



ITFL/SEC/2023-24/NOV/05

9<sup>th</sup> November 2023

**BSE Limited**

Phiroze Jeejeebhoy Towers,  
Dalal Street,  
Mumbai – 400 001

**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- 400 051

**Scrip Code – 533329**

**NSE Symbol: INTERRAIN**

Dear Sir/Madam,

**Sub: Investor presentation for the quarter and half year ended 30<sup>th</sup> September 2023**

We hereby enclose herewith the Investor Presentation on the unaudited standalone financial results of the Company for the quarter and half year ended 30<sup>th</sup> September 2023.

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

Thanking you,

Yours faithfully,

**For Indian Terrain Fashions Limited**

**Charath Ram Narsimhan**

**Managing Director**

**INDIAN TERRAIN FASHIONS LIMITED**

Registered office and Address for communication: Survey No. 549/2 & 232, Plot No 4  
Thirukkachiyur & Sengundram Industrial Area,  
Singaperumal Koil Post, Chengalpattu – 603204, Tamil Nadu  
Email ID: response.itfl@indianterrain.com  
Website: www.indianterrain.com  
CIN: L18101TN2009PLC073017

**INDIAN TERRAIN**



INDIAN  
TERRAIN

# Indian Terrain

Q 2 F Y 2 4

I N V E S T O R P R E S E N T A T I O N





# 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 here in is based on management information and estimates.

The information contained herein is subject to change without notice and past performance is not indicative of future results. Company may alter, modify or otherwise change in any manner the content of this presentation, without obligation to notify any person of such Revision or changes. This presentation may not be copied and disseminated in any manner.

Fashion

Shopping

Design

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Stores Additions Q2 FY24

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# Industry

- Market remained sluggish and demand continued to be muted.
- Customers upgrading to premium continued to be a vital differentiator for growth
- Festival calendar movement shifted demand to next quarter
- Customer preference towards Stronger brand continue

# Company at a Glance

Shirts



T-shirts

Accessories



Outer Wear

Bottom Wear



Men

Bottom Wear



T-shirts



Outer Wear



Boys

Shirts



## Retail Network

600+

Large Format Outlets

250+

Cities Spread Across

232

Exclusive Doors

5+

E-commerce Partners

1340+

Doors under Multi Branded

Outlets



# Financial Highlights

## Q2 FY24



# Q2 FY24 – Business Update

- Overall revenues down 9% on account of lower retail sales and demand sluggishness.
- Push out of the festive season to Q3 has also impacted the Revenue for the quarter.
- E Commerce bounce back and scaling up in line with the focus strategy of Direct to Consumer
- Demand driven purchases and Systematic monitoring and control of Inventory levels.
- Focused on improving efficiencies to remain competitive.

❖ Q1 FY24 saw a decline in Revenue due to the demand sluggishness across the market.

❖ Lower demand led to higher discounts during the quarter and early EOSS, impacted the EBITDA margin.



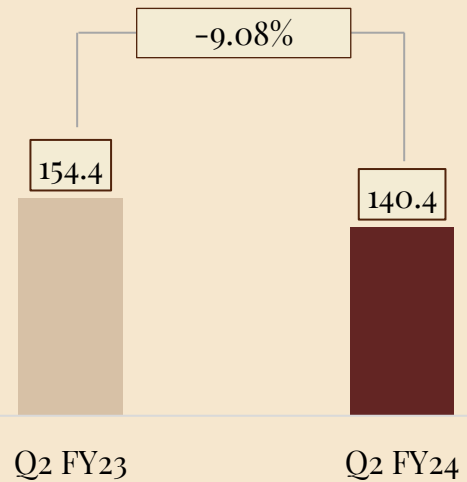
# Q2 FY24 – Strategic Update

- Company has taken a strategic decision to exit from the Boys Wear business operations starting from Q2 FY24.
- The boys Wear business was impacting the overall performance and did not have the potential to scale up beyond 8-10%
- Lower EBITDA Margin compared to Menswear and significantly higher working capital pressure were some of the key reasons for exiting from the boys wear
- Reduction in revenue and lower realization on inventories liquidation would affect gross margin in the short run.
- Growth in Revenue from Menswear category extensions is expected to make up for the loss of Revenue due to exit from Boys Wear.
- Moreover, effective EBITDA margin will improve and Gross Working Capital will come down in medium term.

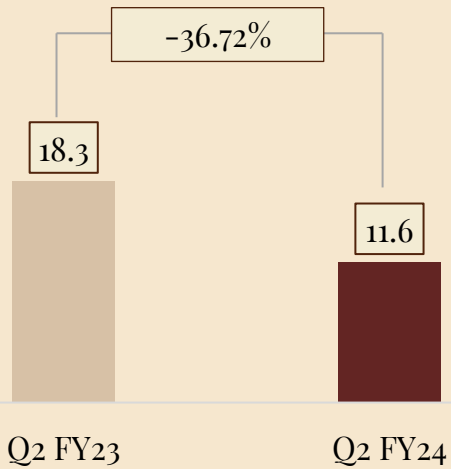


# Q2 FY24 – Financial Highlights

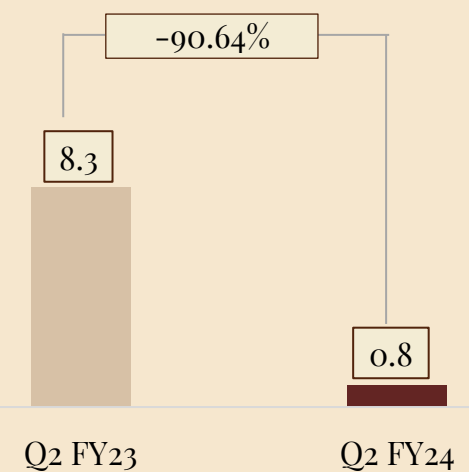
Net Sales (Rs. in Crores)



EBITDA (Rs. in Crores)



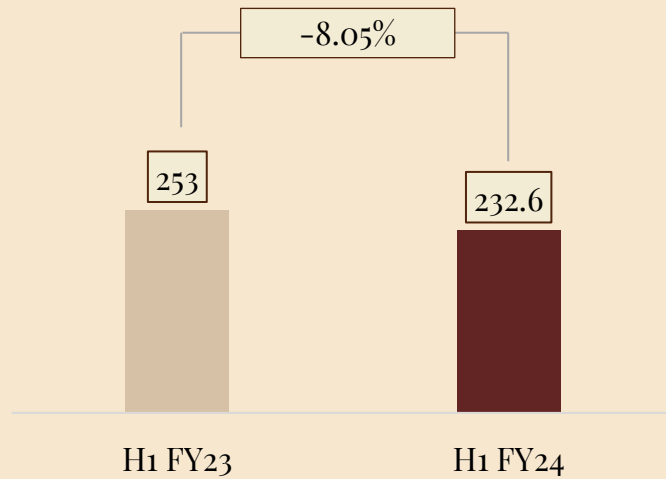
PBT (Rs. in Crores)



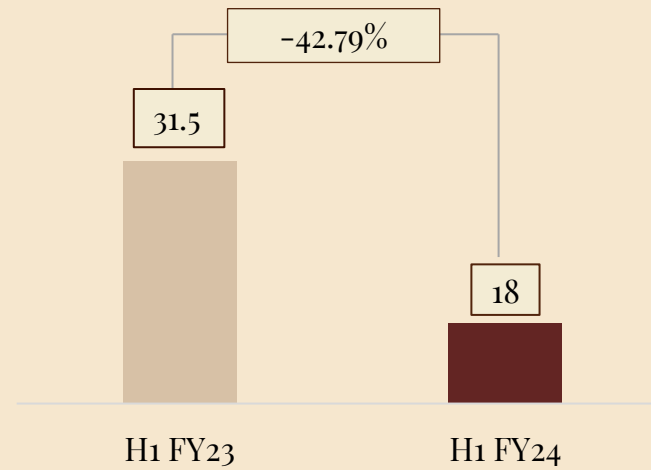
- ❖ Q2 FY24 revenue declined due to the demand sluggishness across the market.
- ❖ Lower demand led to higher discounts during the quarter and early EOSS, impacted the EBITDA margin.

# H1 FY24 – Financial Highlights

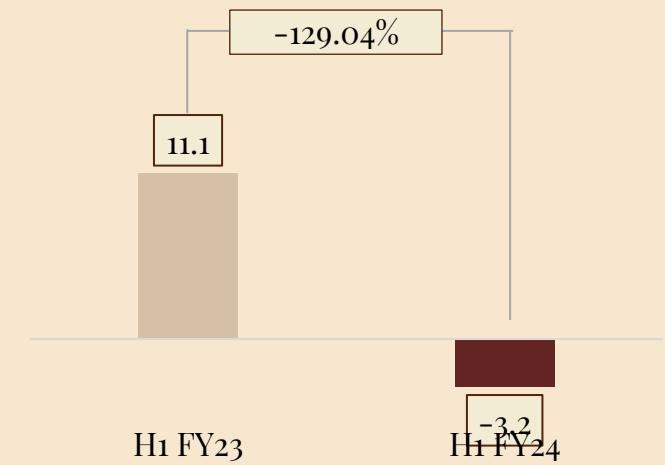
Net Sales (Rs. in Crores)



EBITDA (Rs. in Crores)



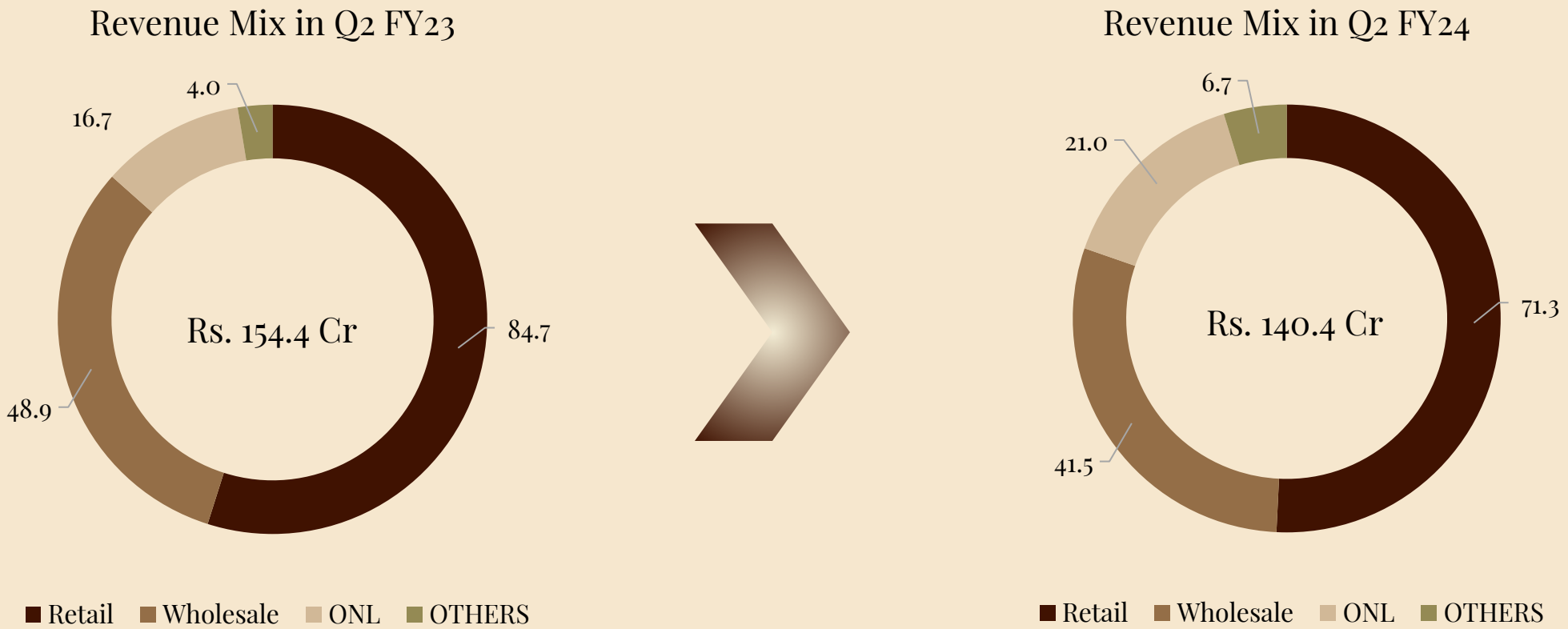
PBT (Rs. in Crores)



- ❖ Decline in Revenue during the FY'24, has impacted the profitability for the period.
- ❖ Liquidation of Boys wear during the Q2, has impacted the EBITDA and profitability.



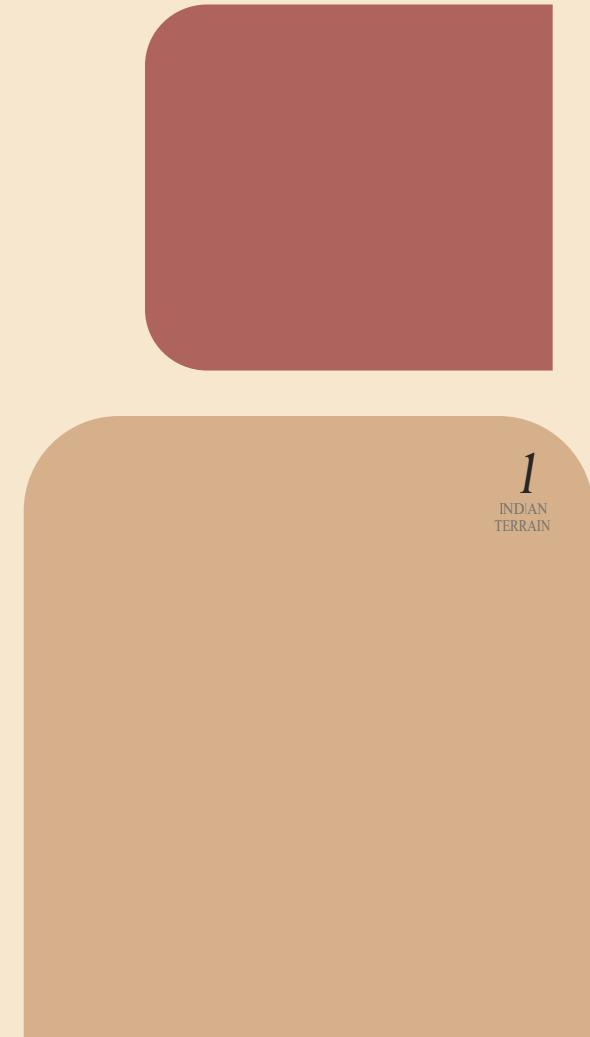
# Revenue Mix – Channel Distribution



- Market sluggishness and push out of the festive season has led to overall reduction in Sales during the quarter.
- Liquidation of Boys wear inventory during the quarter has resulted in increase in others segment.

# Financial Performance

Standalone Profit & Loss (INR cr)	H1FY24	H1FY23	YoY Change	Q2FY24	Q2FY23	QoQ Change
<b>Income from Operations</b>	<b>232.6</b>	<b>253.0</b>	<b>-8.05%</b>	<b>140.4</b>	<b>154.4</b>	<b>-9.08%</b>
Other Income	1.7	3.1		1.04	2.61	
<b>Total Income</b>	<b>234.4</b>	<b>256.1</b>		<b>141.4</b>	<b>157.0</b>	
Operating Expenses	216.4	224.6		129.8	138.7	
<b>EBITDA</b>	<b>18.0</b>	<b>31.5</b>	<b>-42.79%</b>	<b>11.6</b>	<b>18.3</b>	<b>-36.72%</b>
<b>Margin%</b>	<b>7.74%</b>	<b>12.43%</b>		<b>8.24%</b>	<b>11.85%</b>	
Depreciation	10.6	11.6		5.2	5.7	
<b>EBIT</b>	<b>7.4</b>	<b>19.9</b>	<b>-62.77%</b>	<b>6.4</b>	<b>12.6</b>	<b>-49.66%</b>
<b>Margin%</b>	<b>3.18%</b>	<b>7.85%</b>		<b>4.53%</b>	<b>8.18%</b>	
Financial Charges	10.6	8.7		5.6	4.4	
<b>PBT</b>	<b>-3.2</b>	<b>11.1</b>	<b>-129.04%</b>	<b>0.8</b>	<b>8.3</b>	<b>-90.64%</b>
<b>Margin%</b>	<b>-1.39%</b>	<b>4.40%</b>		<b>0.55%</b>	<b>5.36%</b>	
Tax	7.8	0.1		9.0	-0.4	
<b>PAT</b>	<b>-11.0</b>	<b>11.0</b>	<b>-200.23%</b>	<b>-8.3</b>	<b>8.7</b>	<b>-195.27%</b>
<b>Margin%</b>	<b>-4.75%</b>	<b>4.36%</b>		<b>-5.88%</b>	<b>5.61%</b>	



# Working Capital – Constantly Improving Efficiency

(INR Crs.)	Q2FY24	Q1FY24	FY'23	FY'22
<b>Inventory</b>	<b>99.8</b>	<b>102.4</b>	<b>126.6</b>	<b>82.7</b>
Inventory Days	76	76	92	90
<b>Receivables</b>	<b>273.1</b>	<b>239.5</b>	<b>257.7</b>	<b>223.9</b>
Debtor Days	207	177	188	243
<b>GWC</b>	<b>372.9</b>	<b>342.0</b>	<b>384.2</b>	<b>306.6</b>
GWC Days	283	252	280	333
<b>Payables</b>	<b>144.3</b>	<b>114.9</b>	<b>163.8</b>	<b>100.7</b>
Creditor Days	110	85	119	109
<b>NWC</b>	<b>228.6</b>	<b>227.1</b>	<b>220.4</b>	<b>205.9</b>
NWC Days	174	168	161	223

Continued monitoring and focus on reduction of Inventory & Receivable days.

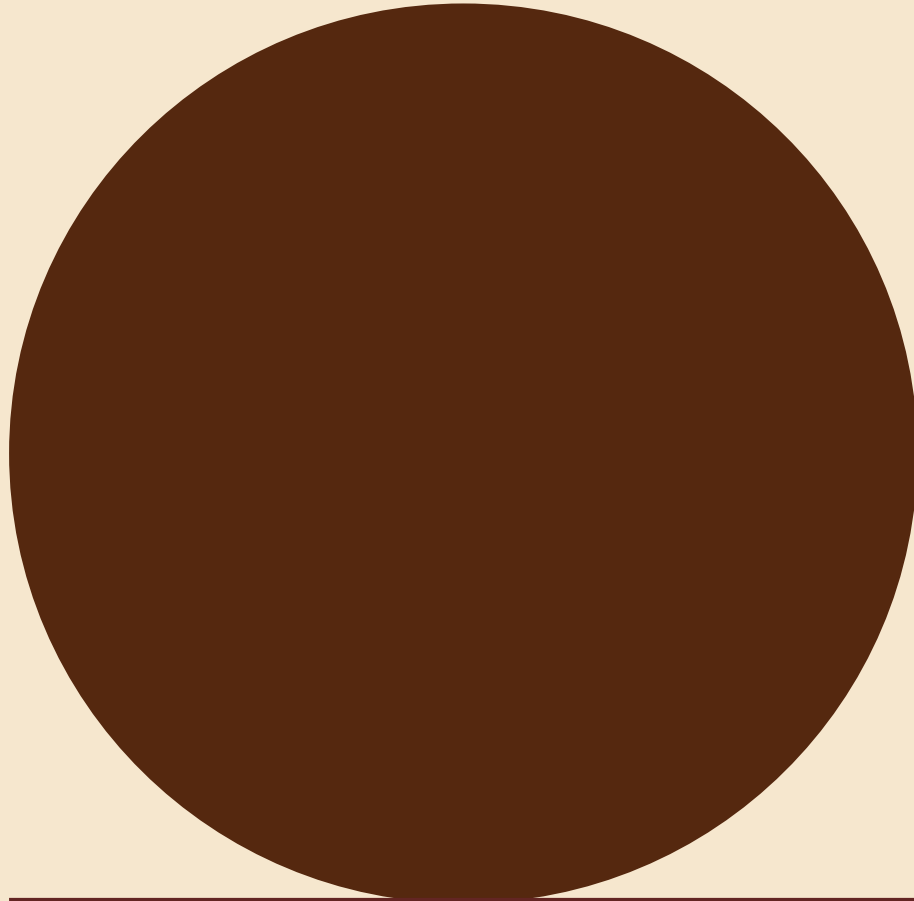


# Stores Additions

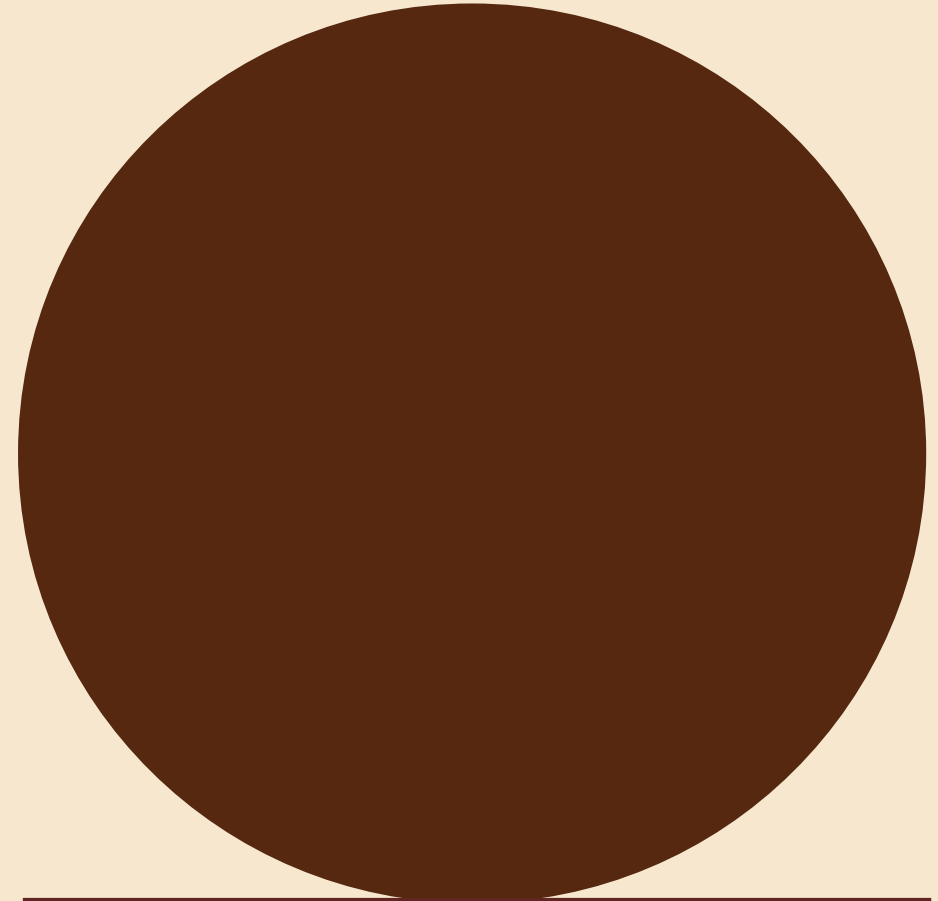
## Q2 FY24



# New store openings



Phoenix, Wakad, Pune



Lulu Mall, Hyderabad

# Exclusive Stores: Q2 FY24



**COCO** - Rent & Common Area Maintenance (CAM) borne by Company

**COFO** - Rent & Common Area Maintenance (CAM) borne by Company; operations maintained by Franchise

**FOFO** - Everything taken care by Franchise

*Note - Markdown management and inventory in all formats remains with company*

Store Formats	Closing as on 30 <sup>th</sup> Sep'23
COCO (Company Owned Company Operated)	10
COFO (Company Owned Franchise Operated)	76
FOFO (Franchise Owned Franchise Operated)	120
EFO (Exclusive Factory Outlet)	25
Out of India	1
<b>Total</b>	<b>232</b>

Region	Opening as on 1 <sup>st</sup> Jul'23	Additions / Converted	Closure	Closing as on 30 <sup>th</sup> Sep'23
South	134	3	-	137
West	32	1	1	32
North	41	-	3	38
East	25	-	1	24
Out of India	1	-	-	1
<b>Total</b>	<b>233</b>	<b>4</b>	<b>5</b>	<b>232</b>



# Corporate Overview



# Indian Terrain Fashions Limited

One of India's Leading Casualwear Companies For The Male Demographic



One of India's leading fashion brands that caters to the needs of the cosmopolitan, upwardly-mobile young Indian male.



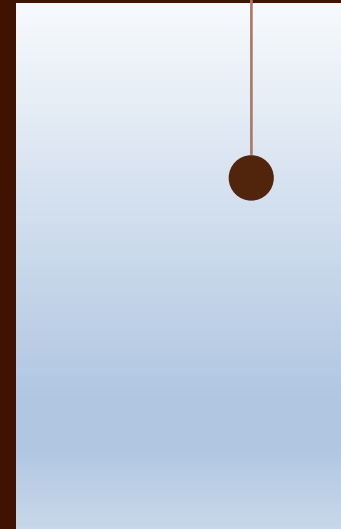
Products range from shirts, t-shirts, sweaters and jackets to trousers, shorts and denims for men and shirts, t-shirts, trousers, shorts, winter-wear and denims for boys



Retail-oriented approach with offerings through 232 Exclusive Outlets, 1,340 Multi Brand Outlets, 630+ doors of Large Format Stores such as Lifestyle, Shoppers Stop, and Central and 5+ key e-commerce platforms



Strongly committed to sustainability and are the first high street brand in India to get the Fairtrade Label certification



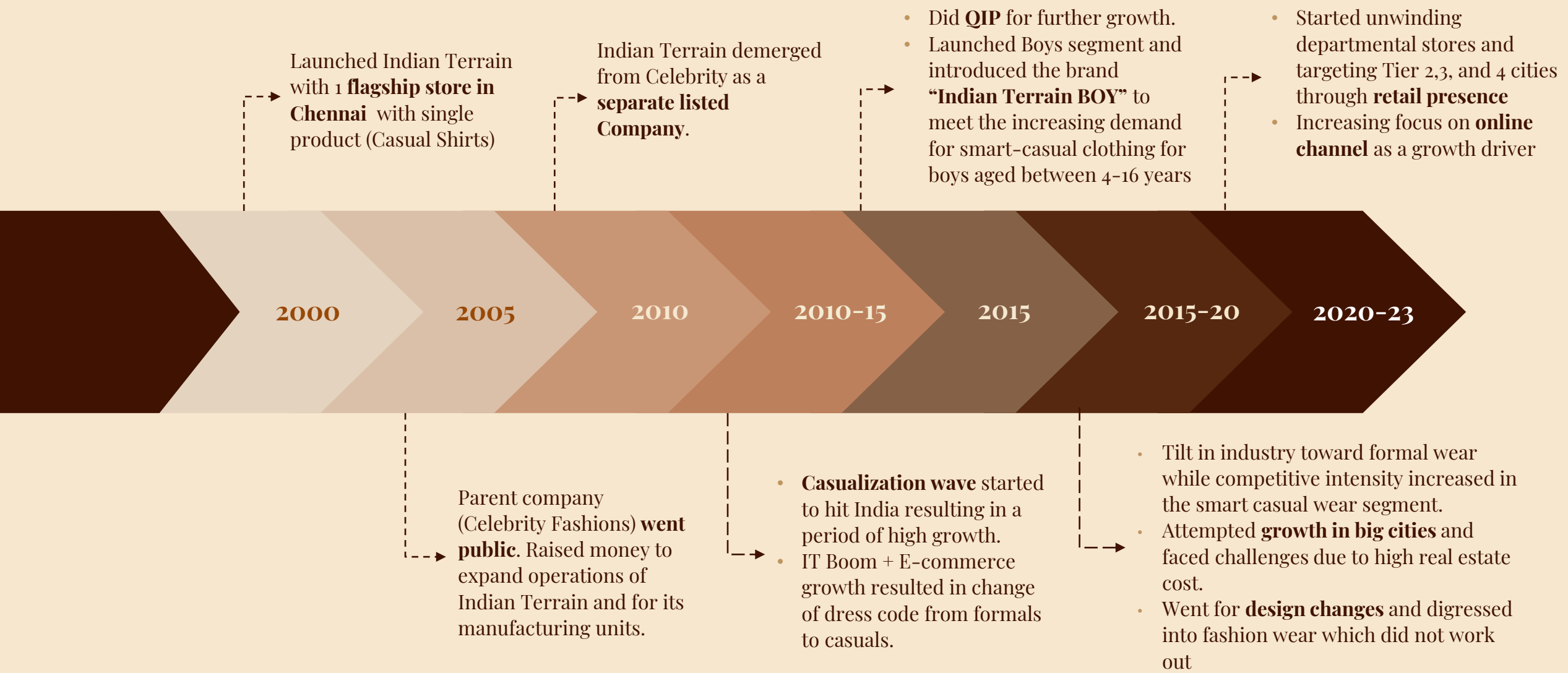
Contemporary and appealing

Comfortable yet casual

Stylish but anonymous

Uncompromising Quality

# Our Journey



# Key Management Personnel



**Venkatesh Rajagopal**

**Chairman and Executive  
Director**

**Founder with 25+ years of  
experience in the Apparel  
Industry**



**Charath Ram Narsimhan**

**Managing Director & Chief  
Executive Officer**


**Holds Bachelor Degree from  
IIT and PGDBM (Finance)  
from IIM-Lucknow.**

**Have over 2 decades of  
experience in garment  
industry.**



# Annexures



  
INDIAN  
TERRAIN

# Shareholding Pattern

## Share Information

(As on September 30, 2023)

NSE Ticker

**INDTERRAIN**

BSE Ticker

**533329**

Market Cap (₹ Crores)

**265.75**

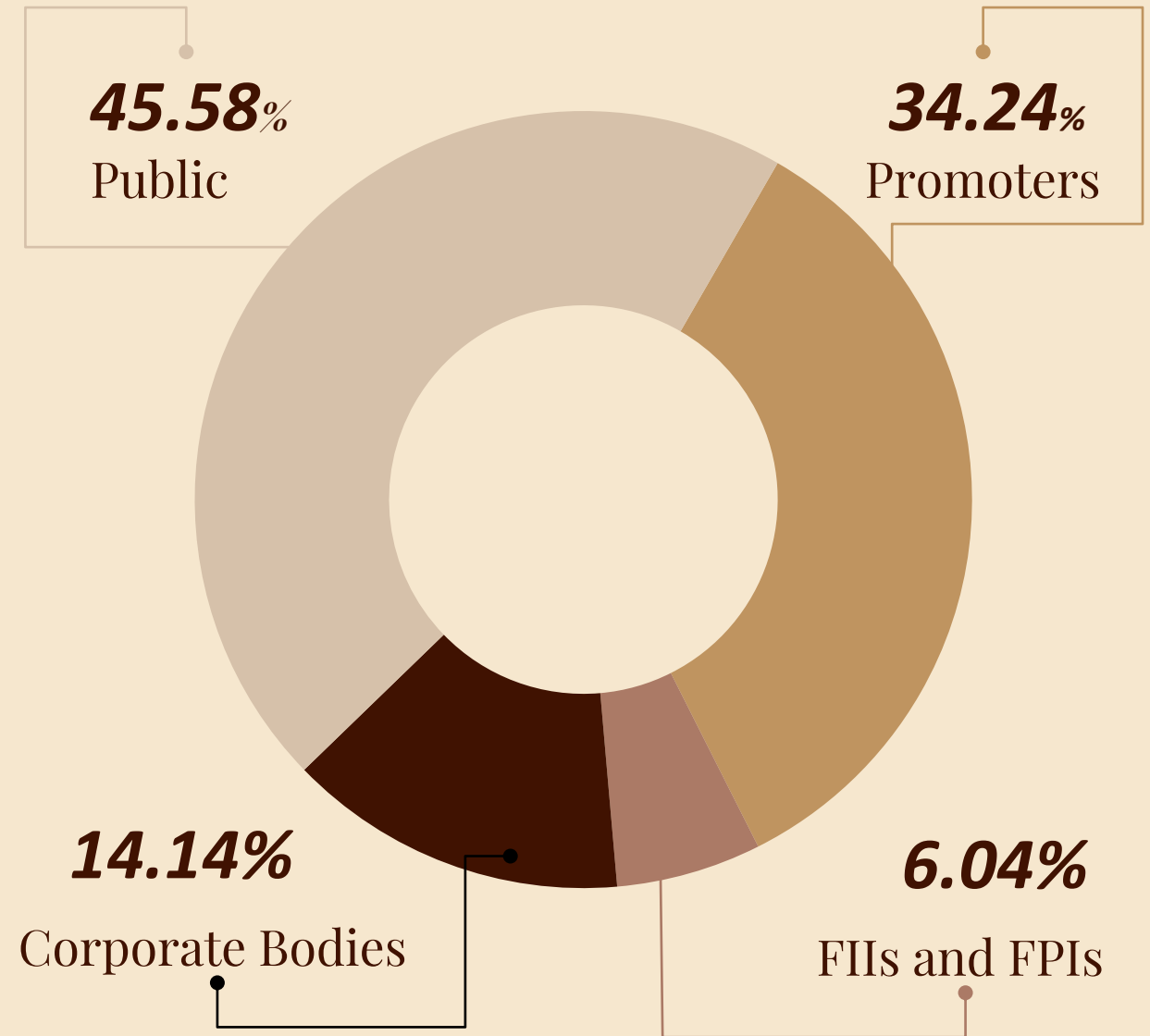
Shares Outstanding

**4,42,91,685**

Industry

**Fashion - Retail**

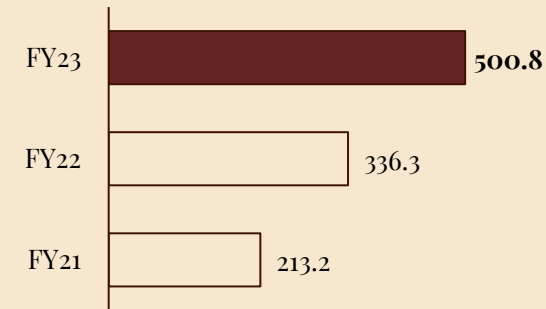
**1**  
INDIAN  
TERRAIN



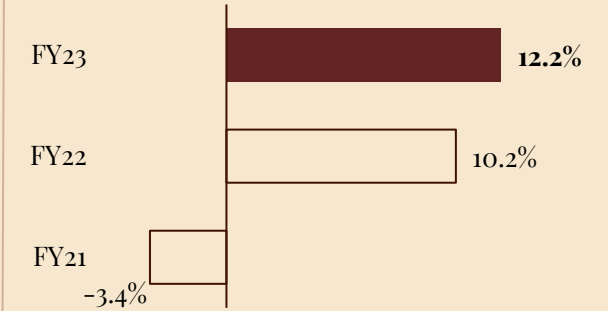
# Profit and Loss Statement - Quarterly

Standalone Profit & Loss (INR Cr)	Q2-FY'24	Q1-FY'24	Q2-FY'23
Income from Operations	140.4	92.3	154.4
Other Income	1.0	0.7	2.6
Total Income	141.4	93.0	157.0
Operating Expenses	129.8	86.5	138.7
<b>EBITDA</b>	<b>11.6</b>	<b>6.4</b>	<b>18.3</b>
<b>Margin %</b>	<b>8.2%</b>	<b>7.0%</b>	<b>11.8%</b>
Depreciation	5.2	5.4	5.7
<b>EBIT</b>	<b>6.4</b>	<b>1.0</b>	<b>12.6</b>
<b>Margin %</b>	<b>4.5%</b>	<b>1.1%</b>	<b>8.2%</b>
Financial Charges	5.6	5.0	4.4
<b>PBT</b>	<b>0.8</b>	<b>-4.0</b>	<b>8.3</b>
<b>Margin %</b>	<b>0.6%</b>	<b>-4.3%</b>	<b>5.4%</b>
Tax	9.0	-1.2	-0.4
<b>PAT</b>	<b>-8.3</b>	<b>-2.8</b>	<b>8.7</b>
<b>Margin %</b>	<b>-5.9%</b>	<b>-3.0%</b>	<b>5.6%</b>

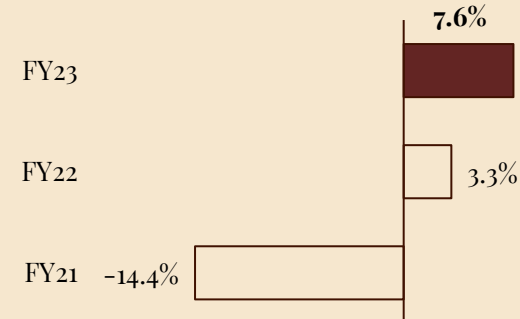
REVENUE FROM OPERATIONS (INR CR)



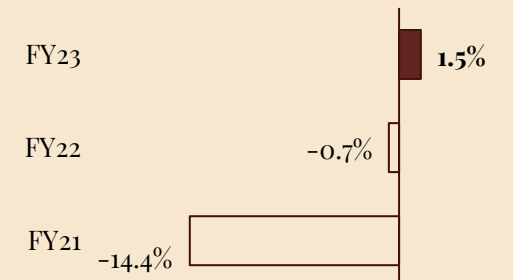
EBITDA MARGIN (IN %)



EBIT MARGIN (IN %)



PAT MARGIN (IN %)

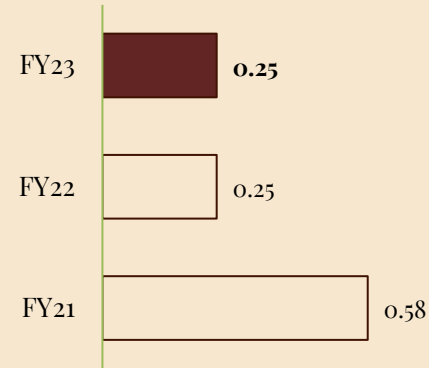


Sub-par financial performance in FY21 was due to COVID-19 induced pandemic resulting in backlogs of inventories and poor profitability metrics

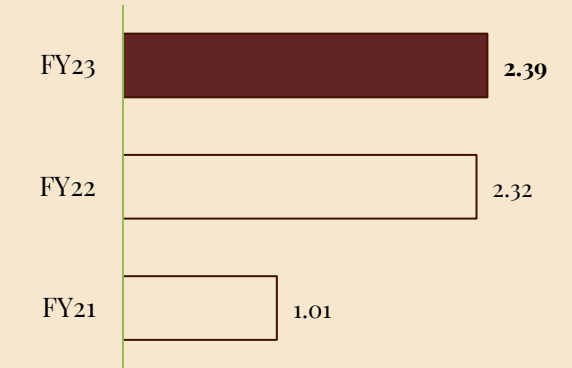
# Balance Sheet

Standalone Balance Sheet (INR Cr)	30 <sup>th</sup> September 2023	31 <sup>st</sup> March 2023	30 <sup>th</sup> September 2022
Share Capital	8.9	8.9	8.9
Reserves And Surplus	191.6	202.7	206.5
Non-Current Liabilities	64.1	66.4	71.6
Current Liabilities	247.0	268.3	260.5
<b>Total Equities &amp; Liabilities</b>	<b>511.6</b>	<b>546.3</b>	<b>547.4</b>
Non-Current Assets	100.8	113.5	118.7
Current Assets	410.8	432.8	428.8
<b>Total Assets</b>	<b>511.6</b>	<b>546.3</b>	<b>547.4</b>

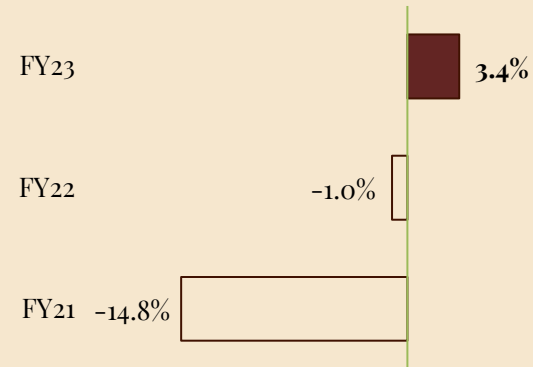
### Debt-Equity Ratio (IN %)



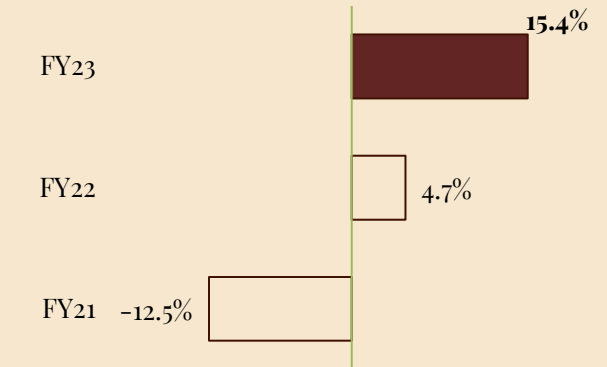
### Inventory Turnover Ratio (IN %)



### RoE (IN %)



### RoCE (IN %)





# Thank You



## Communication Address

Indian Terrain Fashions Limited  
Survey No. 549/2 & 232, Plot No.4  
Thirukkachiyur & Sengundram Industrial Area  
Singaperumal Kovil Post, Chengalpattu - 603204

## Indian Terrain Fashions Limited

**Mr. Sheikh Sahenawaz / Mr. S Sainath**  
CFO / Company Secretary & Compliance Officer  
E: [response.itfl@indianterrain.com](mailto:response.itfl@indianterrain.com)



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**Ms. Kasturi Kannan Sharma** - [kasturi.sharma@in.ey.com](mailto:kasturi.sharma@in.ey.com)  
**Mr. Shashank Ganesh** - [shashank.ganesh@in.ey.com](mailto:shashank.ganesh@in.ey.com)