



ITFL/SEC/2020-2021/NOV/03

17th November, 2020

BSE Limited
Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai - 400 001

National Stock Exchange of India Limited
Exchange Plaza, 5th Floor, Plot No. C/1,
G Block, Bandra-Kurla Complex,
Bandra (East), Mumbai- 400 051

Scrip Code - 533329

NSE Symbol: INDTERRAIN

Dear Sir/Madam,

Sub: Investor Presentation for the quarter and half year ended 30th September, 2020.

We hereby enclose the Investor Presentation on the unaudited financial results of the Company for the quarter and half year ended 30th September, 2020.

This is for your information and 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




**INDIAN
TERRAIN**
The Spirit of Man

 **INDIAN
TERRAIN**

**'makes
you
feel
good'**

PERFORMANCE HIGHLIGHTS

November 2020

Q2FY21 Result Highlights

Safe Harbor



The information contained in this presentation is only current as of its date. Please note that the past performance of the company is not and should not be considered as, indicative of future results.

This presentation may contain certain statements of future expectations and other forward-looking statements, including those relating to our general business plans and strategy, our future financial condition and growth prospects and future developments in our sector and our competitive and regulatory environment. In addition to statements which are forward looking by reason of context, the words 'may', 'will', 'should', 'expects', 'plans', 'intends', 'anticipates', 'believes', 'estimates', 'predicts', 'potential' or 'continue' and similar expressions identify forward looking statements. All forward looking statements are subject to risks, uncertainties and assumptions that could cause actual results, performances or events to differ materially from the results contemplated by the relevant forward looking statement. The factors which may affect the results contemplated by the forward looking statements could include, amongst others, future changes or developments in (i) the Company's business, (ii) the Company's competitive environment, and (iii) political, economic, legal and social conditions in India.

The Company assumes no responsibility to publicly amend, modify or revise any forward looking statements on the basis of any subsequent developments, information or events or otherwise. Unless otherwise stated in this document, the information contained herein is based on management information and estimates.

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QUARTERLY
SNAPSHOT

04

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Quarterly Snapshot



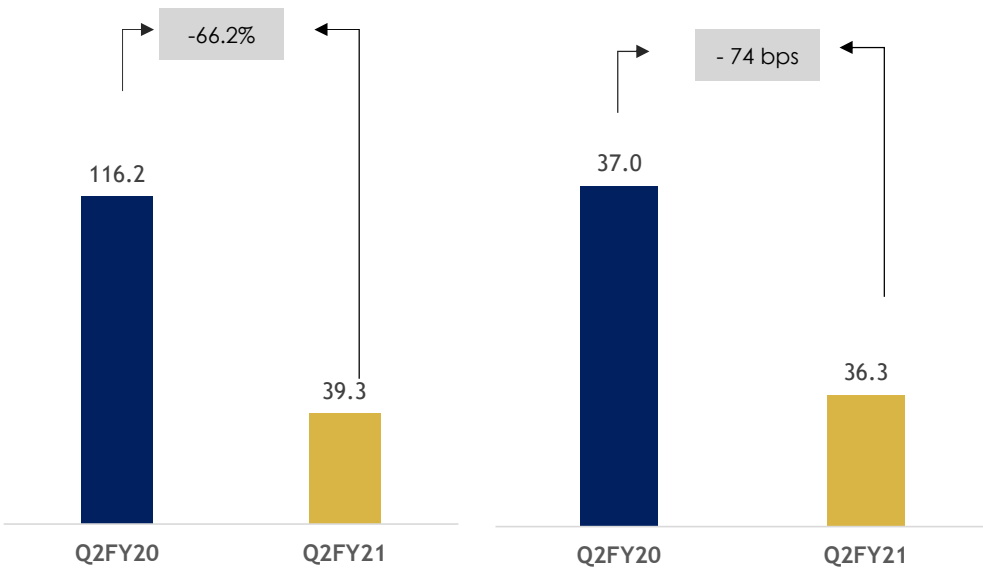
Particulars (₹ Cr)	Q2FY21	Q2FY20	% YoY	Q1FY21	% QoQ	1HFY21	1HFY20	% chg.
Revenues	39.32	116.23	-66.17	13.39	193.65	52.71	199.53	-73.58
Other Income	3.24	0.77	320.78	4.44	-27.03	7.67	1.47	421.77
Total Income	42.56	117.00	-63.62	17.83		60.38	201.00	
Operating Expenses	48.48	102.02	-52.48	37.56	29.07	86.05	170.98	-49.67
EBITDA	-5.92	14.98	-139.52	-19.73	-69.99	-25.67	30.02	-185.51
Depreciation	5.28	5.47	-3.47	5.52	-4.35	10.80	10.59	1.98
EBIT	-11.20	9.51	-217.77	-25.25	-55.64	-36.47	19.43	-287.70
Financial Charges	6.42	5.19	23.70	7.15	-10.21	13.57	9.35	45.13
PBT	-17.62	4.32	-507.87	-32.40	-45.62	-50.04	10.08	-596.43
Tax	-0.13	-0.16	-18.75	-0.15	-13.33	-0.28	1.85	-115.14
PAT	-17.49	4.48	-490.40	-32.25	-45.77	-49.76	8.23	-704.62

- ❖ Decline in COGS % is due to balanced channel mix
- ❖ Covid-19 expenses incurred on account of Store Sanitization and Upkeep Costs, Employee Safety and Well Being Costs, Warehouse Safety Measures, Transportation and Other Infrastructure Related Costs for WFH
- ❖ Finance Costs higher on account of Moratorium Period Interest, Higher Utilisation and AS116 impact.
- ❖ Other Income is the impact of Rent Waivers/ Reductions received during the quarter as per AS116

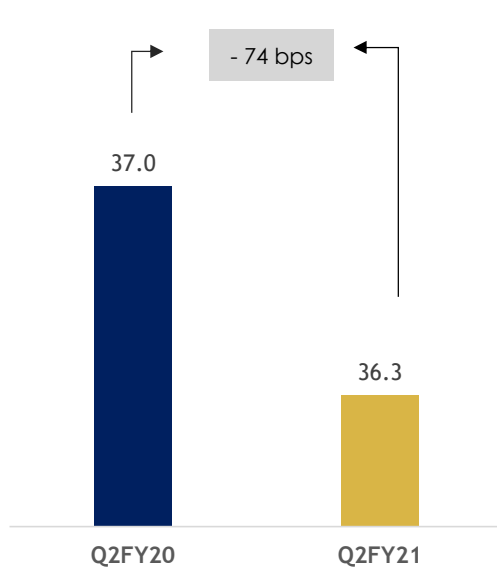
Quarterly Key Highlights



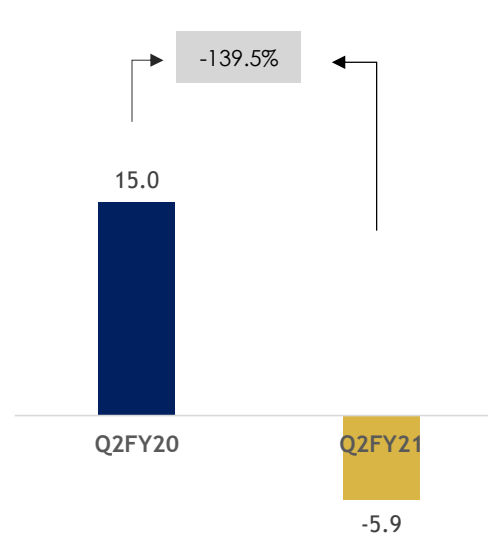
Operating Revenue (₹ cr)



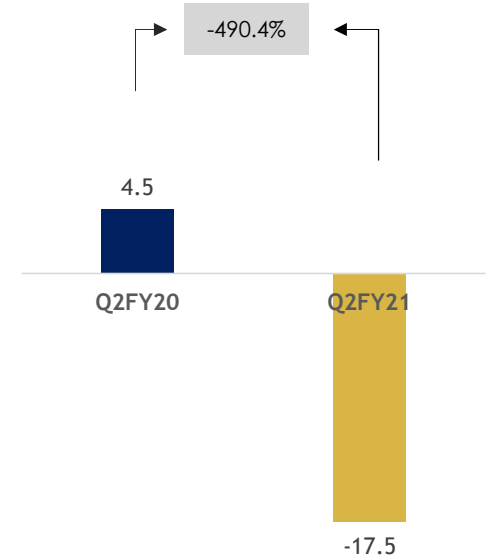
Gross Margins (%)



EBITDA (₹ cr)



PAT (₹ cr)

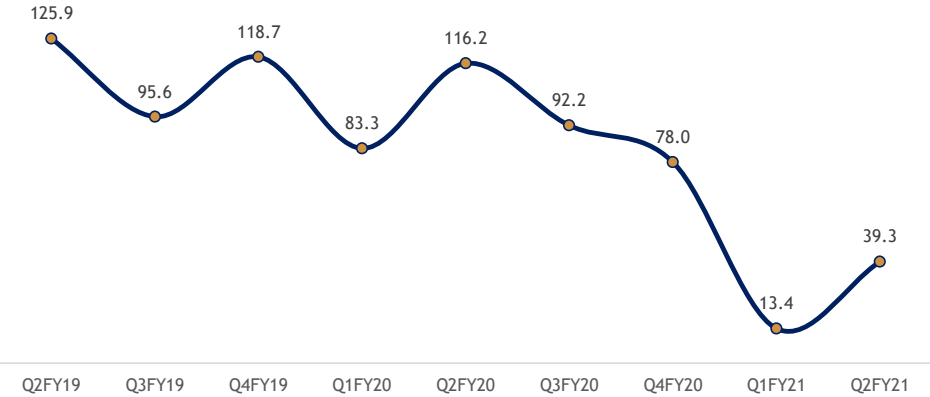


- Revenues dipped 66.2% as unlocking commenced intermittently with lesser working days
- Gross Margins were marginally negative 36.3% with YoY lower RM cost
- PAT at Rs -17.5cr. further impacted with interest expenses

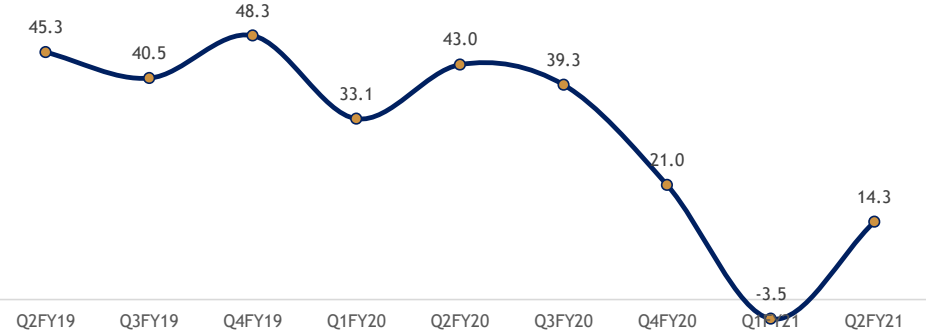
Standalone Quarterly Profile



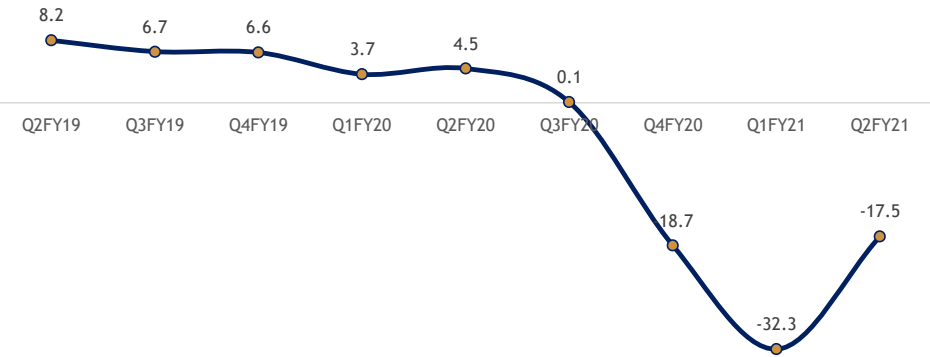
Sales (Rs. Cr)



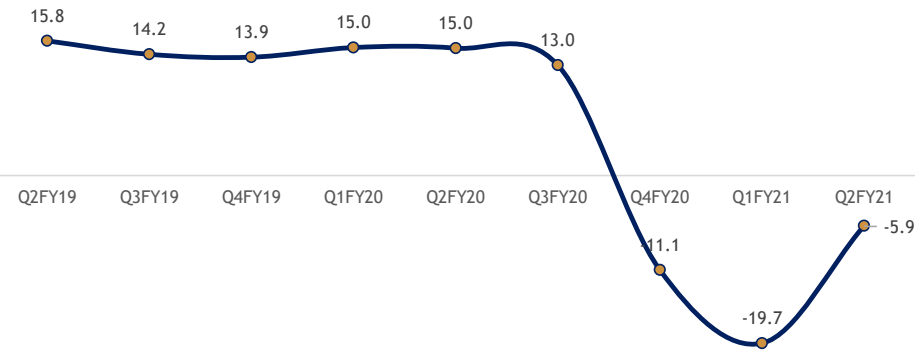
Gross Profit (Rs. Cr)



PAT (Rs. Cr)



EBIDTA (Rs. Cr)



RETAIL

As on 30th Sep 2020, 202 Stores were operational with an addition of 16 new stores

EBO's Continue to show stronger traction in consumption pick up

South, East and Most parts of Hinterland showing much better resilience and pick up

01

LFO

Business started sluggish but picking up since mid of Q2

All Malls functional from Sept onwards however overall footfalls continue to be an issue

02

MBO

Most impacted Channel with very moderate retail off-takes

03

ONLINE

E-Commerce traction continues to be strong and in-line with our expectations

04

IT.COM

Seeing good response from customers since its re-launch in July with promising future ahead

Monthly run rate is climbing gradually

05



STORE DETAILS

New Store Openings - Direct to Consumer Focus Remains



HIMAYAT
NAGAR



New Store Openings - Direct to Consumer Focus Remains



SRINAGAR



New Store Openings - Direct to Consumer Focus Remains



DB MALL
BHOPAL



New Store Openings - Immense sales potential with focus on smaller towns



New Store Openings - Immense sales potential with focus on smaller towns



DHARMAPURI



KANCHEEPURAM



New Store Openings - Immense sales potential with focus on smaller towns



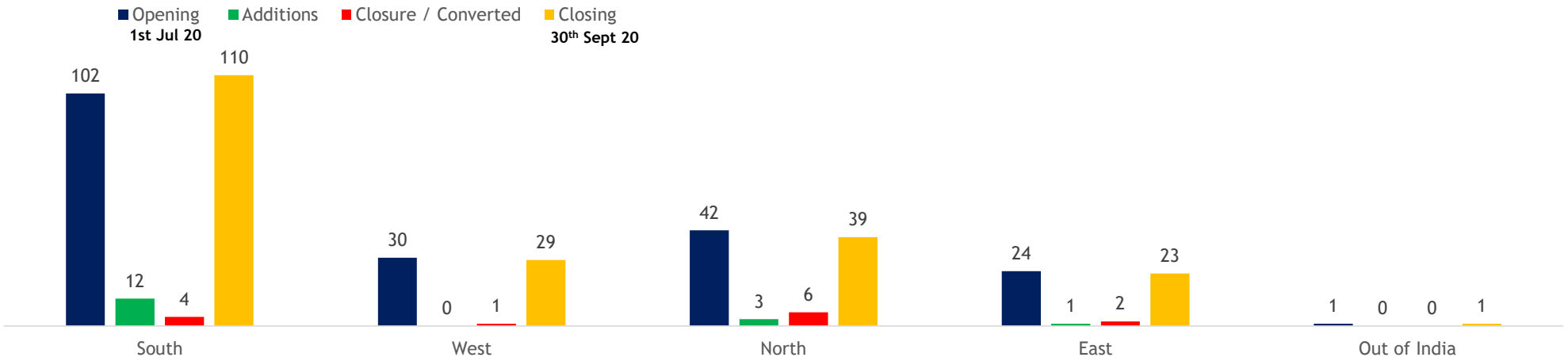
THIRUVANAMALAI



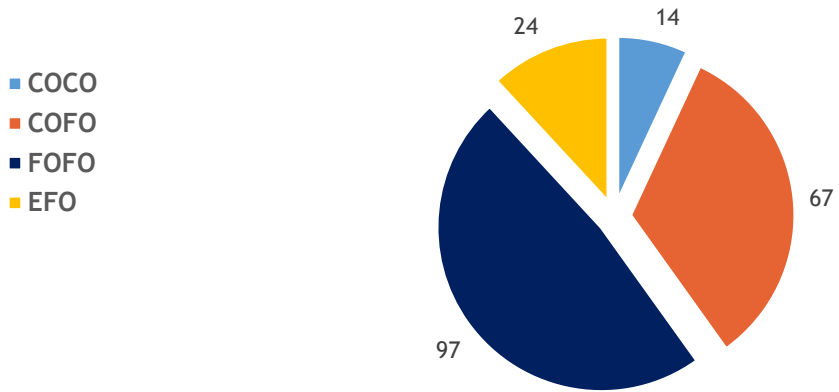
SEMBAKKAM



Store Distribution Across Geographies



STORE COUNT



*Store Count - 202 under direct management + 5 Stores under distributor management

Store Format Footprints



202

Exclusive Doors
(inclusive of 24 EFO)



1400+

Doors under Multi Branded Outlets



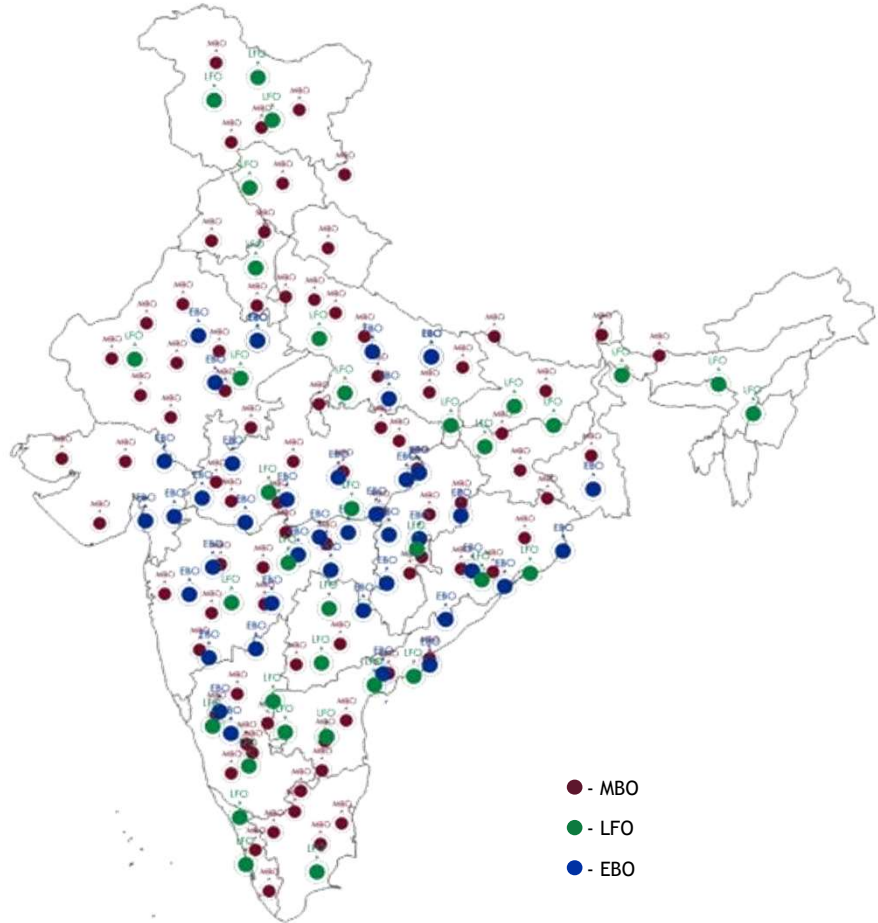
+482

Doors in Departmental Stores



7+

E-commerce Partners



- - MBO
- - LFO
- - EBO



OUTLOOK

Outlook Ahead...

EBO Retail ~
Showing Good
Momentum

01

Festive Period Sales
picking up significantly

02

ONLINE & IT.COM

E-commerce will
continue to be a
focus in the coming
quarters

03

Direct to Consumers

Continued thrust on expansion
with Own retail EBO into
hinterland under franchise model

04



**MAN
2
MAN**
LOYALTY PROGRAM

Loyalty pays. Make yours count.

[Know More](#)

*TSC, Apple

Sustainability Strategy

Sustainability Strategy



- ❖ Have set a long term objective to be India's leading Sustainable Brand – **LOOK GOOD AND DO GOOD**
- ❖ Started the Journey in October with the launch of “**Fairtrade Collection**” becoming India’s 1st High Street Brand to adapt the same
- ❖ Specific Goal to have more than 50% of products sourced from sustainable sources within the next 3 years – Fairtrade, Organic, Recycled, Natural Dyes, Green Denim
- ❖ Over the next few quarters increasing part of the Product range will be reflecting this initiative

MENS



BOYS





FINANCIAL STATEMENTS



Profit & Loss Statement - Quarterly



Standalone Profit & Loss (INR cr)	Q2FY19	Q3FY19	Q4FY19	Q1FY20	Q2FY20	Q3FY20	Q4FY20	Q1FY21	Q2FY21
Income from Operations	125.9	95.6	118.7	83.3	116.2	92.2	78.0	13.4	39.3
Other Income	0.5	0.5	1.3	0.7	0.8	0.7	1.7	4.4	3.2
Total Income	126.3	96.0	120.0	84.0	117.0	92.8	79.7	17.8	42.6
Operating Expenses	110.5	81.8	106.1	69.0	102.0	79.9	90.8	37.6	48.5
EBITDA	15.8	14.2	13.9	15.1	15.0	13.0	-11.1	-19.7	-5.9
Margin %	12.6	14.9	11.7	18.1	12.9	14.1	-14.3	-147.3	-15.1
Depreciation	1.4	1.4	1.5	5.1	5.5	5.7	6.5	5.5	5.3
EBIT	14.5	12.8	12.4	9.9	9.5	7.3	-17.6	-25.3	-11.2
Margin %	11.5	13.4	10.4	11.9	8.2	7.9	-22.6	-188.6	-28.5
Financial Charges	1.9	2.5	2.0	4.2	5.2	5.7	5.5	7.2	6.4
PBT	12.6	10.3	10.4	5.8	4.3	1.5	-23.1	-32.4	-17.6
Margin %	10.0	10.8	8.8	6.9	3.7	1.7	-29.7	-242.0	-44.8
Tax	4.4	3.6	3.8	2.0	-0.2	1.5	-4.5	-0.2	-0.1
PAT	8.2	6.7	6.6	3.8	4.5	0.08	-18.67	-32.3	-17.5
Margin %	6.5	7.0	5.6	4.5	3.9	0.1	-23.9	-240.9	-44.5

The Company has adopted IND AS 115 with effect from 01st April 2017 and IND AS 116 with effect from 01st April 2019 using modified retrospective approach and hence figures are not comparable

Profit & Loss Statement - Annually



Standalone Profit & Loss (INR cr)	FY14	FY15	FY16	FY17	FY18	FY19	FY20
Income from Operations	232.0	290.0	325.0	325.9	401.5	422.4	369.7
Other Income	0.3	0.8	5.2	5.3	2.5	3.0	3.9
Total Income	232.3	290.8	330.2	331.2	404.0	425.4	373.5
Operating Expenses	207.9	256.9	283.9	285.9	353.6	371.5	341.6
EBITDA	24.4	33.9	46.3	45.3	50.4	53.8	31.9
Margin %	10.5	11.7	14.2	13.9	12.5	12.7	8.6
Depreciation	2.5	2.9	2.3	3.1	4.2	5.5	22.8
EBIT	21.9	31.0	43.9	42.2	46.1	48.3	9.1
Margin %	9.5	10.7	13.5	12.9	11.5	11.4	2.5
Financial Charges	9.5	8.6	7.0	8.9	7.0	8.5	20.6
PBT	12.4	22.3	37.0	33.3	39.1	39.8	-11.5
Margin %	5.4	7.7	11.4	10.2	9.7	9.4	-3.1
Tax	2.6	4.4	4.0	10.4	13.7	14.1	-1.2
PAT	9.9	18.0	33.0	22.8	25.4	25.7	-10.3
Margin %	4.3	6.2	10.2	7.0	6.3	6.1	-2.8

The Company has adopted IND AS 115 with effect from 01st April 2017 and IND AS 116 with effect from 01st April 2019 using modified retrospective approach and hence figures are not comparable

Balance Sheet & Key Ratios



Standalone Balance Sheet (INR cr)	FY14	FY15	FY16	FY17	FY18	FY19	FY20
Share capital	5.7	7.2	7.3	7.6	7.6	7.6	7.6
Reserves and Surplus	30.5	119.2	146.2	171.3	196.4	222.1	208.5
Non-current liabilities	21.3	7.9	18.4	13.4	20.3	23.2	90.0
Current liabilities	83.2	81.3	90.9	108.6	152.6	165.4	197.2
Total Equity and Liabilities	140.7	215.5	262.8	300.8	377.0	418.3	503.3
Non-current assets	16.8	20.5	40.0	50.3	61.7	67.7	140.8
Current assets	124.0	195.0	222.8	250.5	315.2	350.6	362.5
Total Assets	140.7	215.5	262.8	300.8	377.0	418.3	503.3

Key Ratios	FY14	FY15	FY16	FY17	FY18	FY19	FY20
RoCE (%)	24.8	18.2	19.8	16.1	17.9	18.4	2.7
RoE (%)	27.3	14.2	21.5	15.4	12.5	11.2	-4.8
Net debt to equity (x)	1.34	-0.18	-0.16	-0.11	-0.06	-0.02	0.46
Interest coverage (x)	2.3	3.5	5.6	4.1	6.2	5.7	0.4
Inventory days	175	135	138	159	136	110	107
Receivables days	121	120	111	123	162	207	248
Payable days	66	69	101	103	141	125	165



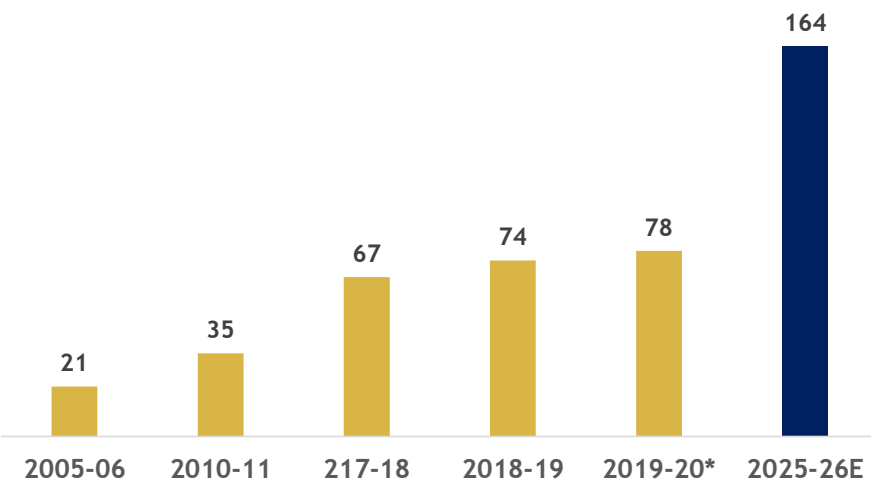
INDUSTRY DATA



India's Apparel Industry could moderately witness a degrowth in FY21E

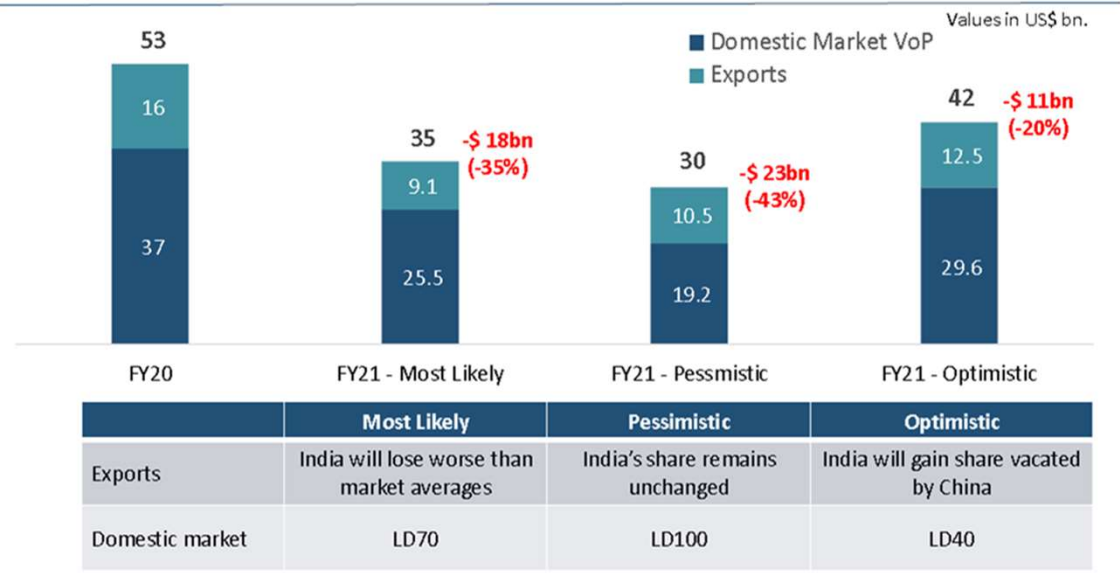


Indian Apparel Market Size (\$ bn)



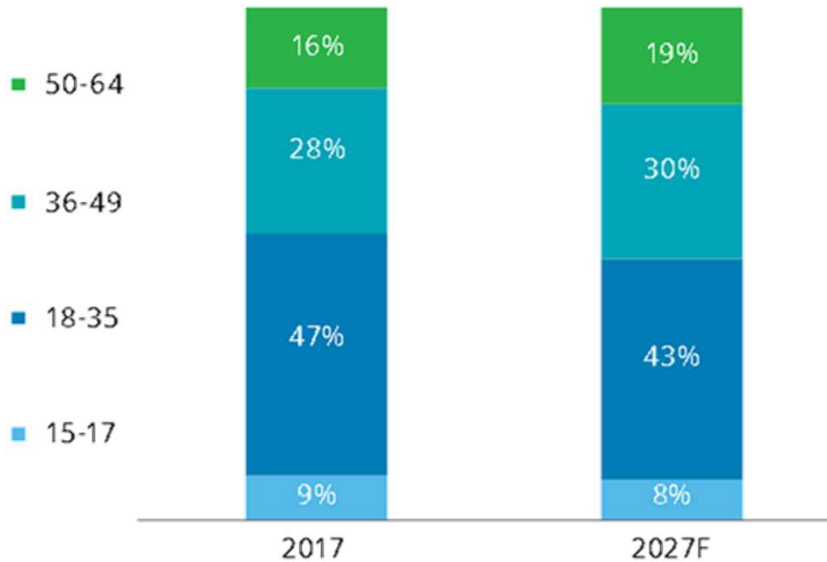
Data Source: Ministry of Textiles & Wazir Analysis
* Estimated

Indian Apparel Industry Is Likely To Shrink 35%



Share of the working population is expected to remain highest in the next decade and even further.

Share in working age population (by age group)



Millennial account for nearly half of the working age population

Top 5 reasons of millennial to shop Offline *



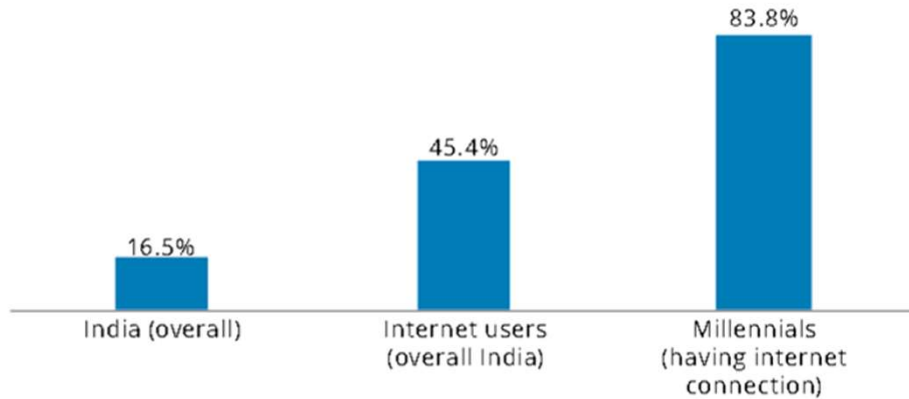
Top 5 reasons of millennial to shop online*



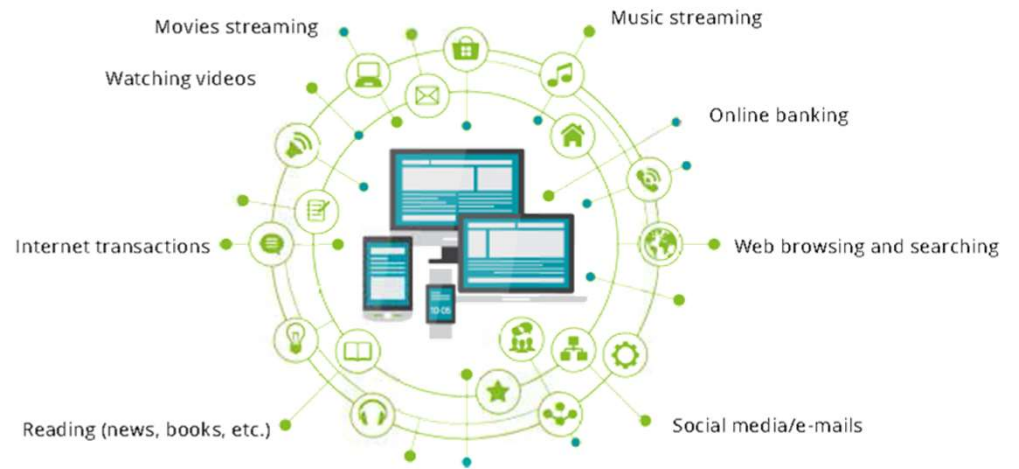
Leveraging of various social media platforms play an integral part in luring consumers to shop



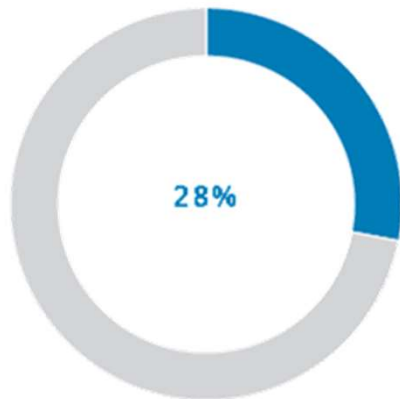
3G/4G penetration



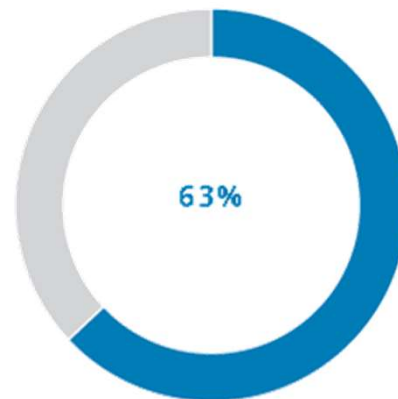
Faster internet access at a lower cost to drive online sales for e-com platforms



As per a report, Indian millennial spend 17 hours every week on online activities



28% millennials purchase products owing to social media recommendation



63% millennials stay updated on brands through social media

Let's Connect

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Chennai-600 045, Tamil Nadu, India



Thank You

