a one stop provider of all bedding products. The company's capacity currently stands at 90 million metres.

Our Vision

To be one of the leading players in the global Home Textile industry on the strengths of technology, experience and innovation.

Our Mission

Indo Count is committed to provide all our customers desired quality, services and value for money through our technological and organizational strengths.

Award and Credit Rating

The Company has been awarded by JC Penney, a large retailer in USA with a "Platinum Certification Status" for Sheets & Fashion bedding category

The Company has also been awarded by KOHL's, a large retailer in USA for "Best Collaboration in Design & Product development"

CARE's credit rating is CARE A+ (Single A Plus; Outlook: Stable) for Company's Long-Term Bank Facilities and CARE A1 (Single A One) for Short Term Bank Facilities.

ICRA credit rating is ICRA A+ (A plus) for Company's Long-Term Bank Facilities and ICRA A1 (A one) for Short Term Bank facilities with Outlook revised to Stable from Negative.



Investor Contact



For further information please contact:

Indo Count Industries Limited
CIN: L72200PN1988PLC068972

Mr. K.R. Lalpuria, Executive Director & C.E.O
kklalpuria@indocount.com

Mr. K. Muralidharan, Chief Financial Officer (CFO)
k.muralidharan@indocount.com

Investor Relations Advisors:

Strategic Growth Advisors Pvt. Ltd.
CIN: U74140MH2010PTC204285

Mr. Shogun Jain | Ms. Ami Parekh

P: +91 77383 77756 | +91 80824 66052 **E:** shogun.jain@sgapl.net | ami.parekh@sgapl.net

W: www.sgapl.net