



Complete Comfort

11<sup>th</sup> February, 2020

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

**Subject: Investor Presentation 9MFY20**

Please find enclosed herewith a copy of Investor Presentation on financial results for 9MFY20.

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

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Indo Count Industries Ltd



**Investor Presentation – 9MFY20**  
**February 2020**



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# Q3 & 9MFY20 Performance Highlights



## Chairman's Message

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

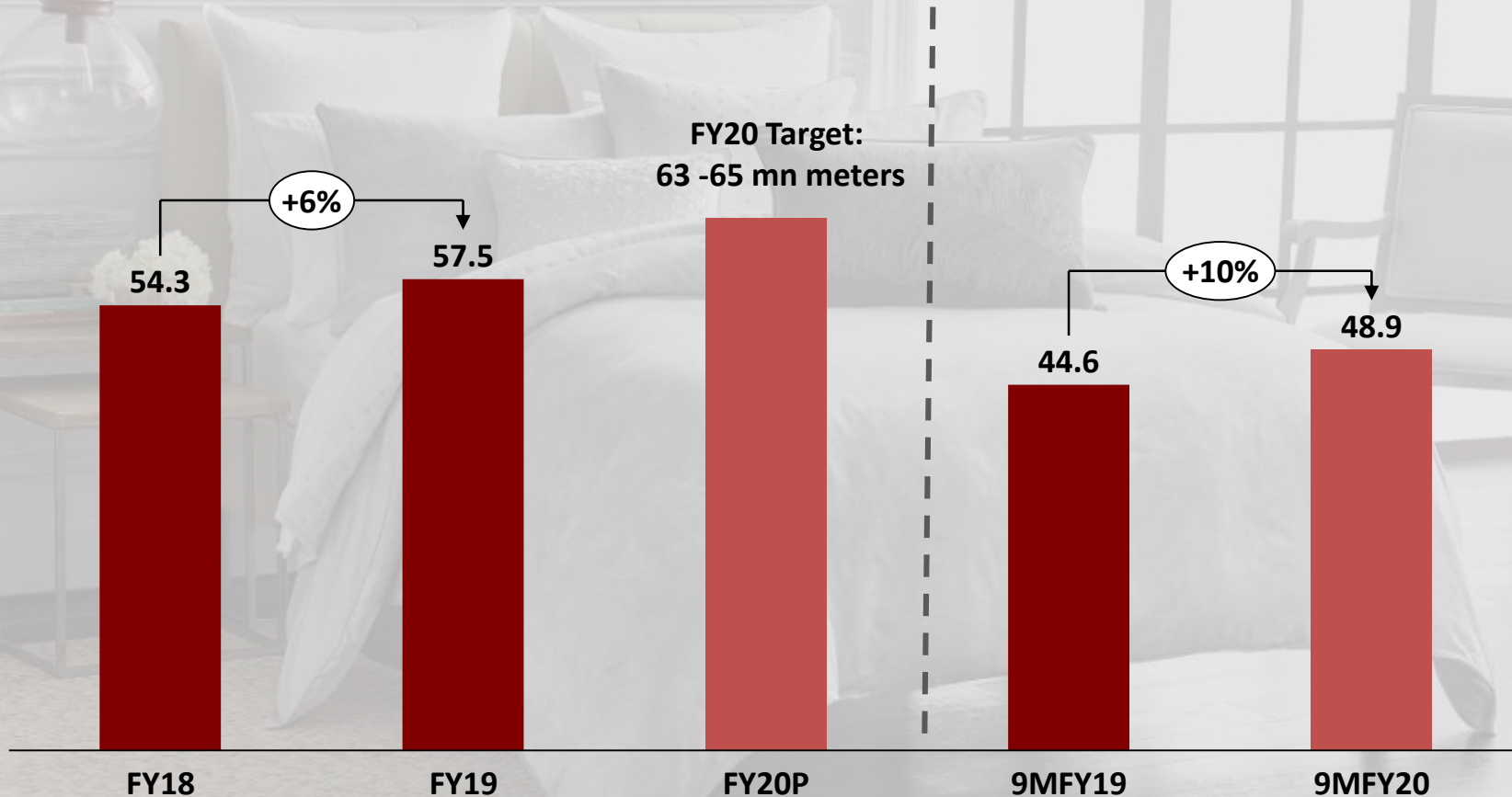
*"I am very pleased to announce the record quarter with highest ever revenue of Rs. 637 crs.*

*Our consistent performance is the result of our efforts in promoting & strengthening our products along with leveraging our existing capacities. Our product development capabilities coupled with focused 'Go to market' approach will make us a preferred supplier for our global customers.*

*Today, Sustainability is way up on the agenda of customers globally and at Indo Count, we are making sustainability as part of our culture."*



# Volume Performance



On track to achieve volume guidance for  
FY20: 63mn – 65mn metres



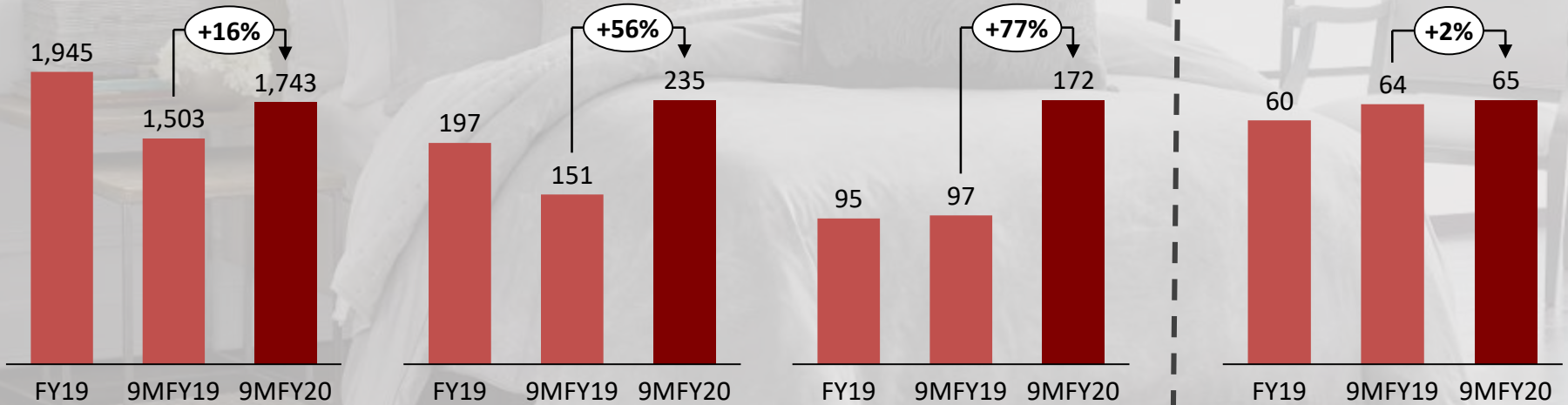
# Business Momentum Continues

## Revenue

## EBITDA

## PBT before exceptional items

## Reported PAT\*



**9M FY20 performance : Revenue & Margins up**

**\* PAT impacted in 9MFY20 due to exceptional items of Rs. 131 Crs**



# Consolidated Profit & Loss Statement

Particulars (Rs. Crs)	Q3FY20	Q3FY19	YOY%	Q2FY20	QOQ%	9MFY20	9MFY19	YOY%	FY19
<b>Total Income</b>	<b>637<sup>^</sup></b>	<b>517</b>	<b>23%</b>	<b>587</b>	<b>8%</b>	<b>1,743</b>	<b>1,503</b>	<b>16%</b>	<b>1,945</b>
Cost of Material	353	279		321		937	778		1,031
Employee Expenses	38	36		37		110	110		144
Other Expenses	164	173		147		461	464		603
<b>Total Expenses</b>	<b>555</b>	<b>488</b>		<b>505</b>		<b>1,507</b>	<b>1,352</b>		<b>1,778</b>
<b>EBITDA</b>	<b>81</b>	<b>30</b>	<b>176%</b>	<b>82</b>	<b>-1%</b>	<b>235</b>	<b>151</b>	<b>56%</b>	<b>166</b>
<b>EBITDA Margin (%)</b>	<b>12.8%</b>	<b>5.7%</b>	<b>709</b>	<b>14.0%</b>	<b>(123)</b>	<b>13.5%</b>	<b>10.0%</b>	<b>348</b>	<b>8.5%</b>
Depreciation	11	9		11		32	26		35
<b>EBIT</b>	<b>70</b>	<b>20</b>	<b>244%</b>	<b>71</b>	<b>-1%</b>	<b>203</b>	<b>124</b>	<b>63%</b>	<b>131</b>
<b>EBIT Margin (%)</b>	<b>11.1%</b>	<b>4.0%</b>	<b>710</b>	<b>12.2%</b>	<b>(110)</b>	<b>11.6%</b>	<b>8.3%</b>	<b>337</b>	<b>6.7%</b>
Finance Cost	11	9		11		31	27		36
<b>PBT before Exceptional items</b>	<b>60</b>	<b>12</b>		<b>60</b>		<b>172</b>	<b>97</b>		<b>95</b>
Exceptional Items*	37	0		94		131	0		0
<b>PBT</b>	<b>23</b>	<b>12</b>		<b>(34)</b>		<b>41</b>	<b>97</b>		<b>95</b>
Tax	3	3		(45)		(24)	33		36
<b>PAT</b>	<b>20</b>	<b>9</b>		<b>11</b>		<b>65</b>	<b>64</b>		<b>60</b>

<sup>^</sup> MEIS benefit for Q3FY20 not recognized in Revenue to the tune of Rs. 19.34 Crs

\* Exceptional Item for Q3FY20 includes reversal of MEIS benefit earned from 7<sup>th</sup> March 2019 to 30<sup>th</sup> September 2019 of Rs. 36.9 Crs

\* Exceptional Item for 9MFY20 also includes Rs. 94.27 Crs towards refund of excess export benefits of earlier years by way of MEIS

Figures are rounded off wherever required





# Consolidated Balance Sheet – Sep'19

EQUITY AND LIABILITIES (Rs. Crs)	Sep'19	Mar'19
<b>Equity</b>		
Equity Share Capital	39	39
Other Equity	947	935
<b>Equity attributable to owners</b>	<b>986</b>	<b>975</b>
Non-Controlling Interest	7	7
<b>Total Equity</b>	<b>993</b>	<b>982</b>
<b>Non-Current Liabilities</b>		
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
<b>Total Non-Current Liabilities</b>	<b>135</b>	<b>180</b>
<b>Current Liabilities</b>		
i) Borrowings	475	257
ii) Trade Payables	149	144
iii) Other financial liabilities	36	36
Other Current Liabilities	51	25
<b>Total Current Liabilities</b>	<b>711</b>	<b>462</b>
<b>Total Equity and Liabilities</b>	<b>1,839</b>	<b>1,625</b>

ASSETS (Rs. Crs)	Sep'19	Mar'19
<b>Non-Current Assets</b>		
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
<b>Total Non-Current Assets</b>	<b>606</b>	<b>600</b>
<b>Current Assets</b>		
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
<b>Total Current Assets</b>	<b>1,234</b>	<b>1,024</b>
<b>Total Assets</b>	<b>1,839</b>	<b>1,625</b>



# Outlook for FY21 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



## 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.

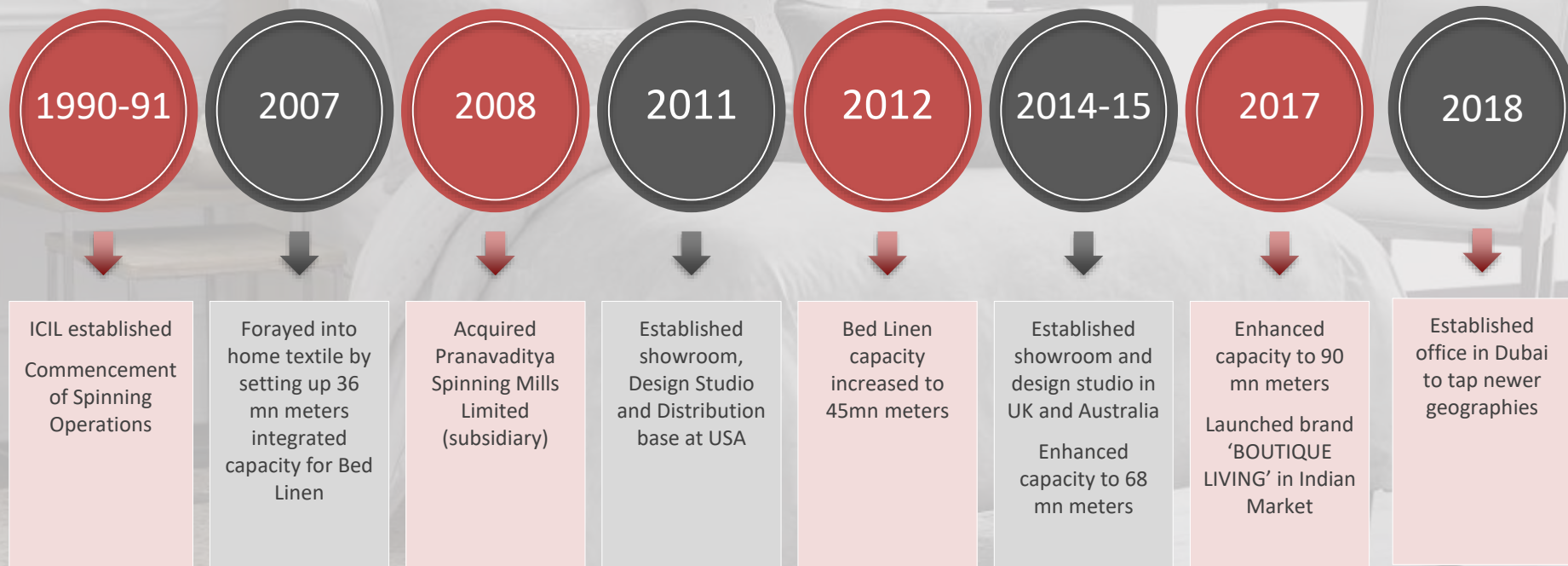


### SERVICE

- ✓ 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.



# 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](http://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	<b>“1.5 million Units”</b> Power Consumption Reduction
Fuel	MT	Carbon Footprints – Reducing <b>CO2 emission</b> equivalent to 10,000 MT’s by Optimizing Efficiencies
Water	Ltrs	<b>“50 million Liters”</b> of Fresh Water Intake reduction



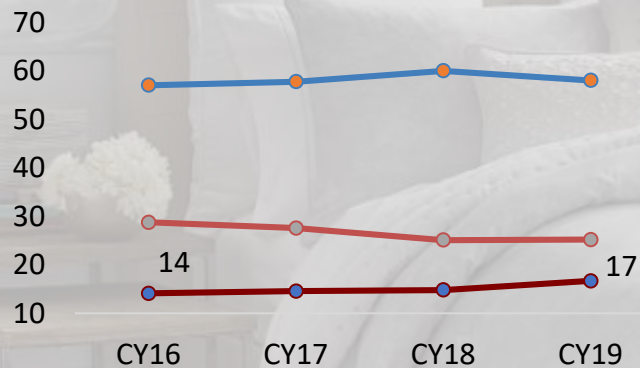
# Industry Perspective



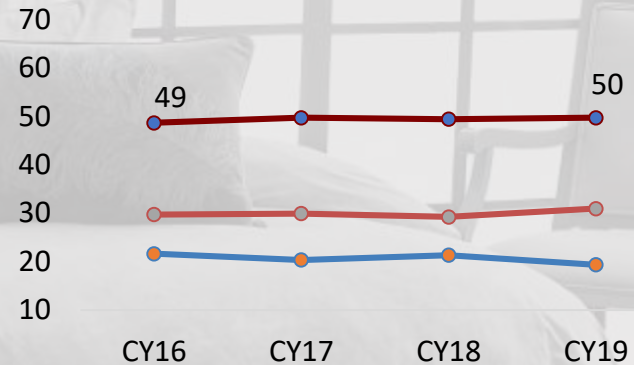
# Home Textile imports by US

(in % Market Share)

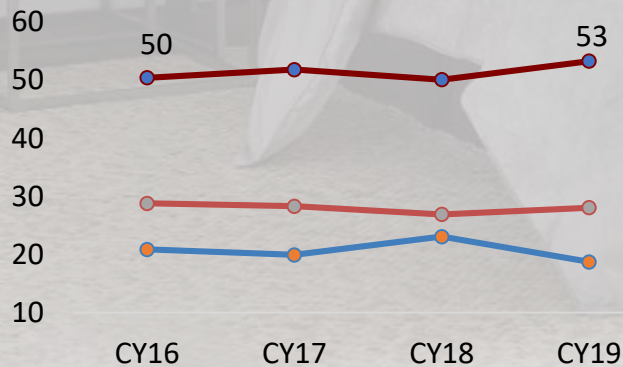
### Cotton Bedspreads



### Cotton Sheets



### Cotton Pillowcases



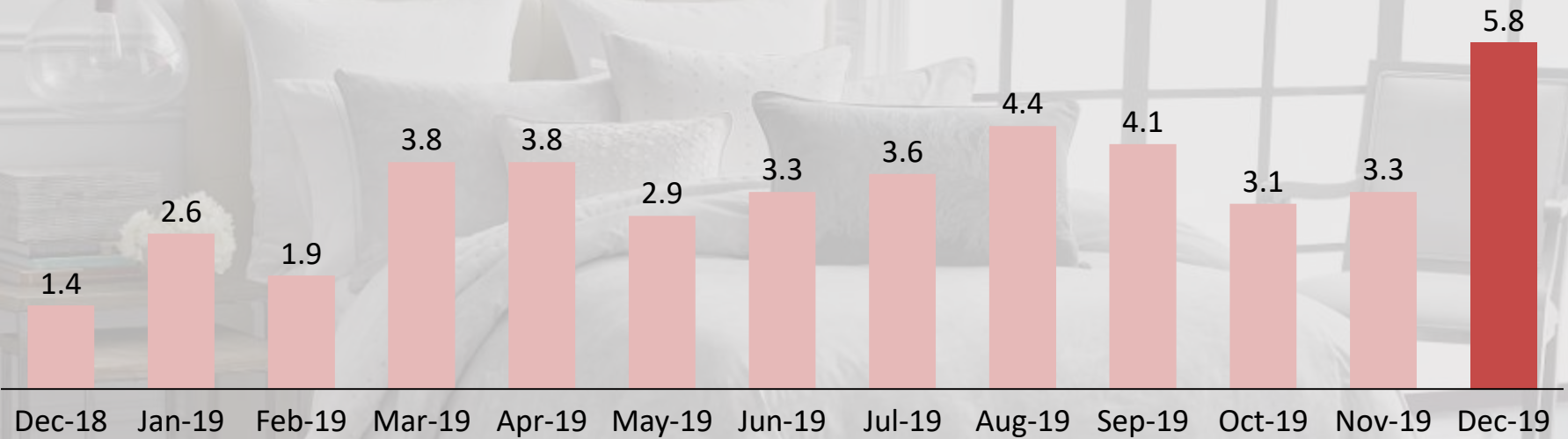
**Over a long-term period, with integrated approach and abundant availability of Raw Material, India is poised to increase its market share**



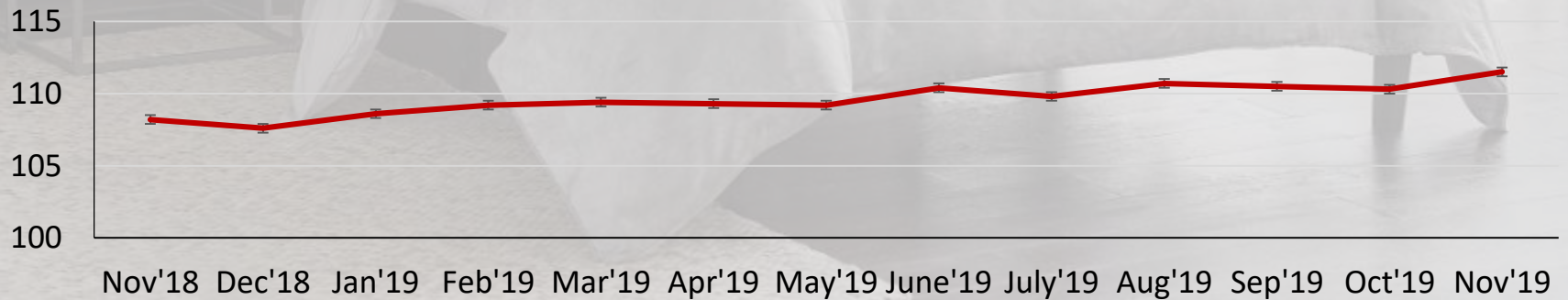


# USA Retail Sales

USA YoY change in Retail Sales (in %)



Europe Retail Sales (2015 as Base 100)





# India's edge in the home textiles market





# Awards & Accolades



# Texprocil Award for 2018-19



Gold

## *Winner of Gold Trophy*

for the Highest export performance in Made Ups-Bed Linen/Bed Sheets/Quilts



Gold

## *Winner of Gold Trophy*

for the Special Achievement Award in Made-ups



Silver

## *Silver Plaque*

for the Second Highest exports performance in Yarn-Counts 50s and below



# Recognition by large retailers



**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

- Trained 950 women's through our skilled development centre
- 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 10<sup>th</sup> 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.
- ICIL is one of the largest manufacturers and exporter of bed linen from India; amongst the top three bed sheet suppliers in USA and Eleventh largest global home textiles supplier to USA. ICIL has a strong global clientele and exports to more than 54 countries.
- 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:*

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