

SUDITI INDUSTRIES LTD.



C-253/254, MIDC, TTC INDL.AREA, PAWNE VILLAGE, TURBHE, NAVI MUMBAI – 400 705
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Ref: No. SIL/S/119/2017-18

Date: 21.02.2018

The Secretary/Corporate Services,
Bombay Stock Exchange Ltd.
Phiroze Jeejeebhoy Towers,
Dalal Street, Mumbai – 400.001.

Company Code No. 521113

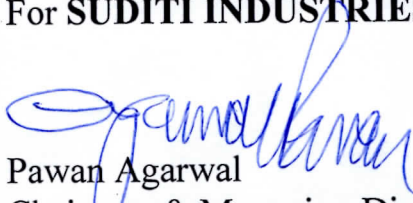
Dear Sir,

We hereby submit the “Q3/9months period (FY2017-18) Earnings presentation” prepared by our Investor Relations Management Services Company “M/s.Valorem Advisors” for the information of the investors. The financial details presented contain the information from the December 2017 quarterly/nine months’ period results submitted by the company and the disclaimer statement is also attached for the information of the investors.

Thanking you,

Yours faithfully,

For **SUDITI INDUSTRIES LTD.**


Pawan Agarwal
Chairman & Managing Director



Q3/9M-FY18 EARNINGS PRESENTATION

Executive Summary



Overview

- Suditi Industries limited ("SIL"), was incorporated in 1991 as a processing house to manufacture 100% cotton Knitted Fabrics and Polar Fleece Fabrics
- In a short span, the company established itself as a reputed quality manufacturer of hosiery fabrics and garments for many established brands
- The company is today a vertically integrated Textile and Apparel manufacturing house with processes like knitting, dyeing, printing, finishing, garmenting and also retailing of our own branded apparels and reputed licensed wear



Products and Business Mix

- **Retail Business**
 - **Licensed Brands** – FC Barcelona, Manchester City FC, YouWeCan
 - **Own Brands** – Riot and Indianink
- **Fabric and Garments Business**



Key Marquee Clients

- **Retail:** EBO's and large format stores like Central, Shoppers Stop, Pantaloons, Lifestyle, & Walmart, and e-commerce presence on Jabong, Myntra, Amazon, Flipkart, Snapdeal, etc.
- **Fabrics:** Madura Group, Reliance, Creative Garments Pvt. Ltd, Gini & Jony Ltd, Choudhary Garments
- **Garments:** Future Group, Mandhana Industries Ltd, Myntra Designs Pvt. Ltd, Siyaram Silk Mill Ltd, Shoppers Stop, Raymond, Lee Cooper, Walmart, Burnt Umber



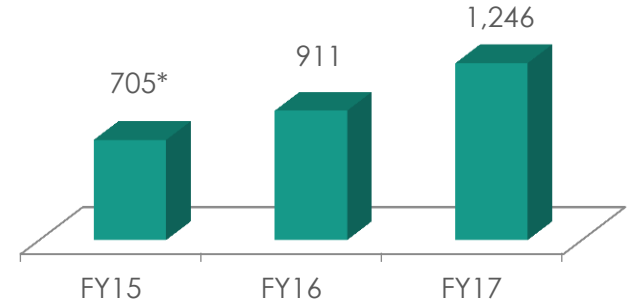
Financial Performance

- Total Income from **Rs 623 Mn** in FY14 to **Rs 1,052 Mn** in FY17 at a 3-year CAGR of **19 %**
- EBITDA has grown from **Rs 43 Mn** in FY14 to **Rs 83 Mn** in FY17 at a 3-year CAGR of **25 %**
- Net Profit has grown from **Rs 8 Mn** in FY14 to **Rs 22 Mn** in FY17 at a 3-year CAGR of **40%**

Company Overview

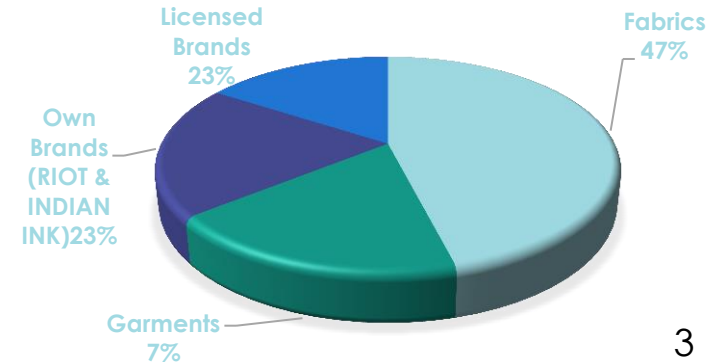
- SIL initially started as a fabrics processing plant, the company has gradually entered into different segments of fabric processing such as knitting, printing, finishing and garmenting.
- The company is **headquartered at Navi Mumbai, Maharashtra** and has manufacturing unit at Turbhe, Mumbai.
- SIL has state-of-the-art machines imported from Germany, USA, Greece, Switzerland, Taiwan etc. through which they cater to customers' specific needs.
- SIL ventured into licensing by acquiring **manufacturing rights for 2014 FIFA World Cup (Brazil)**.
- Encouraged by the response of FIFA world cup 2014 (Brazil) the company has now executed licensing agreement with reputed **international clubs like FC Barcelona and Manchester City FC** and also ventured licensing agreements with **YouWeCan** as well as a joint venture with **NUSH**.
- The company has a strong retail presence through 2 of its **key brands: Riot and Indianink**.
- Its retail brand **Riot** is an inspirational youth fashion brand that offers high quality fashion wear at economical price. It offers **denims, bottoms, jackets, shirts for men, skirts, dresses, cardigans for women** and other **accessories**.
- **IndianInk** offers a vivid range of contemporary fashion and styled garments for women. It emphasizes on ethnic and fusion wear. It offers a wide range of products like **Kurtas, Tunics, Skirts, Salwar Kameez** along with **co-ordinates**.

CONSOLIDATED REVENUES (INR MN)



*FY15 Standalone Revenues

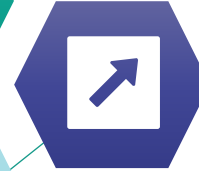
SEGMENTAL REVENUE (FY17)



Key Strengths

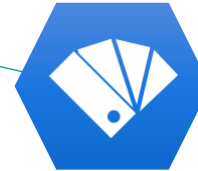
Experienced promoters & a strong management team

Established Players in Apparel Brand Licensing



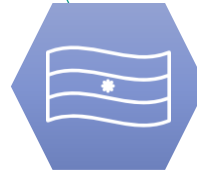
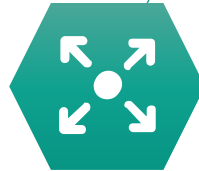
Vertically integrated - processing to garmenting

Strong Retail brands - Riot & Indian Ink



Diversified range of textile products

Reliable suppliers of Fabrics and Garments to Marquee Clients



Strong Pan India distribution network across platforms

Future Strategy

- **Increased focus on retail** business.
- Strategically identify & tie-up with **more licensed brands**.
- **Increasing footprint of our own and licensed brands** through distributor networks and other low-capex franchisee models.
- **Higher focus on e-commerce** platforms.
- Strategically leverage on companies own manufacturing facilities to **further reduce cost & improve margins**.

INFO

STRATEGY

Financial & Operational Highlights

Q3- FY18 Standalone Financial Performance:

Total Income – INR 232 Mn; Growth of 51.6% YoY

EBITDA- INR 23 Mn; Growth of 27.8% YoY

EBITDA Margin- 9.91%

Net Profit- INR 5 Mn; Growth of 25.0% YoY

PAT Margin- 2.16%

Diluted EPS- INR 0.31 per equity share

9M- FY18 Standalone Financial Performance:

Total Income - INR 690 Mn; Growth of 30.2% YoY

EBITDA-INR 71 Mn; Growth of 20.3% YoY

EBITDA Margin- 10.29%

Net Profit-INR 22 Mn; Growth of 46.7% YoY

PAT Margin- 3.19%

Diluted EPS-INR 1.29 per equity share

Q3/9M- FY18 Operational Highlights:

- **Joint Venture between the company and Ms. Anushka Sharma SAA & SUDITI RETAIL PRIVATE LIMITED**” has commenced its operations on 3rd October,2017 in the name of “**NUSH**” started retailing at **Myntra and Shoppers Stop** exclusively and also in **key regional stores**.

Quarterly Standalone Financial Performance (IND AS)

Particulars (INR Mn)	Q3-FY18	Q2-FY18	QoQ	Q3-FY17	YoY
Total Income*	232	234	(0.9)%	153	51.6%
Total Expenses	209	203	3.0%	135	54.8%
EBITDA	23	31	(25.8)%	18	27.8%
EBITDA Margin (%)	9.91%	13.25%	(334)Bps	11.76%	(185) Bps
Depreciation	4	4	-	5	(20.0)%
Finance Cost	8	7	14.3%	7	14.3%
PBT	11	20	(45.0)%	6	83.3%
Tax	6	7	(14.3)%	2	NA
PAT	5	13	(61.5)%	4	25.0%
PAT Margin (%)	2.16%	5.56%	(340)Bps	2.61%	(45)Bps
Other Comprehensive Income (net of Tax)	0	0	-	0	-
Total Comprehensive income	5	13	(61.5)%	4	25.0%
Diluted EPS	0.31	0.76	(59.2)%	0.2	55.0%

* - Includes Other Income

9M Standalone Financial Performance (IND AS)

Particulars (INR Mn)	9M-FY18	9M-FY17	YoY
Total Income *	690	530	30.2%
Total Expenses	619	471	31.4%
EBITDA	71	59	20.3%
EBITDA Margin (%)	10.29%	11.13%	(84)Bps
Depreciation	11	14	(21.4)%
Finance Cost	23	22	4.5%
PBT	37	23	60.9%
Tax	15	8	87.5%
PAT	22	15	46.7%
PAT Margins (%)	3.19%	2.83%	36 Bps
Other Comprehensive Income (net of Tax)	0	0	NA
Total Comprehensive income	22	15	46.7%
Diluted EPS	1.29	0.89	44.9%

* - Includes Other Income

Standalone Income Statement (IND AS)

Particulars (INR Mn)	FY15*	FY16*	FY17	9M-FY18
Total Income#	705	822	1,052	690
Total Expenses	649	753	969	619
EBITDA	56	69	83	71
EBITDA Margin (%)	7.94%	8.39%	7.89%	10.29%
Depreciation	19	18	18	11
Finance Cost	25	30	29	23
PBT	12	21	36	37
Tax	2	6	14	15
PAT	10	15	22	22
PAT Margins (%)	1.41%	1.82%	2.09%	3.19%
Other Comprehensive Income (net of Tax)	-	-	0	0
Total Comprehensive income	-	-	22	22
Diluted EPS	0.58	0.87	1.30	1.29

* -FY15-FY16 Financials are based on IGAAP

-Includes other income

Standalone Balance Sheet (IND AS)

Liabilities (INR Mn)	FY17	H1-FY18	Assets (INR Mn.)	FY17	H1-FY18
Shareholder Funds			Fixed Assets		
Share Capital	168	168	Tangible Assets	104	99
Other Equity	126	144	Intangible Assets	1	1
			Capital Work in Progress	2	2
Total Shareholders Fund	294	312	Intangible Assets under Development	2	2
Non Current Liabilities			Total Fixed Assets	109	104
Long Term Borrowings	35	30	Non-current investments		
Other Long Term Liabilities	4	4	Non-current investments	9	9
			Deferred Tax Asset	1	1
Total Non Current Liabilities	39	34	Long term loans and advances	42	40
			Other non current assets	0	0
			Others	-	3
			Total Non current assets	161	157
Current Liabilities			Current Assets		
Short term Borrowings	211	214	Current Investments	1	-
Trade Payables	137	173	Inventories	296	334
Other Financial Liabilities		45	Trade Receivables	226	286
Other Current Liabilities	10	22	Cash & Bank Balances	3	5
Short-term provisions	17	3	Short-term loans & advances	14	0
Current Tax Liability(Net)		5	Other current assets	7	26
Total Current Liabilities	375	462	Total Current Assets	547	651
GRAND TOTAL - LIABILITES	708	808	GRAND TOTAL – ASSETS	708	808

Consolidated Income Statement (IND AS)

Particulars (INR Mn)	FY16*	FY17
Total Income#	911	1,246
Total Expenses	844	1,162
EBITDA	67	84
EBITDA Margin (%)	7.35%	6.74%
Depreciation	18	18
Finance Cost	30	31
PBT	19	35
Tax	6	14
PAT	13	21
PAT Margins(%)	1.43%	1.68%
Other Comprehensive Income (net of Tax)	-	0
Total Comprehensive income	-	21
Diluted EPS	0.77	1.24

* - FY16 Financials are based on IGAAP

-Includes other income

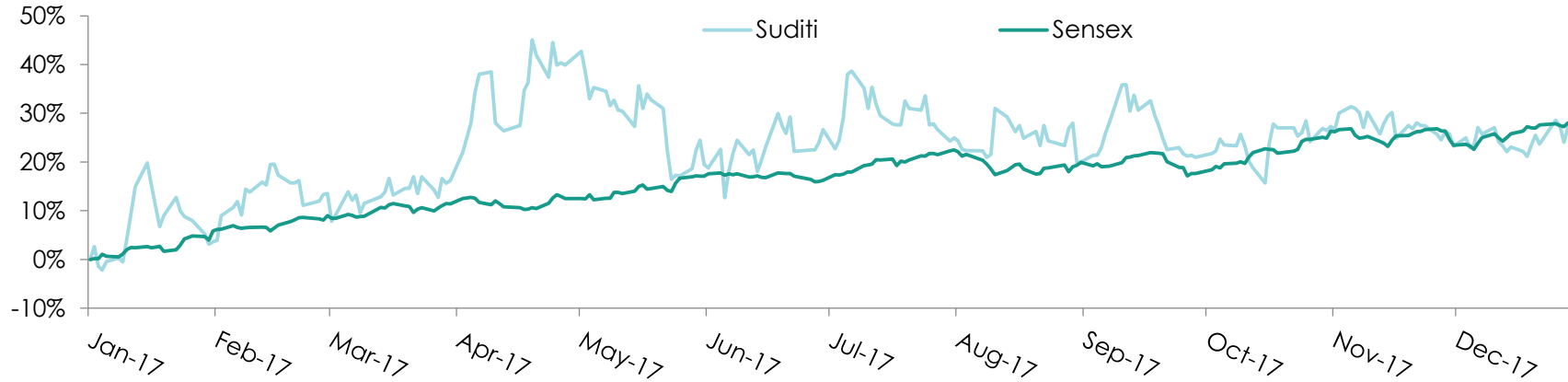
Historical Consolidated Balance Sheet (IGAAP)

Liabilities (INR Mn.)	FY16	Assets (INR Mn.)	FY16
Shareholder Funds		Fixed Assets	
Share Capital	167	Tangible Assets	120
Reserves & Surplus	99	Intangible Assets	-
Total Shareholders Fund	266	Capital Work in Progress	
		Intangible Assets under Development	-
Minority Interest	-	Total Fixed Assets	120
		Non-current investments	
Non Current Liabilities		Non-current investments	
Long Term Borrowings	43	Deferred Tax Asset	1
Other Long Term Liabilities	8	Long term loans and advances	44
		Other non current assets	2
Total Non Current Liabilities	51	Total Non current assets	167
Current Liabilities		Current Assets	
Short term Borrowings	191	Current Investments	
Trade Payables	109	Inventories	233
Other Current Liabilities	21	Trade Receivables	209
Short-term provisions	15	Cash & Bank Balances	4
		Short-term loans & advances	29
		Other current assets	11
Total Current Liabilities	336	Total Current Assets	486
GRAND TOTAL - LIABILITES	653	GRAND TOTAL - ASSETS	653

Consolidated Balance Sheet (IND AS)

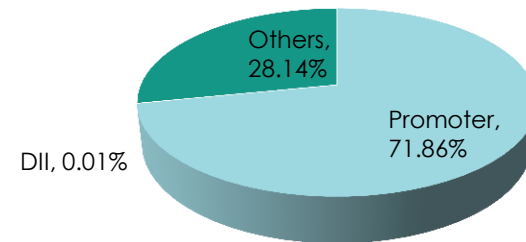
Liabilities (INR Mn.)	FY17	Assets (INR Mn.)	FY17
Shareholder Funds		Fixed Assets	
Share Capital	168	Tangible Assets	110
Reserves & Surplus	123	Intangible Assets	-
Total Shareholders Fund	291	Capital Work in Progress	
		Intangible Assets under Development	-
Minority Interest	-	Total Fixed Assets	110
		Non-current investments	
Non Current Liabilities		Non-current investments	
Long Term Borrowings	34	Deferred Tax Asset	1
Other Long Term Liabilities	28	Long term loans and advances	43
		Other non current assets	-
Total Non Current Liabilities	62	Total Non current assets	154
Current Liabilities		Current Assets	
Short term Borrowings	229	Current Investments	
Trade Payables	182	Inventories	328
Other Current Liabilities	16	Trade Receivables	300
Short-term provisions	26	Cash & Bank Balances	4
		Short-term loans & advances	13
		Other current assets	7
Total Current Liabilities	453	Total Current Assets	652
GRAND TOTAL - LIABILITES	806	GRAND TOTAL - ASSETS	806

Capital Market Data



Price Data (31 st December, 2017)	INR
Face Value	10
Market Price	72.8
52 Week H/L (INR)	86.5/53.6
Market Cap (INR Mn)	1,220
Equity Shares Outstanding (Mn)	16.76
1 Year Avg. trading Volume ('000)	11.3

Shareholding Pattern (31st December 2017)



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Suditi Industries Ltd

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thank
YOU