



14<sup>th</sup> February, 2017

**BSE Limited**  
Phiroze Jeejeebhoy Towers,  
Dalal Street,  
Mumbai - 400001.

**National Stock Exchange of India Limited**  
Exchange Plaza, 5<sup>th</sup> Floor, Plot No. C/1,  
G Block, Bandra-Kurla Complex,  
Bandra (East), Mumbai- 400051.

**Scrip Code - 533329**

**NSE Symbol: INDTERRAIN**

Dear Sir/Madam,

**Sub: Investor Presentations for Q3 - FY 17**

With reference to the above captioned subject, we hereby enclose Investor Presentations on financial results for the quarter and nine months ended 31<sup>st</sup> December, 2016.

Kindly take the same on records. Kindly acknowledge the receipt of the same.

Thanking you,

Yours faithfully,

For **INDIAN TERRAIN FASHIONS LIMITED**

**Ravi B.S.G**  
Company Secretary & Compliance Officer



Encl.: as above

**INDIAN TERRAIN FASHIONS LIMITED**

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Email id : response.itff@indianterrain.com  
Website : www.indianterrain.com  
CIN NO : L18101TN2009PLC073017

**INDIAN TERRAIN**

# Indian Terrain Fashions Limited



## PERFORMANCE HIGHLIGHTS



INDIAN  
TERRAIN

# Q3 Financial Highlights

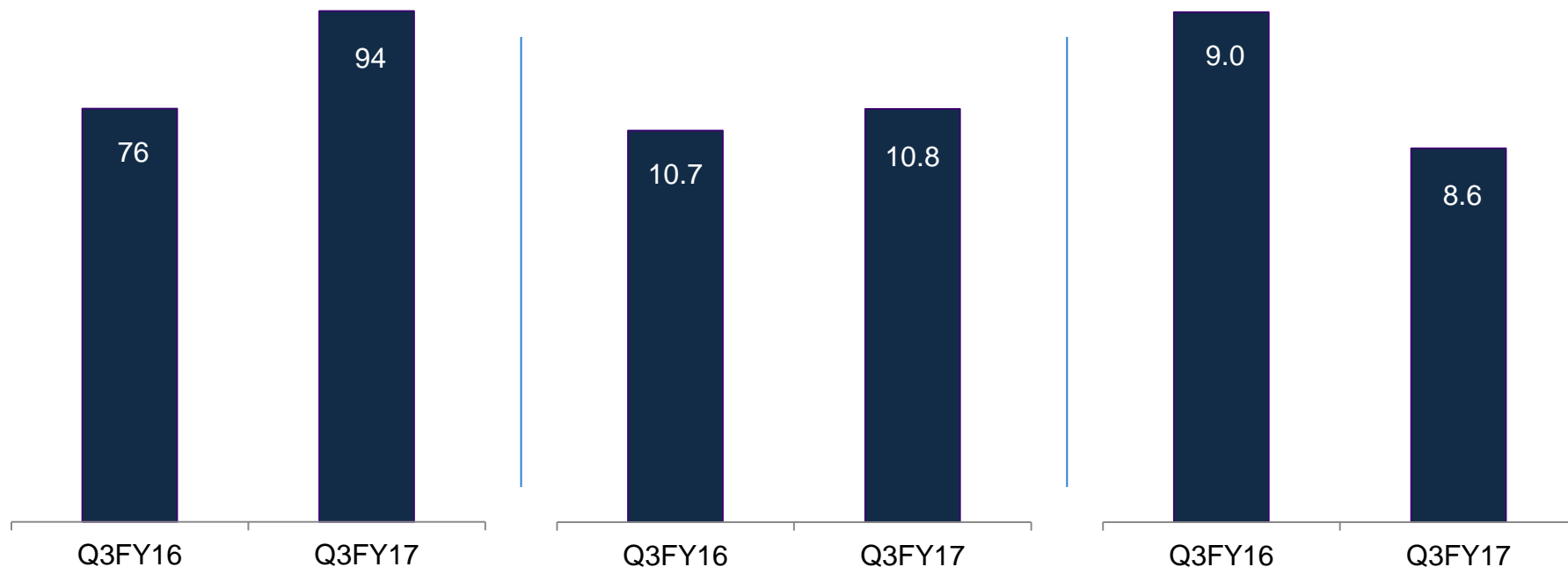


**94 crs of NET REVENUES (GROWTH OF 24%); OPERATING EBITDA MARGINS AT 11.4%; PBT AT 9.1%**

## Revenues (Rs. Cr)

## Operational EBITDA (Rs. Cr)

## Profit Before Tax (Rs. Cr)



# Q3FY17 Financial Highlights



- **~19% growth from Core Menswear Segment**

- Robust topline growth backed by buoyant festive season; Same store sales growth at 10% from exclusive outlets
- Brand remains No. 1 premium casual brand across formats and continued to gain market share
- Brand's modern retail business witnessed growth over 27% amidst temporary blip for 3 weeks post demonetisation
- Traditional channels were impacted with the demonetisation move; channel de-grew with the drop in stock replenishments post demonetisation
- Continued momentum in e-retailing; highest quarterly revenue of over 9 crs; new partner additions to further drive growth in the segment

- **Boyswear contribution at 7.6% to overall revenues, revenues at 7.2 crs from 2.50 crs previous year Q3**

- **Encouraging response for Footwear; Segment to expand its reach in select LFOs and Online**

- **Demonetisation**

- Impact of demonetisation to topline is estimated to be about 7 crs
- In addition the estimated impact to EBITDA margins on incremental discounting is about 1%



### ▪ Increase in Costs led by

- Promotion Schemes during festive season & schemes to off-set demonetisation impact and retain customer traction
- Advancement of EOSS to mid-December in line with market trends
- Continued investments into Boyswear and Footwear
- Increase in Personnel Costs – new Segments of Boyswear/Footwear coupled with strengthening of team effective Q3 FY'16

- Increase in finance costs primarily from interest on term loans availed in Mar'16
- Increased Depreciation with addition of new stores & warehouse coupled with renovation of key stores
- Provision for Tax at full rates

# Q3 and 9M Performance

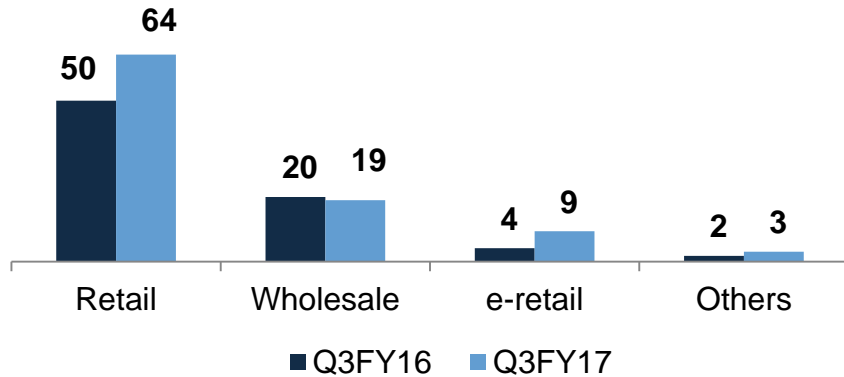


Rs. In Cr	Q3 FY17	Q3 FY16	Change	9M FY17	9M FY16	Change
<b>Net Revenues</b>	<b>94.27</b>	<b>76.16</b>	<b>23.8%</b>	<b>282.10</b>	<b>228.49</b>	<b>23.5%</b>
Cost of Materials	8.35	2.64		41.96	29.39	
Purchase of Finished Goods	16.78	16.33		74.90	61.60	
Change in Inventories	20.26	15.86		8.90	10.40	
Garment Processing Costs	1.57	1.43		14.65	11.52	
Employee Benefit Expenses	5.64	4.05		16.17	12.37	
Other Expenses	30.91	25.13		93.08	74.41	
<b>Total Expenses</b>	<b>83.51</b>	<b>65.44</b>	<b>27.6%</b>	<b>249.66</b>	<b>199.69</b>	<b>25.0%</b>
<b>Operating EBITDA</b>	<b>10.76</b>	<b>10.72</b>	<b>0.4%</b>	<b>32.44</b>	<b>28.80</b>	<b>12.6%</b>
Other Income	1.10	1.23		3.85	3.86	
<b>Gross EBITDA</b>	<b>11.86</b>	<b>11.95</b>		<b>36.29</b>	<b>32.66</b>	
Finance Costs	2.47	2.20		6.86	4.88	
Depreciation	0.79	0.70		2.63	1.58	
<b>Profit Before Tax</b>	<b>8.60</b>	<b>9.05</b>	<b>-5.0%</b>	<b>26.80</b>	<b>26.20</b>	<b>2.3%</b>
Provision for Tax	2.98	-		9.27	-	
<b>Profit After Tax</b>	<b>5.62</b>	<b>9.05</b>	<b>-37.9%</b>	<b>17.53</b>	<b>26.20</b>	<b>-33.1%</b>

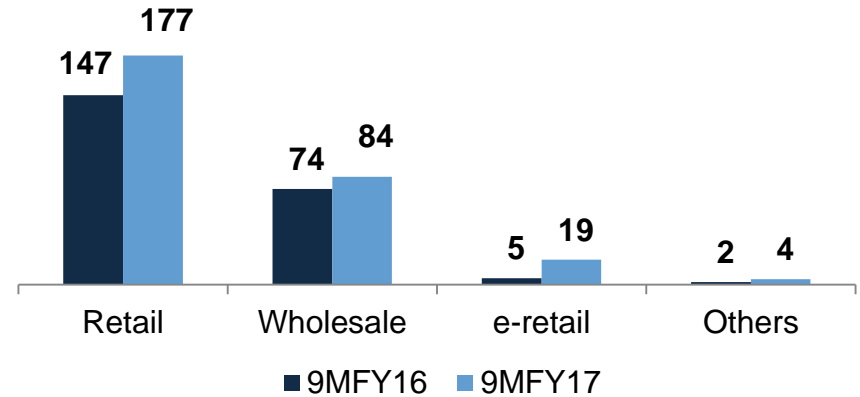
# Revenue Contribution (Rs. Crs)



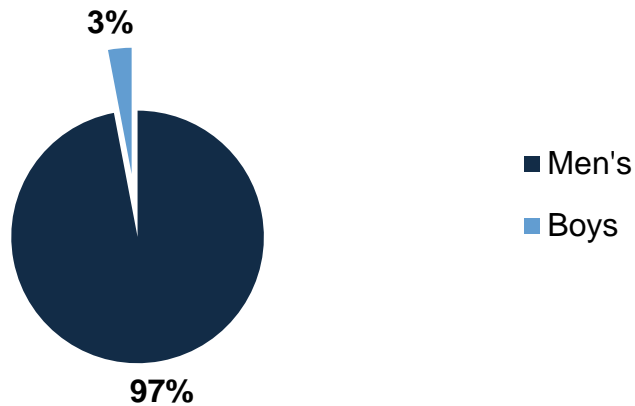
## Channelmix-Q3



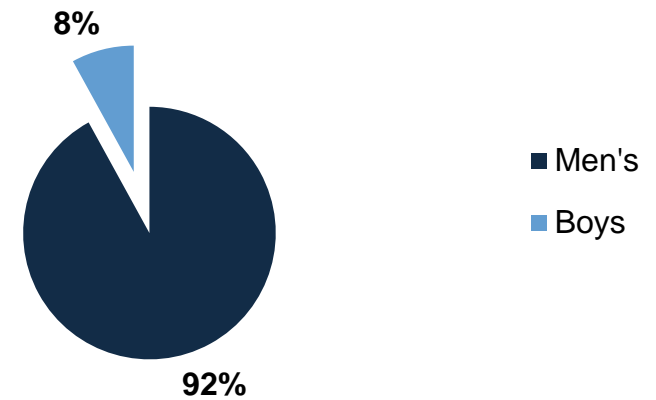
## Channelmix-9M



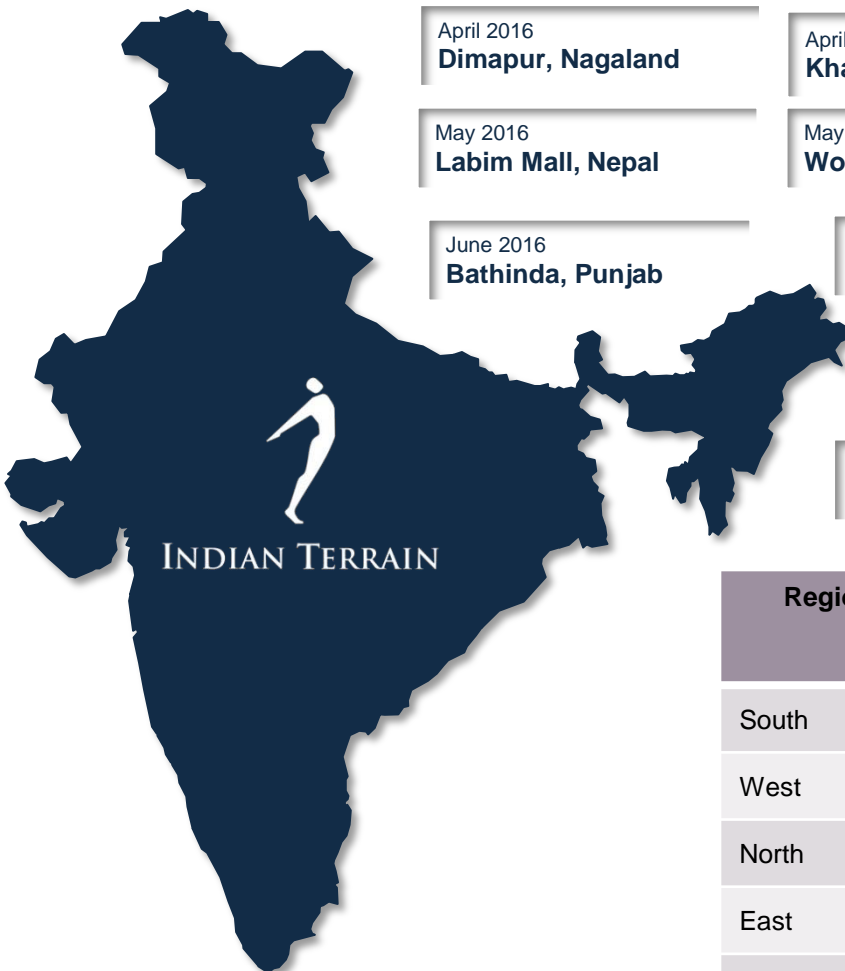
## Q3FY16



## Q3FY17



# Store Launches – Apr'16-Dec'16



April 2016  
**Dimapur, Nagaland**

April 2016  
**Khammam, AP**

April 2016  
**Belur, Kolkatta**

April 2016  
**Central Mall, Guwahati**

May 2016  
**Labim Mall, Nepal**

May 2016  
**Woodsburn Central, Kolkatta**

June 2016  
**Tirupati, AP**

June 2016  
**Nellore, AP**

June 2016  
**Bathinda, Punjab**

August 2016  
**AS Rao Nagar, Hyderabad**

September 2016  
**Jaigaon, West Bengal**

September 2016  
**Nagaon, Assam**

October 2016  
**Phoenix, BLR**

October 2016  
**Muzaffarpur, Bihar**

October 2016  
**GVK-Hyderabad, Telangana**

December 2016  
**Gammon Mall, Bhopal**

December 2016  
**Viziangaram, AP**

Region	Opening As on 1 <sup>st</sup> Oct	Additions	Closure	Closing As on 31 <sup>st</sup> Dec
South	52	3		55
West	26	1		27
North	30		1	29
East	10	1		11
<b>Total</b>	<b>118</b>	<b>5</b>	<b>1</b>	<b>122</b>



# Re-Launch –Fun Republic Mall, Lucknow



A true compliment to our classic Khakis.....



**INDIAN  
TERRAIN**

introduces  
**FOOTWEAR FOR SPORTSWEAR**



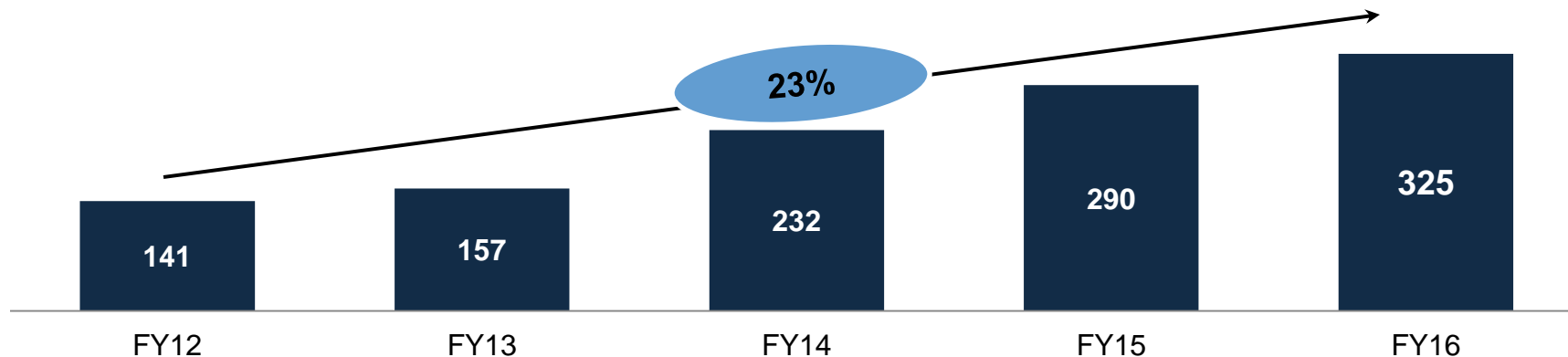
**INDIAN  
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\* Limited Edition Launch in Oct'16....soon to be made available Pan India

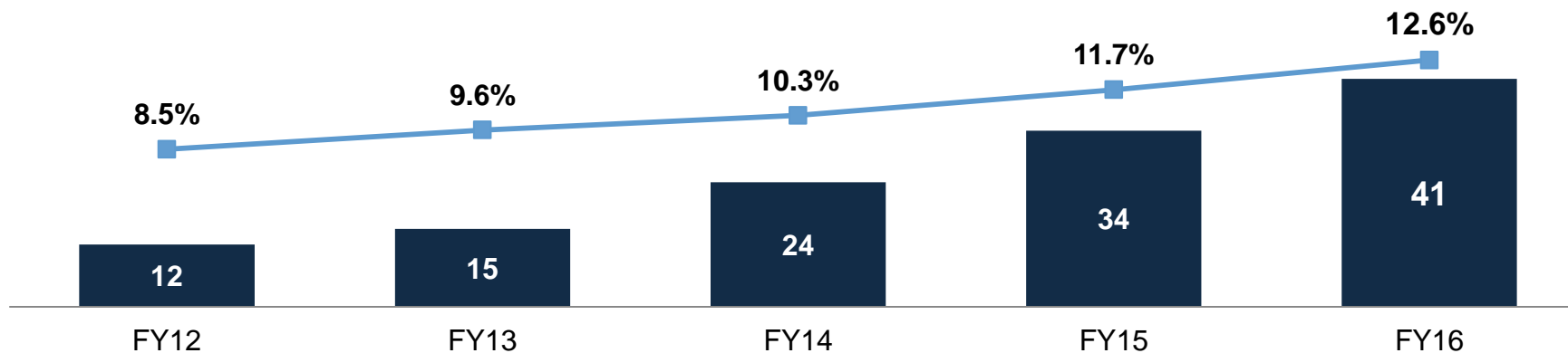
# Performance Overview



Revenue growth of 23%



36% growth in Operating EBITDA



# Distribution Network – Dec'16



**134**  
Exclusive Outlets



**212**  
doors in  
Departmental Stores



**1200**  
doors under Multi  
Branded Outlets



# Status Update



- Continued thrust on retail expansion with focus on Tier – 2, 3 & 4 cities; Targeting store count of 175 by March'18
  - Departmental stores expansion through new partners will add 60 doors by Mar'18; primary focus to remain on working capital efficiency improvements
  - New channel partners in key markets is expected to drive revenues in wholesale trade
  - The growth of online has just begun; leveraging digital retail channels will augment brand salience and also help reaching out to more customers in Tier - 2, 3 & 4 cities
- Boyswear to target 2x growth for FY 18
  - Segment is expanded to over 130 retail counters; New tie-ups will help expand distribution
  - Encouraging response for footwear; Online and Departmental stores are to be the primary distribution vehicle for the segment
  - Brand will continue to invest in these two new initiatives
- Long term outlook for the industry is positive backed by favorable demographics, continued increase in shift from need-based to aspiration-based purchasing, entry of foreign players, increasing urbanisation and rising disposable incomes
  - In the short term
    - The impact of demonetisation is expected to continue on the Wholesale business for the next two months and normalcy is to restore thereafter
    - Retail Markets (offline and online) are witnessing heavy discounts and extended EOSS periods to offset the impact of demonetisation

# Thank You



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