



Complete Comfort

May 17, 2021

<p>The National Stock Exchange of India Ltd. Listing Department Exchange Plaza, Bandra Kurla Complex, Bandra (East), Mumbai – 400 051</p> <p>Company Symbol : ICIL</p>	<p>BSE Limited Department of Corporate Services Floor 25, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400 001</p> <p>Scrip Code No. : 521016</p>
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Subject: Investor Presentation Q4 & FY 2021

Please find enclosed herewith a copy of Investor Presentation on financial results for Q4 & FY 2021.

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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Spinning Division: D1, MIDC, Gokul Shirgaon, Kolhapur-416216, Maharashtra, India; T: 91 231 268 7400, F: 91 231 267 2161
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INDO COUNT

Complete Comfort



Indo Count Industries Limited

FY21 Investor Presentation

May 2021

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This presentation contains certain forward-looking statements concerning the Company’s future business prospects and business profitability, which are subject to a number of risks and uncertainties and the actual results could materially differ from those in such forward looking statements. The risks and uncertainties relating to these statements include, but are not limited to, risks and uncertainties regarding fluctuations in earnings, our ability to manage growth, competition (both domestic and international), economic growth in India and abroad, ability to attract and retain highly skilled professionals, time and cost over runs on contracts, our ability to manage our international operations, government policies and actions regulations, interest and other fiscal costs generally prevailing in the economy. The Company does not undertake to make any announcement in case any of these forward-looking statements become materially incorrect in future or update any forward-looking statements made from time to time by or on behalf of the Company.

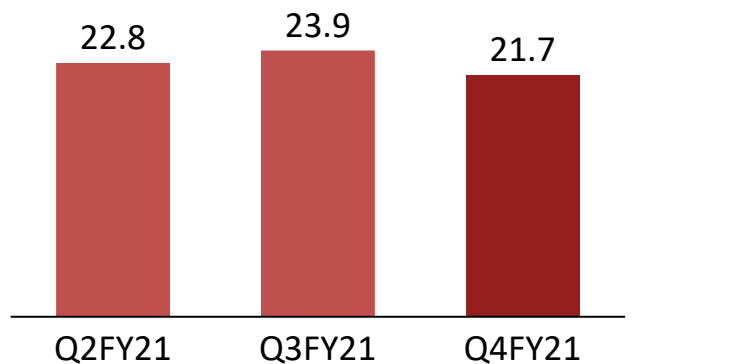
Commenting on the results, Mr. Anil Kumar Jain - Executive Chairman said,

“It gives me immense pleasure to share that we have delivered growth despite challenging environment and lockdown restrictions.

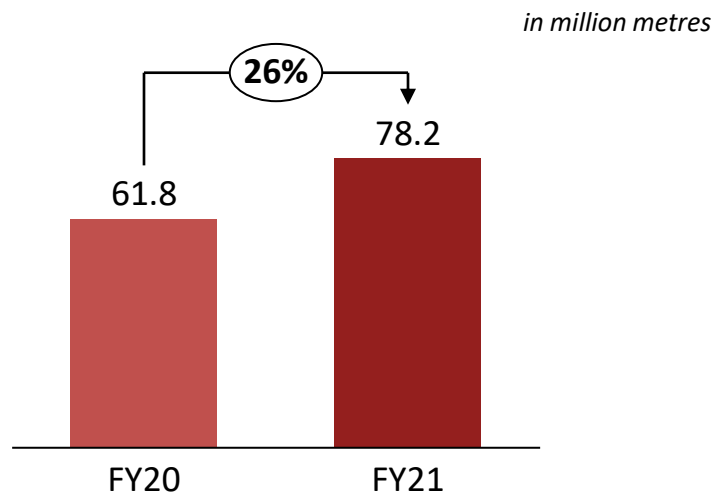
Our growth during the year was propelled by higher demand for home textile products and consequent increase in our market share globally. Furthermore, our persistent focus on expanding our current capacity, growing our branded portfolio, enhancing our domestic presence, improving ecommerce and building and creating a sustainable value chain have helped us thrive and be future ready.”



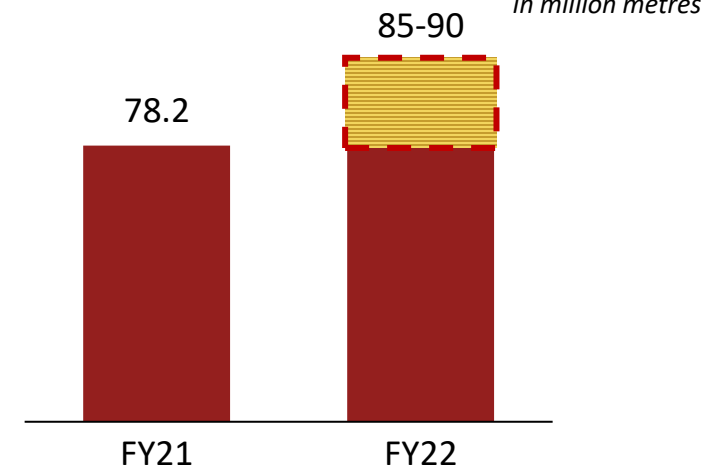
1 Strong sequential volume run rate of 20 mn per quarter over last 3 quarters *in million metres*



2 Volumes up 26% on YoY basis



3 FY22: Volume Guidance of 85-90 Mn metres *in million metres*



4 Embarking on Rs. 200 Crs Capex

a) Expansion of bed linen capacity by ~ 20% from existing annual capacity of 90 Mn metres to 108 Mn metres. Brownfield investment for adding commensurate cut & sew facilities and for enhancing the capacity for Top of the Bed (TOB) products: **Rs. 150 crores**

b) Modernization of Spinning Capacity: **Rs. 50 Crs**

5 Increasing Contribution

% Contribution to Revenue	FY21
Branded Business	10%
Fashion/Utility/Institutional	15%
E-commerce business	4%
India Home Textile Business	1%

6 Improving Performance

	FY21
ROE	19.4%
ROCE	24.0%
Net Debt/Equity	0.2x

WE ACHIEVED LEADERSHIP POSITION IN BED LINEN EXPORTS



LARGEST EXPORTER OF BED LINEN FROM INDIA



HIGHEST MARKET SHARE OF BED LINEN IN USA



RECORD ANNUAL SALES VOLUME & REVENUE

WE HAVE DELIVERED RECORD GROWTH IN A CHALLENGING ENVIRONMENT

1

Scaling up Health & Hygiene Products

Accelerating presence in health, hygiene & wellness products through research and innovation

2

Delivered despite logistic challenges

Overcoming logistic issues and keeping up with demand

3

Support Customers

Flexible Balance sheet assisted in augmenting capacity and offering continuous supply of products to retailers

4

Sustainable Growth

Consistent focus in value added segments of Fashion, Utility and Institutional

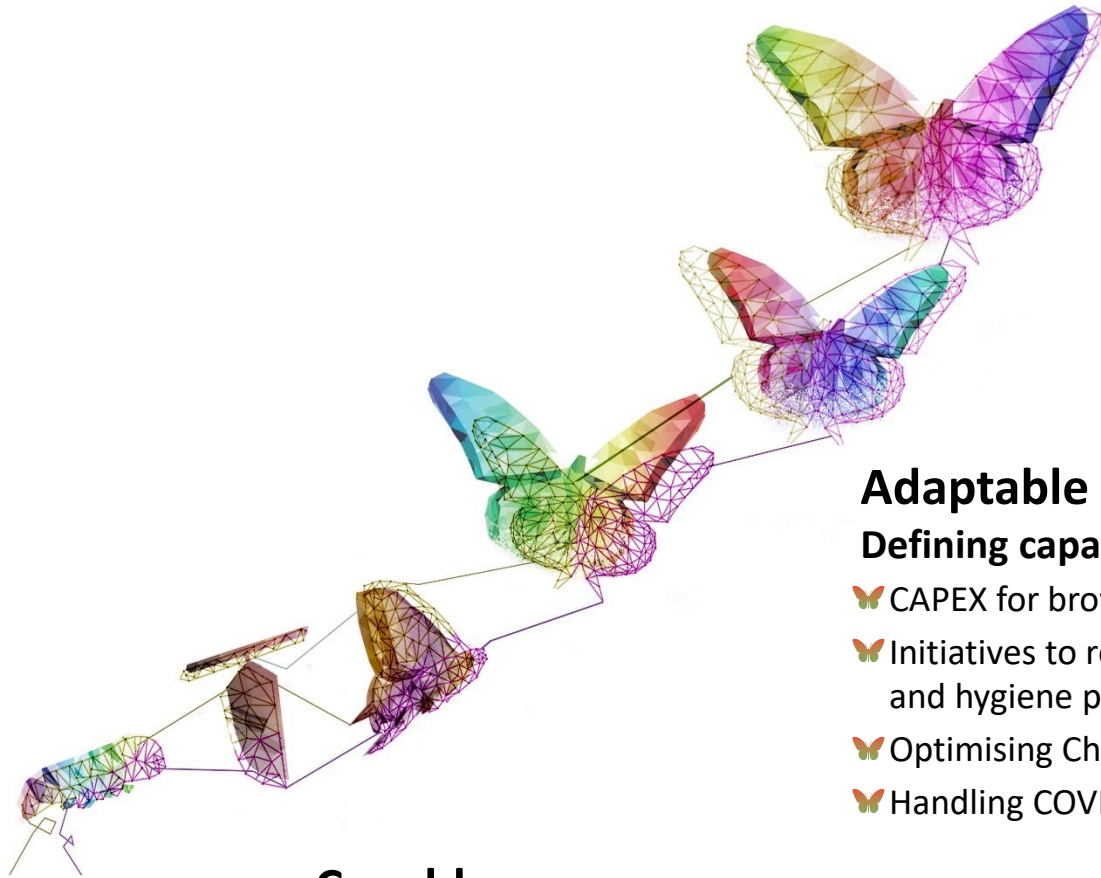
5

Reliable Supplier

Quick Adaption of Market trends has proved us to be a reliable supplier



WE ARE AT THE CUSP OF NEXT LEVEL OF GROWTH



Reliable

Growing to a reliable corporate house

- 🦋 Engagement with the customers and adoption of customer centricity approach
- 🦋 Growing focus in the domestic market and increasing brand value through B2B/B2C/D2C
- 🦋 Strong customer relationships and brand recall
- 🦋 Expand offerings and benefit from Make in India initiative

Adaptable

Defining capabilities with a strong foundation

- 🦋 CAPEX for brownfield expansion to meet increased demand
- 🦋 Initiatives to remain future ready, focusing on e-commerce, digital marketing and developing health and hygiene products
- 🦋 Optimising China+1 strategy and be a preferred supplier for Fashion & Utility bedding globally
- 🦋 Handling COVID related challenges

Capable

Leveraging knowledge capital

- 🦋 Strong balance sheet and liquidity position
- 🦋 State of the art manufacturing facility
- 🦋 Widespread network with strong product positioning
- 🦋 Experienced management



FACTORS THAT CONTRIBUTED TO RETAIL GROWTH



Adoption of omni-channel distribution

Multiple sales avenues and accelerated shift towards digital commerce



Consolidation of Big box retailers

Retailer consolidation due to their higher financial capabilities and their presence in selling essential products



Home - A center stage

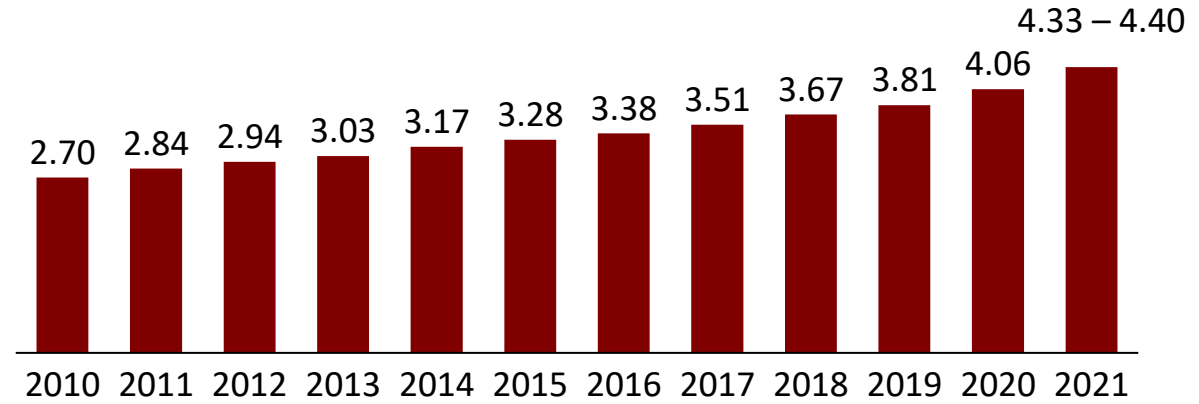
Increased consumer spending due to work from home and social distancing measures



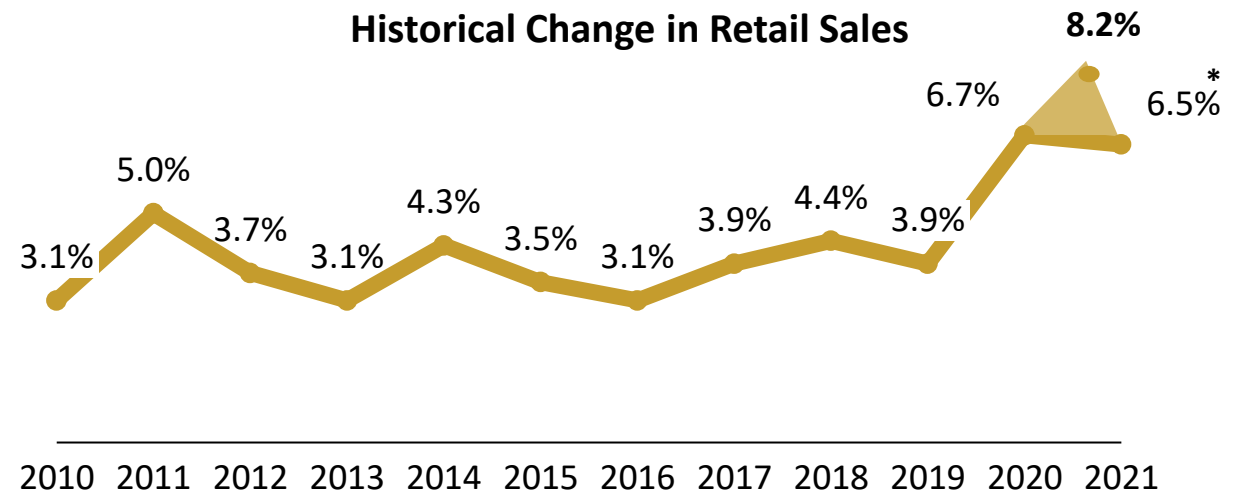
Increasing importance of Health, Hygiene & Wellness Products

Shift in demand towards value added categories of health, hygiene and wellness due to additional demand

Historical Retail Sales (\$ in trillions)



Historical Change in Retail Sales



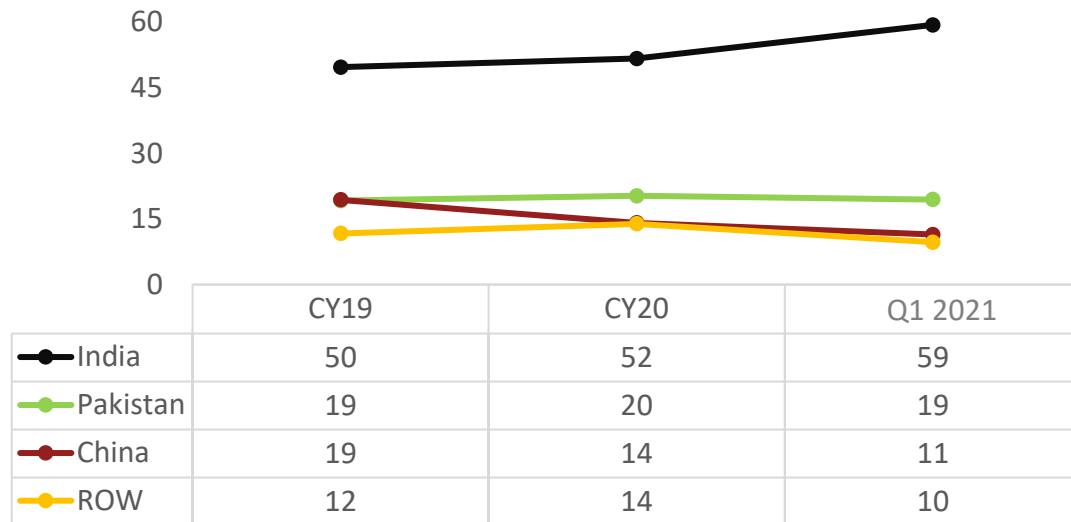
NRF predicts that the retail sales will grow between 6.5% and 8.2% to more than \$4.33 trillion in 2021 as more individuals get vaccinated and the economy reopens

INDIA GAINING MARKET SHARE IN USA HOME TEXTILES MARKET

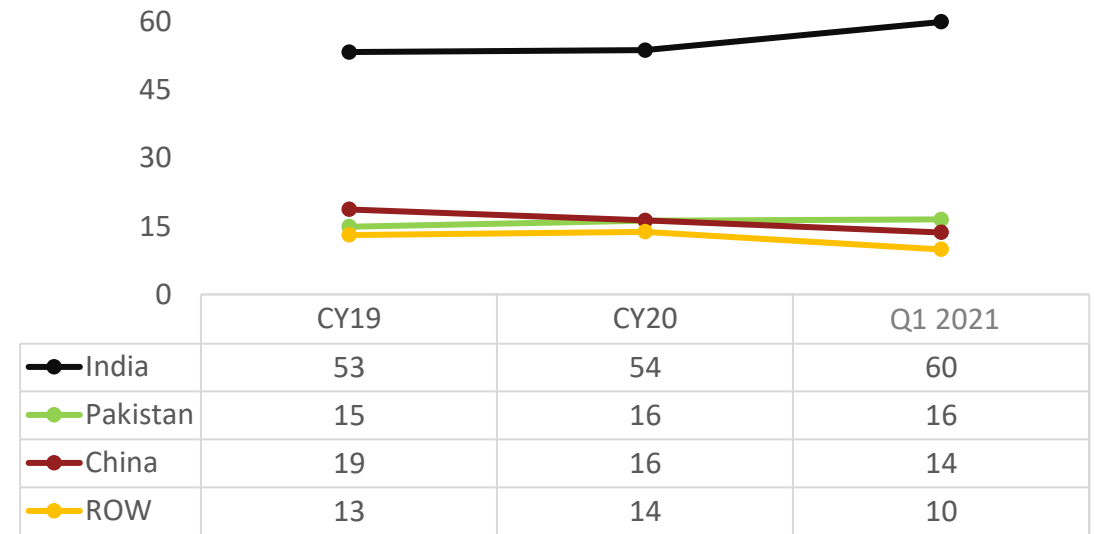


Figures in %

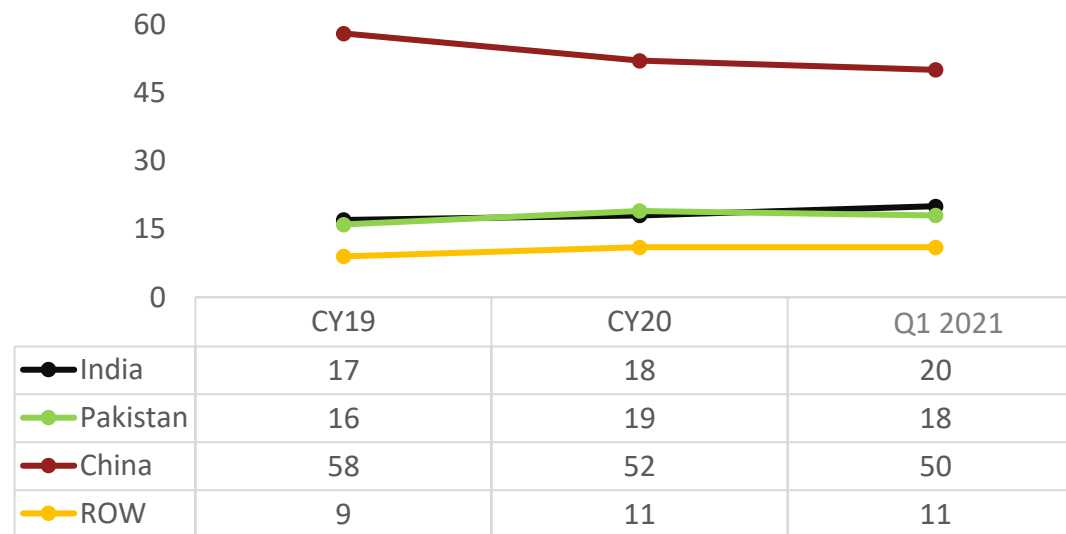
US imports of Cotton Sheets

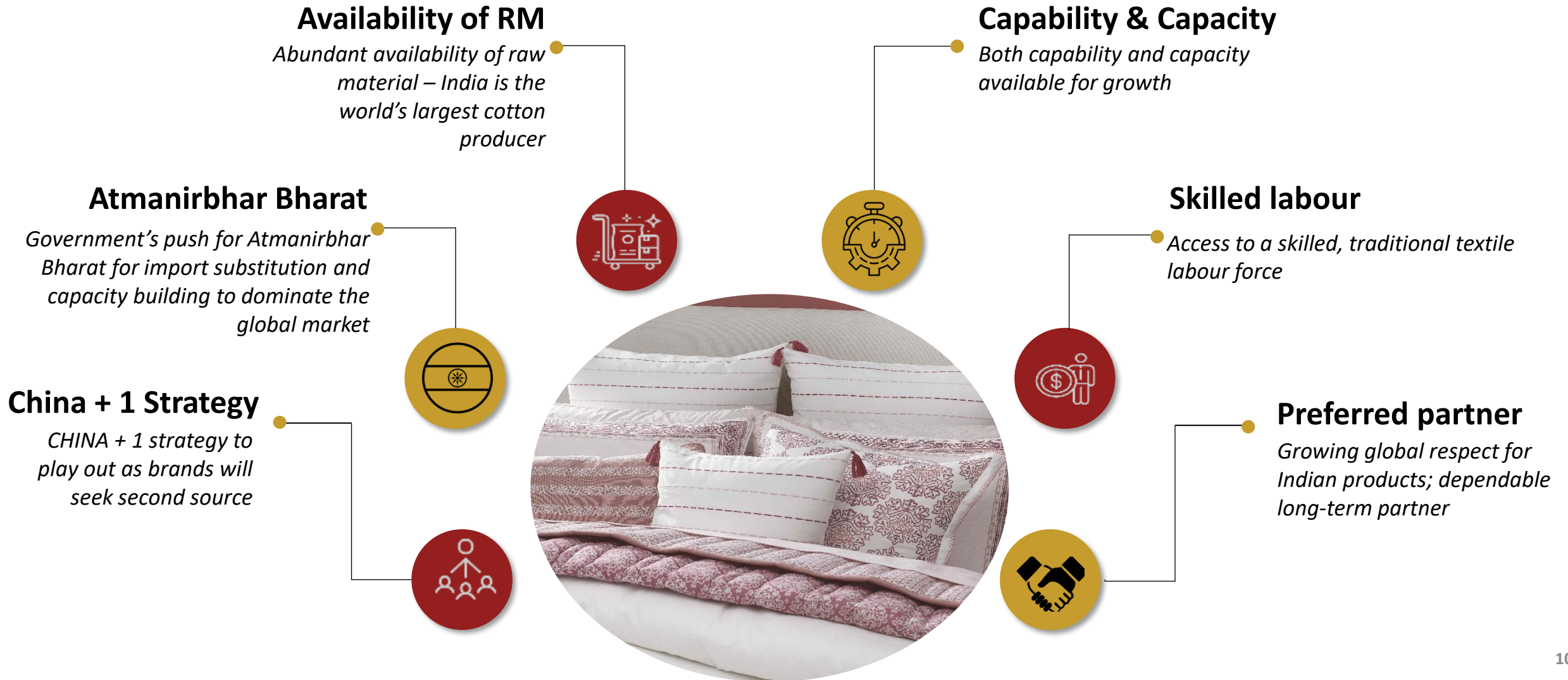


US imports of Cotton Pillow cases

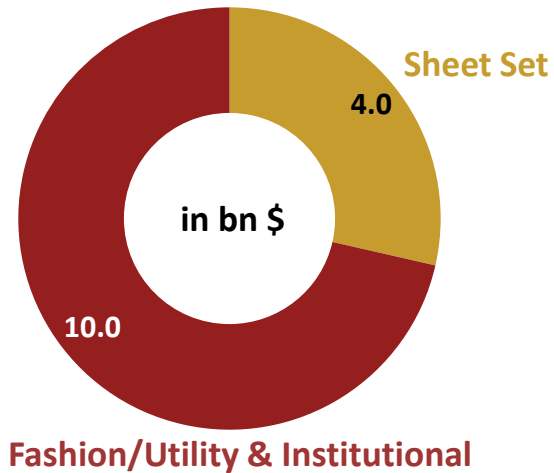


US imports of Cotton Bedsread





FASHION, UTILITY AND INSTITUTIONAL SEGMENT – 3x OPPORTUNITY SIZE FOR INDIAN SUPPLIERS



- ✓ Target market of almost \$10 bn can be addressed and capitalized
- ✓ Currently, China is a dominant player in fashion, utility & institutional category and India is still at an initial stage
- ✓ China + 1 strategy is helping to shift these product categories to India
- ✓ Indian Home Textile Industry stands to gain on this potential shift of these product categories

RETAIL CONSOLIDATION IN DEVELOPED MARKETS

Structural Shift

Big box retailers performing well due to strong balance sheet and increased capacities

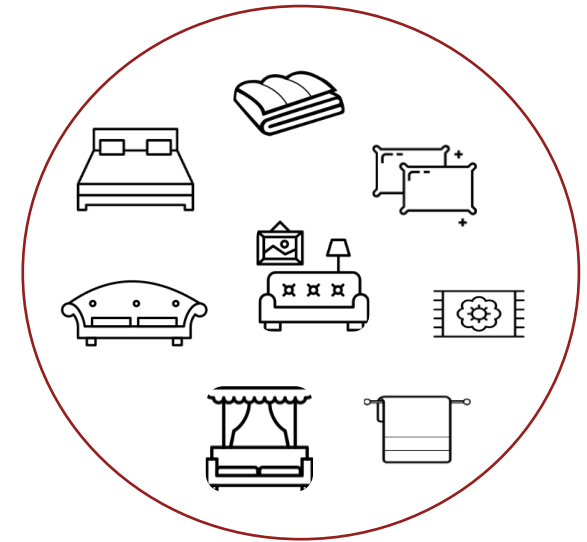
Organized Manufacturers

Organized manufacturers to benefit on the back of increased capabilities

Increased Efficiency

Consolidation to lead to Increased efficiency and productivity in manufacturing

HOME HAS BECOME A CENTER STAGE



'Home' has become the centre stage of our life and life style

This has created additional demand for Home Textile products

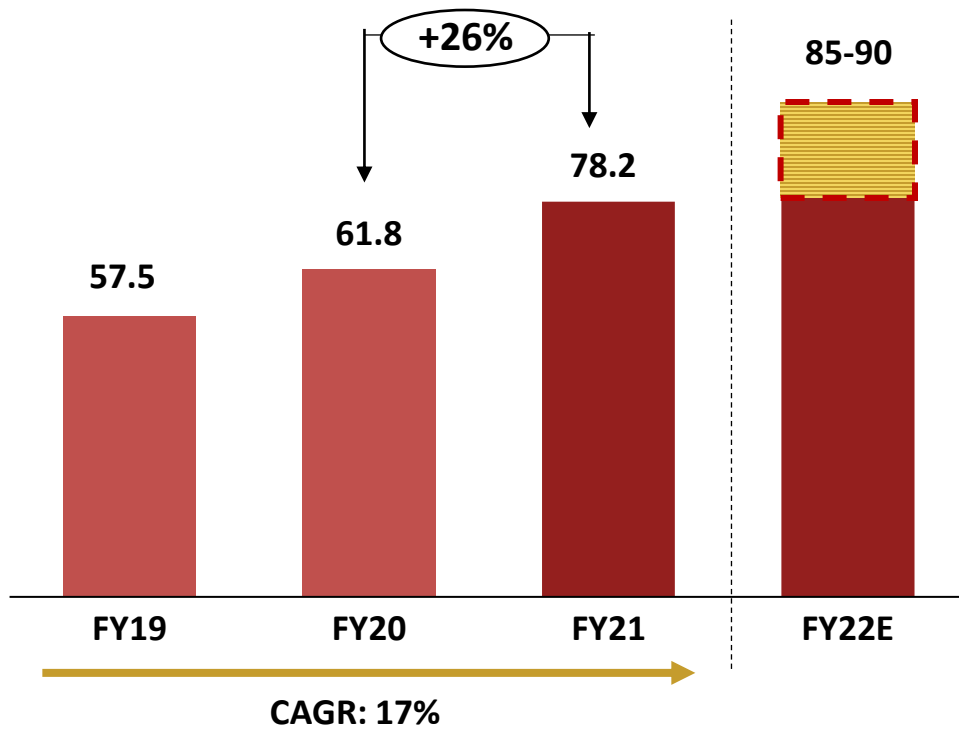


Q4 & FY21 – PERFORMANCE HIGHLIGHTS

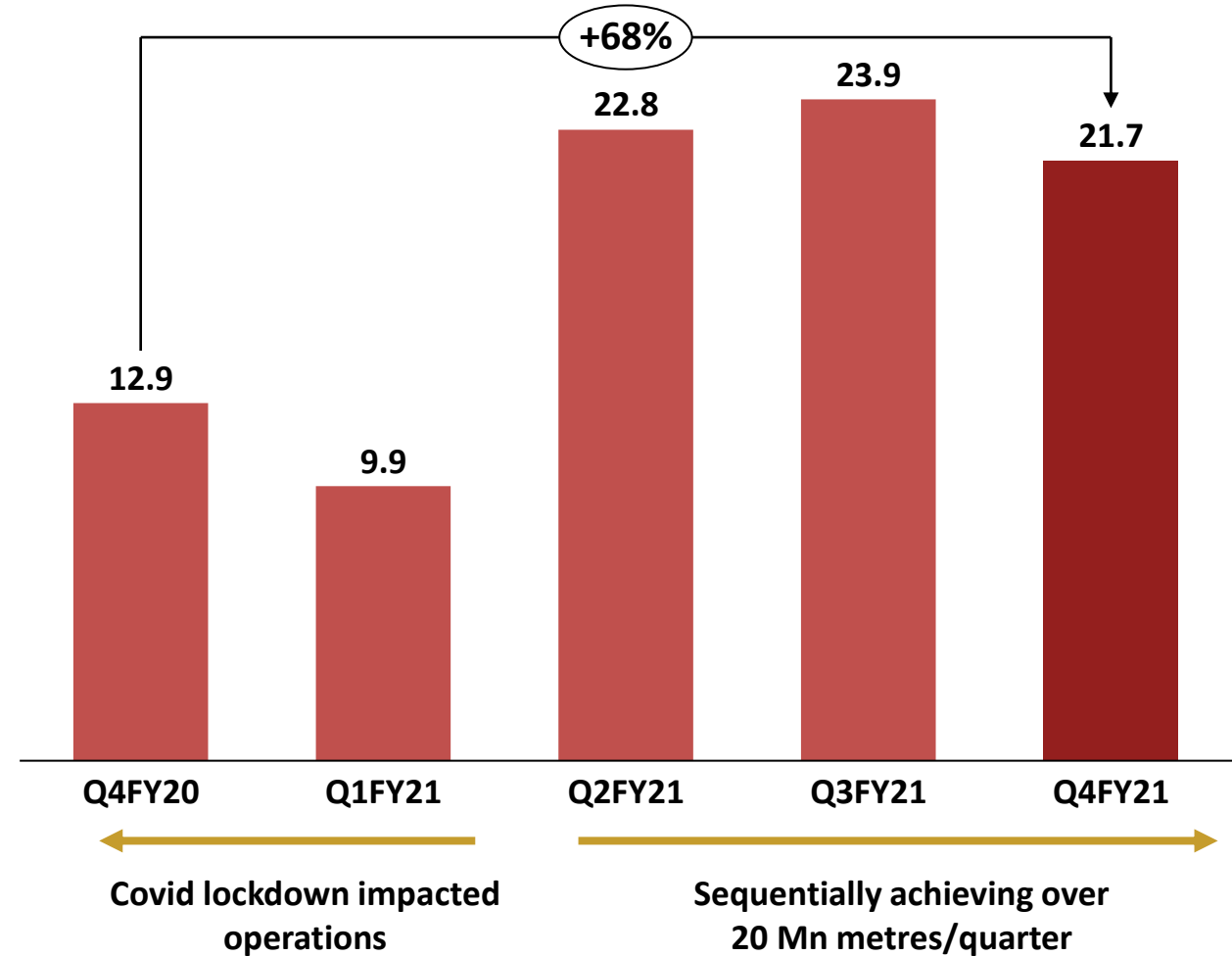
SALES VOLUME PERFORMANCE

in million metres

Volume Performance



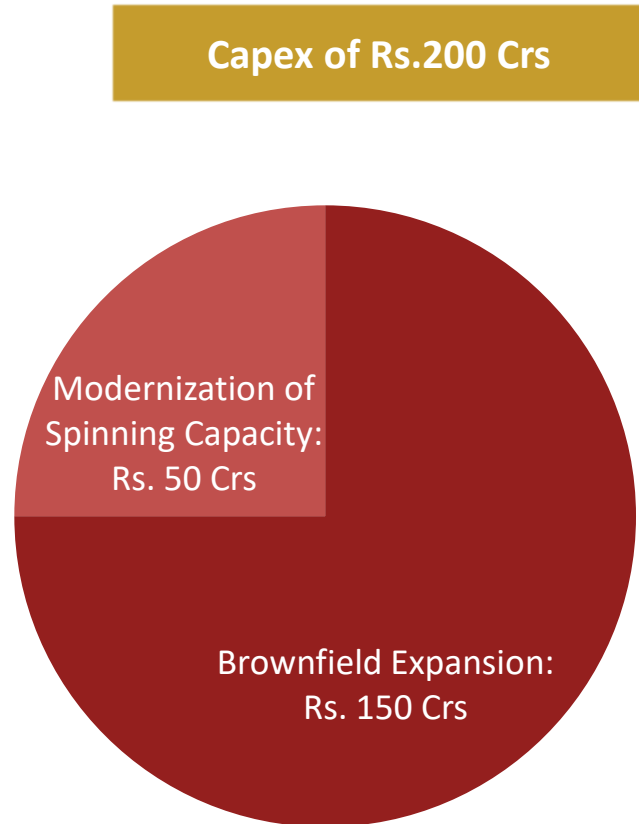
Quarterly Performance



FY21: Volume guidance achieved



FY22: Volume Guidance of 85-90 Mn metres



BROWNFIELD EXPANSION

- Expansion of its bed linen capacity by ~ 20% existing annual capacity of 90 Mn metres to 108 Mn metres by debottlenecking and balancing facilities
- Brownfield investment for adding commensurate cut & sew facilities and for enhancing the capacity for Top of the Bed (TOB) products. This will entail a capex of ~ Rs. 150 crores



MODERNIZATION OF SPINNING CAPACITY

- Modernization of spinning units with compact spinning technology
- This will entail a capex of ~ Rs. 50 crores. Post modernization, this capacity will also be used for captive consumption in the home textiles unit

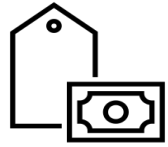


REVENUE VISIBILITY

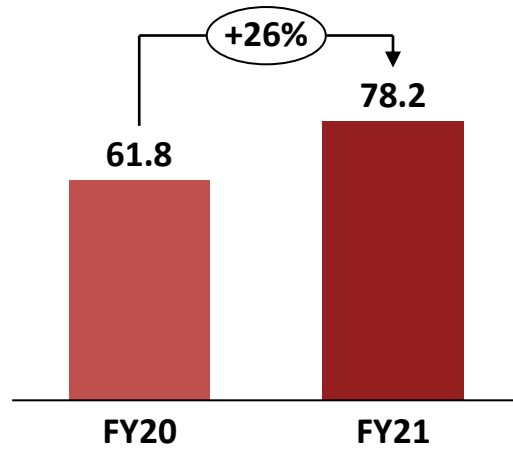
- These investments are expected to increase the revenue by **~Rs. 600 crores over the next 2 years**, post commissioning.
- The total capex will be ~ Rs. 200 crores and will be **funded by a mix of internal accruals and debt** and is expected to be operational in H2FY22

Capacity utilization ramp-up to drive FCF generation and improved return ratios

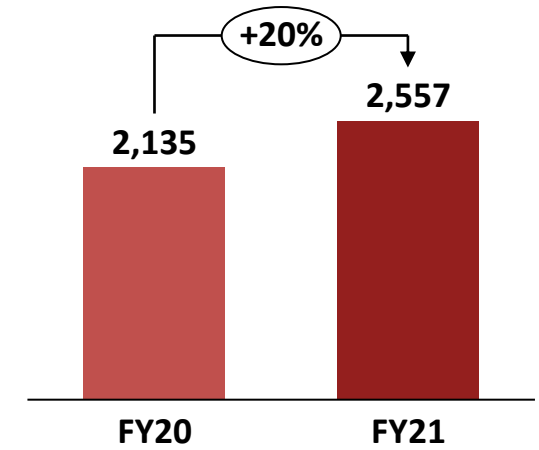
CONSOLIDATED FY21: GROWING VOLUMES, REVENUES & PROFITABILITY



Volume
78.2 Mn metres



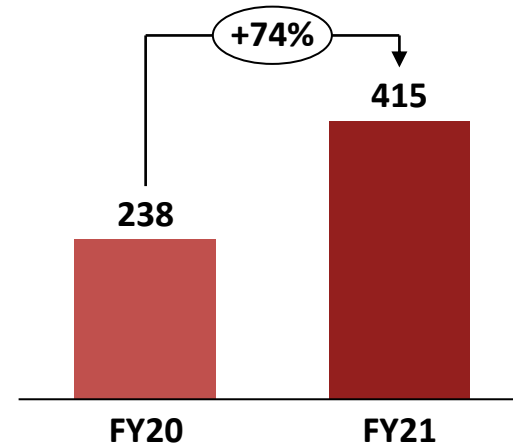
Revenue
Rs. 2,557 Crs



Standalone Revenue for FY21 stood at Rs.2,552 Crs, a growth of 26% YoY

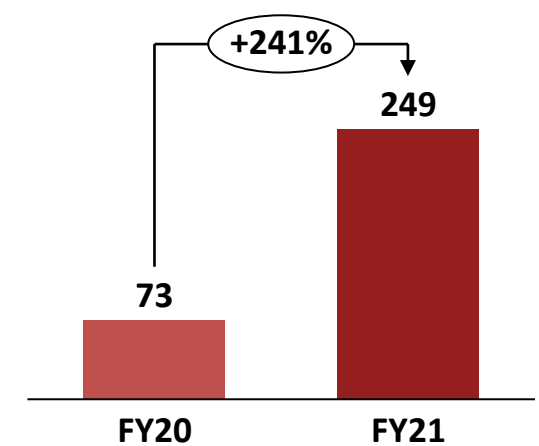


EBITDA
Rs. 415 Crs



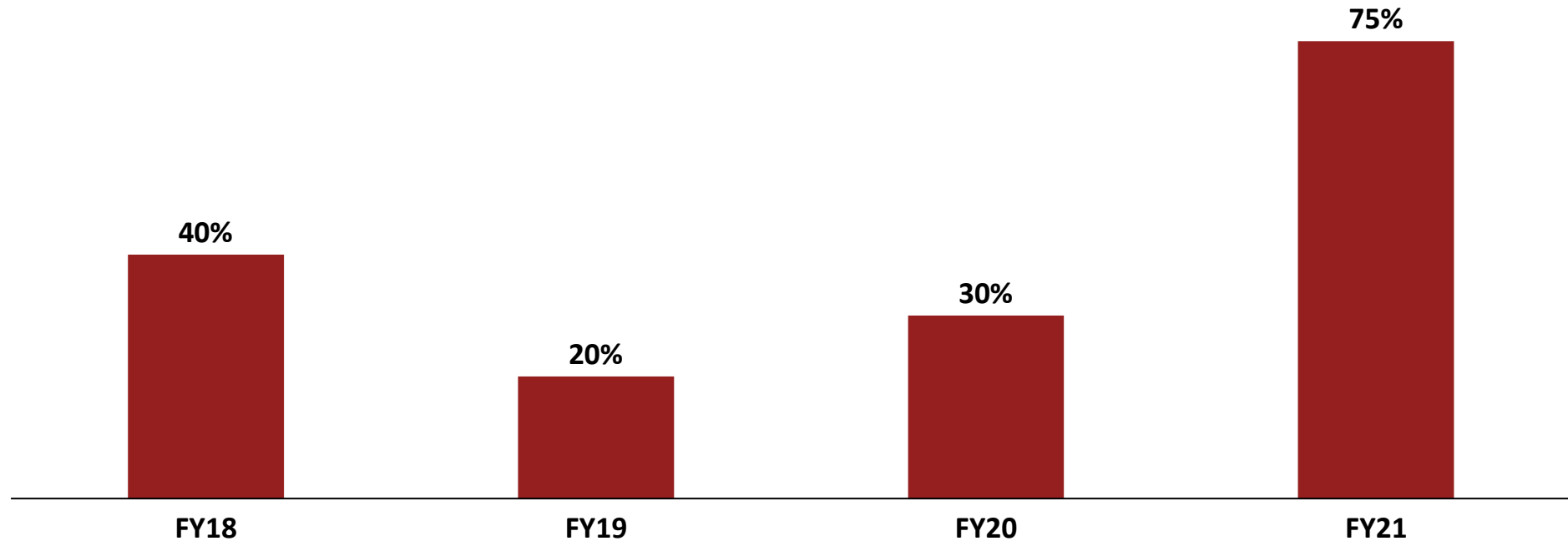
PAT
Rs. 249 Crs

EPS
Rs. 12.7



Strong track record and proven expertise to distribute healthy and sustainable returns

■ Dividend



Particulars (in Rs)	FY18	FY19	FY20	FY21
Dividend / Share	0.80	0.40	0.60	1.50

The Board has recommended a Final Dividend of Rs. 1.50 per equity share (i.e. 75%) of Rs. 2/- face value, subject to the approval of shareholders at ensuing Annual General Meeting

Q4 & FY21 CONSOLIDATED FINANCIAL PERFORMANCE

Particulars (Rs. Crs)	Q4FY21	Q4FY20	YOY%	FY21	FY20	YOY%
Revenue from Operations	691	401		2,519	2,080	
Other operating Income	14	24		38	55	
Total Income	705	425	66%	2,557	2,135	20%
Cost of Material	342	203		1,270	1,139	
Employee Expenses	52	38		159	148	
Other Expenses	205	148		714	609	
Total Expenses	599	390		2,143	1,897	
EBITDA	106	35	200%	415	238	74%
EBITDA Margin (%)	15.0%	8.3%	671 bps	16.2%	11.1%	507 bps
Depreciation	10	11		43	43	
EBIT	95	24	293%	371	194	91%
EBIT Margin (%)	13.5%	5.7%	783 bps	14.5%	9.1%	542 bps
Finance Cost	11	8		28	39	
PBT before Exceptional items	85	16	429%	343	155	121%
Exceptional Items	-	-		(4)	(98)	
PBT	85	16		340	57	
Tax	27	8		91	(16)	
PAT	58	8	600%	249	73	241%
EPS	2.93	0.40		12.70	3.74	

Figures are rounded off wherever required

Please note Q4FY20 figures are not comparable with Q4FY21 figures due to lockdown announced in Mar'20

As the rates under RoDTEP have not been notified till date, the income on account of benefits under the new scheme has not been recognized for the Quarter ended March 31, 2021

CONSOLIDATED BALANCE SHEET

ASSETS (Rs.Crs)	31-Mar-21	31-Mar-20
Non-Current Assets		
Property, Plant & equipment	540	554
Capital Work in progress	8	6
Right of Use	18	18
Other Intangible Assets	3	3
Financial Assets		
i) Loans	4	4
Other Non-Current Assets	8	6
Total Non-Current Assets	581	591
Current Assets		
Inventories	718	524
Financial Assets		
i) Investments	167	0
ii) Trade Receivables	516*	242
iii) Cash and Cash Equivalents	120	139
iv) Bank Balances	7	11
v) Loans	1	0
vi) Other Financial Assets	51	4
Current Tax Assets	9	23
Other Current Assets	126	161
Total Current Assets	1,715	1,105
Total Assets	2,296	1,696

EQUITY AND LIABILITIES (Rs.Crs)	31-Mar-21	31-Mar-20
Equity		
Equity Share Capital	39	39
Other Equity	1,245	947
Non-Controlling Interest	6	7
Total Equity	1,290	993
Non-Current Liabilities		
Financial Liabilities		
i) Borrowings	19	36
ii) Other financial liabilities	2	6
Provisions	3	6
Deferred Tax Liabilities	80	57
Other Non-Current liabilities	8	8
Total Non-Current Liabilities	111	114
Current Liabilities		
i) Borrowings	537	293
ii) Trade Payables	235	129
iii) Other financial liabilities	29	92
Other Current Liabilities	94	75
Total Current Liabilities	895	589
Total Equity and Liabilities	2,296	1,696

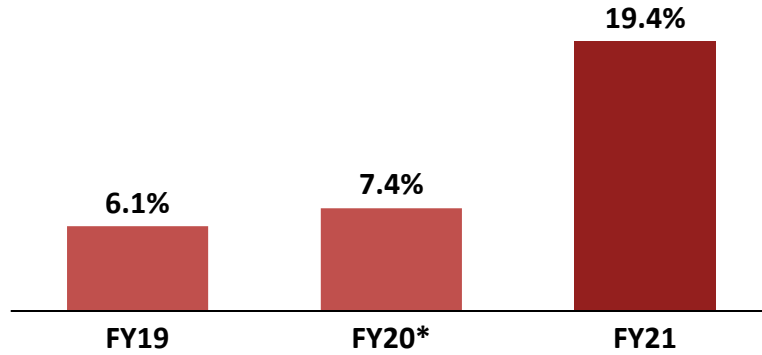
*Extension of delivery schedules on account of logistical challenges in February and March led to increase in debtors

CONSOLIDATED CASH FLOW STATEMENT

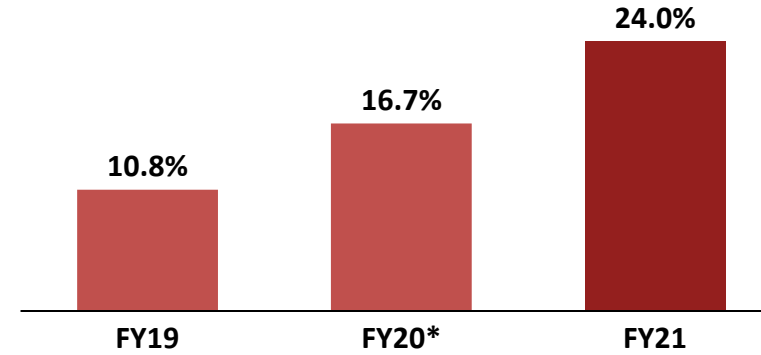
Particulars (Rs. Crs)	FY21	FY20
Profit before Tax & Exceptional	343	155
Adjustment for Depreciation & other items	141	(82)
Operating profit before working capital changes	484	74
Changes in working capital	(425)	92
Cash generated from operations	59	166
Direct taxes paid (net of refund)	(75)	(26)
Net Cash from Operating Activities	(16)	140
Net Cash from Investing Activities	(189)	16
Net Cash from Financing Activities	185	(40)
Net Change in cash and cash equivalents	(20)	116
Cash and cash equivalents at the beginning of the year	139	23
Cash and cash equivalents at the end of the year	120	139

IMPROVING PERFORMANCE

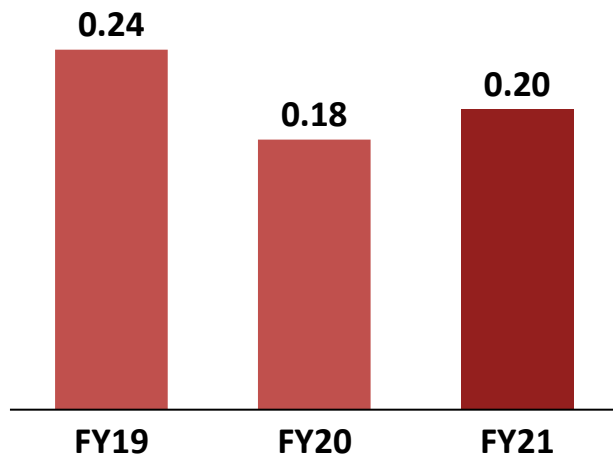
ROE



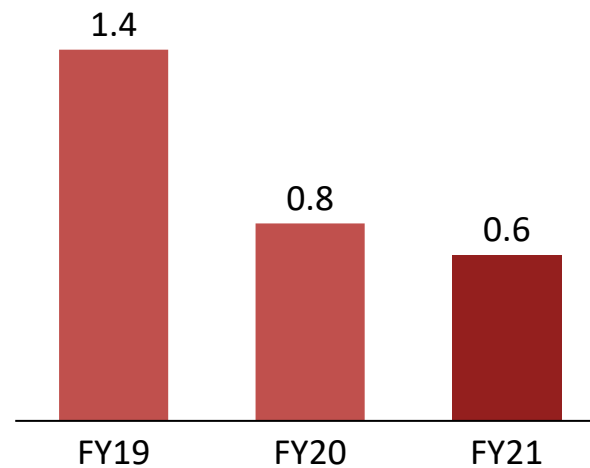
ROCE



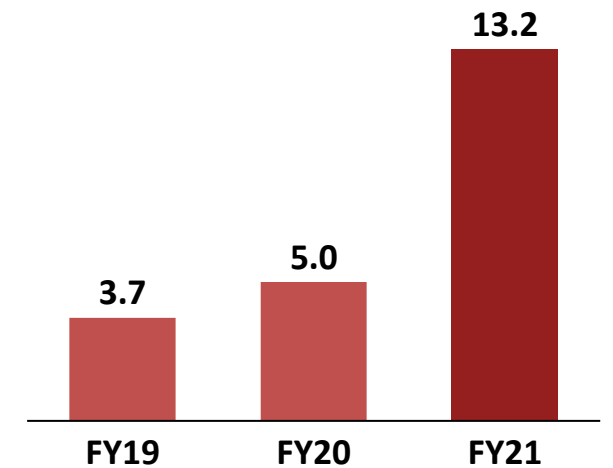
NET DEBT/EQUITY



NET DEBT/EBITDA



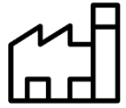
EBIT/INTEREST



FY20 includes exceptional items of Rs. 98 Crs
All figures on Consolidated Basis



COMPANY SNAPSHOT



Largest manufacturer and exporter of bed sheets, bed linen, quilts from India while being the top bed sheet supplier to the US



Comprehensive product portfolio in the premium segment that comprises of bed sheets, fashion bedding, utility bedding and institutional bedding

Our Forte



Global Player

- Renowned player with strong focus on bed linen
- Established business with global prestigious clients
- Strong product positioning
- Continuous product development through innovation and R&D



Strong Domain Expertise

- Complete end-to-end solution in bedding
- Efficient marketing and branding
- Widespread global distribution
- Enhanced customer service experience



Operationally Efficient

- Proficient and scalable operations
- Experienced management with a competitive track record
- Progressive investments in state-of-the-art technology
- Training and development of human resource

Domestic Business

Launch of B2C & D2C brands



ESG Focused



Biodiversity



Business Ethics



Installing Solar panels



Employee Welfare



Supply Chain Sustainability



Reducing GHG

Credit Rating

CARE Ratings

Long Term – CARE A+
Short Term – CARE A1

ICRA Ratings

Long Term – ICRA A+
Short Term – ICRA A1+



Indo Count exports to more than 54 countries across 5 continents and going forward to widen its geographical footprint



SERVICES (WORLD OVER)

Product Development	EDI-based replenishment services	Market Research
Total Supply Chain Solutions	Inventory Planning	Innovation
Modern warehousing services	E-Commerce fulfillment	Consumer Insights



Head Office, Factories, Merchandising & Design Studio & Product Development Lab



Showroom, Warehouse Design Studio



Showroom, Warehouse Design Studio



Showroom

EXPANDED MARKET OPPORTUNITY WITH FORAY INTO NEWER PRODUCTS

Bed Sheets



**Flat Sheet
Fitted Sheets
Pillow-cases**

Fashion Bedding



**Comforters & Duvets
Shams & Decorative
Pillows
Quilts, Coverlets**

Utility Bedding



**Mattress Pads,
Protectors, Pillows
Down Alt Comforters**

Institutional Bedding



**Basic white sheets
Shams & Pillows
Bed Skirts, Duvet covers**

↑
Contribution 85%

↑
Fashion, Utility and Institutional at 15% in FY21



FORAY IN B2C & D2C SEGMENT

GROWING OUR BRAND PORTFOLIO

Diversified Brand Portfolio

Health & Hygiene Brand	Performance Brand	Organic Cotton Brand	Color based range	Kids focused Brand
				
				
Value Driven Mass Brand	Mid-market aspirational Brand	Luxury Brand	Sustainability Brand	Cotton centric Brand

Focused digital presence in US, Europe, Middle-East and India



Shift from Traditional Retail to B2C / D2C



Current focus on Brand building & Community building



Ambitious 5 Year Plan for Brand Growth

E-commerce & Other Digital Channels

FY21 **4% of Revenue**

FY23E **8% of Revenue**

Domestic Business

FY21 **1% of Revenue**

FY23E **3% of Revenue**

CAMPAIGNS IN INDIAN MARKET



INFLUENCER MARKETING



Branding through Influencers along with A list celebrities like Soha Ali Khan, Madhuri Dixit, Dia Mirza, Taapsee Pannu, Vidya Balan and 20+ others

TIE-UP WITH ONLINE PLATFORM



Partnership with Myntra for donations to migrant workers through Bosconet

Other strategic Tie-ups

- Creating Pan-India distribution network through Multi brand outlets (MBO's) & Large format stores (LFS)
- Present at Shoppers Stop & Home Centre

THE UNTAMED COLLECTION



Untamed Collection taking inspiration from the wild

THE GLOBE TROTTER COLLECTION



Globe Trotter collection giving great ideas to travel in the current times



SUSTAINABILITY IS IN OUR DNA



Project GAGAN: A sustainable cotton initiative

The programme aims at improving awareness among the farmers to cultivate sustainable forms of cotton.

In step with this mindset, we launched an initiative called 'GAGAN' to help farmers to cultivate sustainable cotton through our Better Cotton Initiative (BCI).



HIGG INDEX

Associated with SAC (Sustainable Apparel Coalition) through HIGG index tool. Two of our facilities at Gokul and Kagal have been certified with the Sustainable Apparel Coalition.

The Higg Index delivers a holistic overview that empowers us to make meaningful improvements that protect the wellbeing of our factory workers, local communities, and the environment.



MADE IN GREEN

A MADE IN GREEN product ID proves that the product has been tested for harmful substances.

This is a latest sustainability benchmarking being demanded by majority of customers and we are proud to commit that a large number of our products manufactured come under Made in Green category.



Indo Count has taken SMART goals for Green house gas emissions reduction in Gigaton project

In Walmart's Gigaton project, Indo Count has achieved a remarkable milestone and is **recognized by Walmart Corporation as "Giga Guru" amongst Global Top 20 suppliers**



Environmental

- Installed renewable energy
- Recycling and reuse of water through modernized ETP plant
- Conservation of water resources
- Reduction in the use of plastic
- Promoting sustainable fibre products



Social

- CSR activities revolves around Education, Healthcare, Water sanitation and Women Empowerment
- Improving awareness among the farmers to cultivate cotton in a more sustainable method
- Skilled development for women empowerment
- Promoting sanitation by building/ maintaining toilet blocks
- Improve lives of community in local areas where we operate



Governance

- Experience Board of Directors in the home textiles industry
- The Board has an optimum combination of Executive and Non-Executive directors, including an Independent Woman Director
- Risk Management Governance
- Occupational Healthy Policy
- Regular review and updation of policies in response to the changing requirements



EDUCATION

- We developed and adopted multifaceted approach through E-learning to increase attendance and stimulate learning amongst students
- Besides E-learning, various other initiatives include distribution of school bags, Improving infrastructure in schools and providing educational support to the visually challenged students
- **50,000+** students of **100+** schools in and around Kolhapur have benefitted



HEALTHCARE

- Medical Vans reaching 100 rural villages around Kolhapur providing free medicines and check-ups
- **3,00,000+** patients have been benefitted
- Renovated Female Maternity & Gynac ward along with Cardiac department for a government hospital in Kolhapur
- Renovation of District AIDS prevention and control unit



WOMEN EMPOWERMENT

- Trained women through our skilled development centre
- Aimed at making women independent and upgrading their standard of living



WATER & SANITATION

- Installed pure drinking water facilities in various schools and public places
- Collaborated with village gram panchayats to establish various sanitation programmes





AWARDS & RECOGNITIONS



Mr. Mohit Jain honoured with **The Economic Times Business Leader: Youth Icon Textiles Award 2021**

The 2021 edition of the Awards aimed to bring to the forefront noteworthy business leaders who are spearheading our economy by inspiring accelerated and sustainable growth in their respective fields, post the unprecedented COVID Crisis.

Mr. Mohit Jain has been actively steering growth at Indo Count, with his exemplary vision and vast experience in the textile domain.

“At Indo Count, our key focus has always been to weave an unforgettable legacy of corporate excellence and exceptional service. We continue to transform the world of textiles, one thread at a time.”

-Mr. Mohit Jain, Executive Vice Chairman of Indo Count Industries Ltd

Texprocil Awards for 2018-19



Winner of Gold Trophy

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



Winner of Gold Trophy

For the Special Achievement Award in Made-ups



Winner of Silver Trophy

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



Recognitions from Our Customers



Recognized by Walmart corporation as “**Giga guru**” amongst global top 20 suppliers



Awarded ‘**Best Collaboration in Design & Product development**’ by KOHL’s, a large retailer in the US



Received ‘**Platinum Certification Status**’ for sheets and fashion bedding category by **JC Penney**, another large retailer in the US

Other Awards



Vasundhara Award



Jal Bindu Award

Company :



Indo Count Industries Limited
CIN: L72200PN1988PLC068972

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