

SUDITI INDUSTRIES LTD.



C-253/254, MIDC, TTC INDL.AREA, PAWNE VILLAGE, TURBHE, NAVI MUMBAI – 400 705
Tel. No: 67368600/10, FAX: 27683465: E-mail: cs@suditi.in CIN No. L19101MH1991PLC063245
Regd.Office: A-2, Shah & Nahar Indl.Estate, Unit No.23/26, Lower Parel, Mumbai-400013.

Date: 07.06.2016

To,
The Secretary/Corporate Services,
Bombay Stock Exchange Ltd.
Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai – 400 001.

Company Code No.521113

Dear Sirs,

Ref: **Investor Presentation.**

We are submitting herewith Investor Presentation as approved by the Board for general information of the Investors.

Kindly acknowledge receipt of the same.

Thanking you,

Yours faithfully,

For **SUDITI INDUSTRIES LIMITED,**


PAWAN AGARWAL
CHAIRMAN & MANAGING DIRECTOR

Encl: As above.



SUDITI INDUSTRIES LTD.

INVESTOR PRESENTATION – JUN 2016

Index

Executive Summary



Company Overview



Business Overview



Industry Overview







Financial Overview

An aerial photograph of a lush green agricultural field, likely a rice paddy, with a winding path or irrigation system visible. The image is overlaid with a semi-transparent green filter. The text "EXECUTIVE SUMMARY" is centered in white, uppercase letters.

EXECUTIVE SUMMARY

Executive Summary

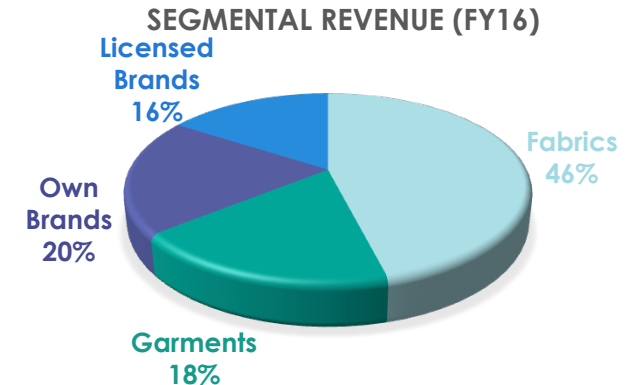
	<p>Overview</p> <ul style="list-style-type: none">• Suditi Industries limited ("SIL"), was incorporated in 1991 as a processing house to manufacture 100% cotton Knitted Fabrics and Polar Fleece Fabrics• In a short span, the company established itself as a reputed quality manufacturer of hosiery fabrics 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
	<p>Products and Business Mix</p> <ul style="list-style-type: none">• Retail Business<ul style="list-style-type: none">◦ Licensed Brands – FC Barcelona, Manchester City FC, Real Madrid C.F, MTV, YouWeCan◦ Own Brands – Riot and Indianink• Fabric and Garments Business
	<p>Key Marquee Clients</p> <ul style="list-style-type: none">• 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
	<p>Financial Performance</p> <ul style="list-style-type: none">• Total Income from Rs 540 Mn in FY13 to Rs 867 Mn in FY16 at a 3-year CAGR of 17 %• EBITDA has grown from Rs 29 Mn in FY13 to Rs 67 Mn in FY16 at a 3-year CAGR of 32 %• Net Profit has grown from Rs 6 Mn in FY13 to Rs 13 Mn in FY16 at a 3-year CAGR of 29 %



COMPANY OVERVIEW

Company Overview

- Suditi 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, Manchester City FC and Real Madrid C.F.** and also ventured licensing agreements with **MTV and YouWeCan**
- 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**.



Key Milestones

Suditi
Industries
incorporated

1991

Expansion of
manufacturing
facilities from 7
MT p.a. to 12 MT
p.a. and
commissioned
knitting unit

1996-67

The company
ventured into
Retail with it's
own brand
called "Riot"

2010

Bagged exclusive
licensing rights for
FIFA World Cup in
India

2014

Acquired
Licensing rights
for MTV and
YouWeCan

2016



1994

Commenced
commercial
production and
got listed on
BSE.

2005

Expansion of
Knitting
operations

2012-13

Began selling
the products
through various
E- Commerce
platforms

2015

Acquired
licensing rights
for FC Barcelona
& Man City, and
launched ethnic
retail brand
Indianink

Management



Mr. Pawan Agarwal - Chairman & MD

Mr. Agarwal has more than 2 decades of experience in finance, marketing and other related matters particularly with reference to manufacture and export of garments. Mr. Agarwal has been an Executive Director of Suditi Industries Ltd since September 12, 1991. He has expertise in Garment exports and marketing activities.

Mr. Animesh Maheshwari – VP, Retail

He has done Post Graduation in Retail Management from K.J Somaiya with twelve years of experience in the Indian Fashion and Retail industry. He has been a strong pillar in leading the company towards expansion and has been a keystone in taking the company through e-commerce business and obtaining remarkable sales.



Mr. R Chinraj – President

He has an experience that spans over more than four decades, he lends the necessary edge required for the business to sustain in the competitive world. Equipped with a degree in B-Tech - Textile Technology from University of Madras.



Mr. H Gopalkrishnan – VP, Finance & Company Secretary

Mr. H Gopalkrishnan, M.Com, MBA, ACWA, ACS heads the Corporate and Retail Finance, Secretarial and Taxation functions of the company. He has a very sharp financial acumen, negotiation skills of the highest order and a great passion for integrating technological advancements in improving business processes.



Ajay Nihalani – CEO, Suditi Design Studio Ltd

With over 23 years of experience across the entire gamut of business & marketing in the retail industry, Mr Nihalani with a milieu of complex and challenging environment has brought matchless ideation and execution of plans to the brand, under his role as CEO at Indianink - Suditi Design Studio.

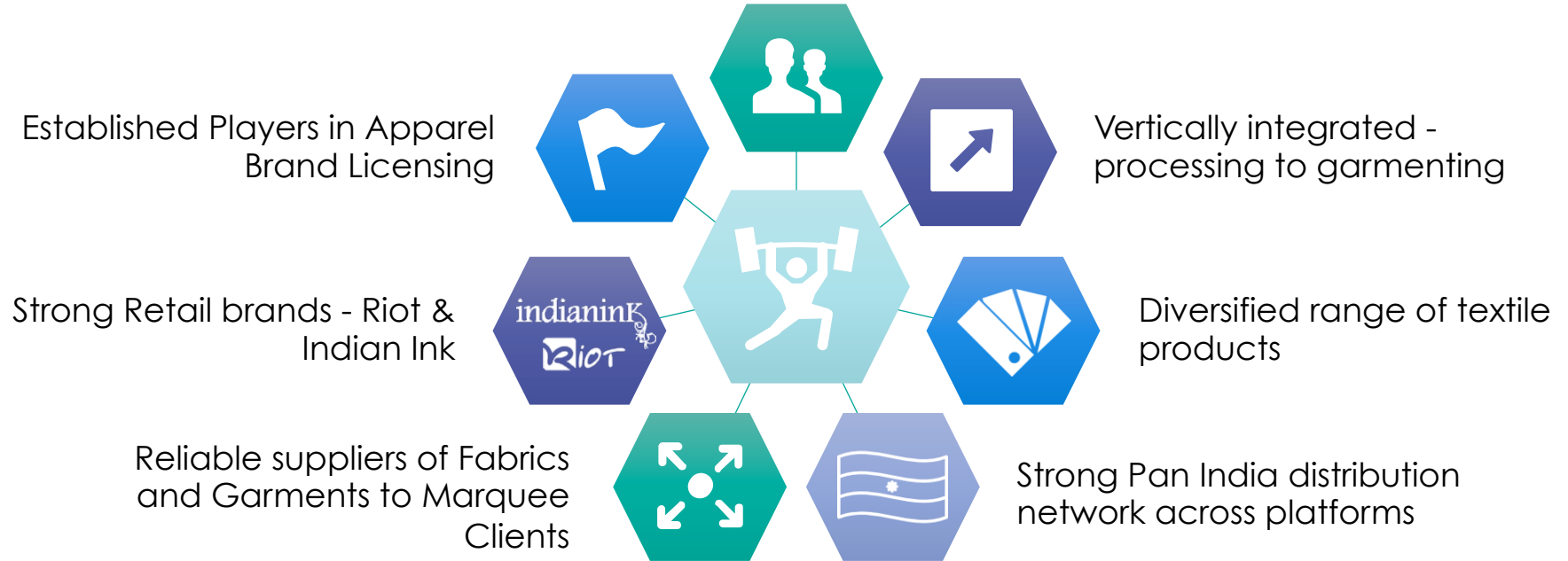
Mr. Manoj Khemka – VP, Accounts & Commercial

He is a Chartered Accountant (CA) and ICWA Accountant by profession. Mr Manoj Khemka heads the Accounts and Commercials at Suditi Industries Ltd.



Key Strengths

Experienced promoters & a strong management team



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**.



The background of the slide features several spools of thread. In the foreground, there are three spools: one on the left is teal, one in the middle is a darker teal, and one on the right is purple. In the background, there are more spools, including a white one on the left and a light green one on the right. The entire image has a teal color overlay.

BUSINESS OVERVIEW

SUDITI INDUSTRIES

Retail Business

Fabric and Garments Business

Licensed Brands

Own Brands

Fabrics

Garments

FC Barcelona

Manchester
City FC

MTV

YouWeCan

Riot

Indianink

Knitting

Dyeing

Printing

Finishing

Garmenting

Licensed Brands

- Licensing for the company commenced with FIFA world cup 2014, when it undertook manufacturing and marketing of fashion apparels .
- Encouraged by the response of its success through this, the company has now executed agreements with other reputed international clubs like FC Barcelona, ManCity, and MTV to design and manufacture licensed clothing line that will include categories like t-shirt, sweatshirts, polo's, jackets, track pants, boxers, etc. for men.
- Company currently has licensing agreements with :



- **FC Barcelona** - Founded in 1899, it is the second most valuable team in the world. FCB is termed to be a team with most official titles such as Copa del Rey, Liga, Champions League, Spanish Supercup, European Supercup and Clubs World Cup. Since they started in 1955, FCB is the only team to have played in every season of European competitions.

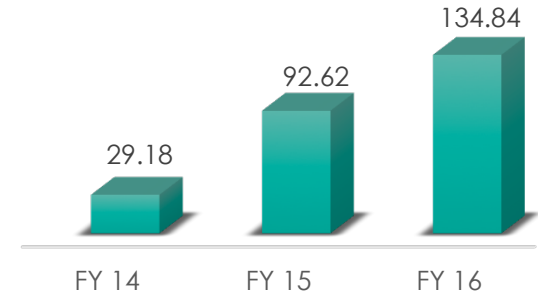


- **Manchester City FC** - Founded in 1880, Manchester City is an old name in English football. However, Its popularity hasn't even begun due to its inactivity till 2008. The club won a Premier League after 44 Years in 2012, came 4th the year after and won the league again in early 2014. It is currently one of the favorites for this year's EPL and Champions League titles.

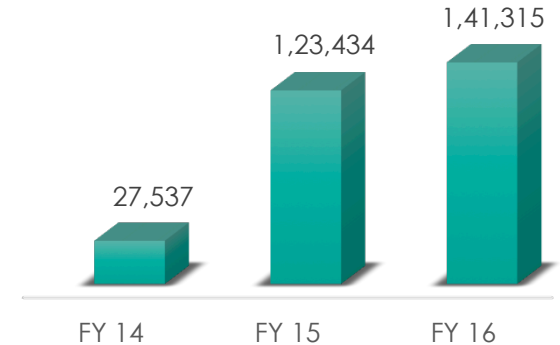


- **MTV** - is an American basic cable and satellite television channel which is a part of the "Viacom Music and Entertainment Group" which is the flagship Property of the Viacom Media Networks division of Viacom, of which it is a subsidiary.

LICENSED BRANDS REVENUE (INR MN)



LICENSED BRANDS VOLUME (Pcs)

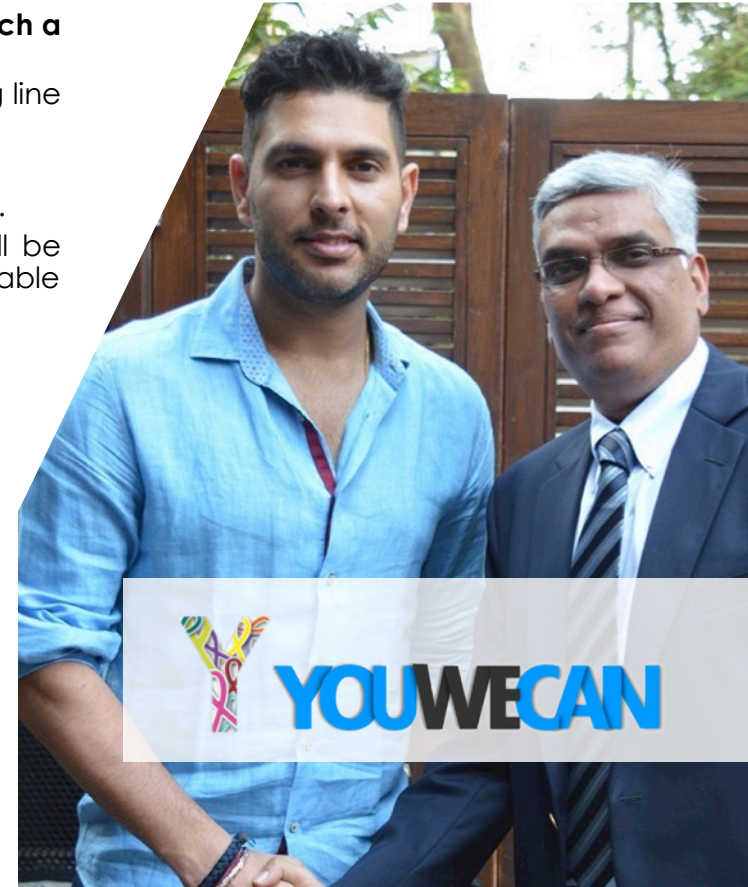


Licensed Brand - YouWeCan

- Suditi joined hands with famed cricketer **Yuvraj Singh** in May 2016 **to launch a clothing line under YouWeCan.**
- As a part of this deal, SIL will design and manufacture a licensed clothing line that will include **lifestyle and fashion apparel for men, women & 4+ kids.**
- YWC brand ethos will reverberate **Yuvi's motto to 'Live, Dare and Inspire'**
- The range will cater to fashion lifestyle apparel showcasing Yuvi's persona.
- As a part of the deal, a percentage of the royalties from the sale will be routed to support the initiatives of the YouWeCan Foundation (a charitable trust promoted by cricketer himself)

“ I am thrilled to start a line which will break away from the mould of the usual silhouettes, as YWC for me is not just a brand but an emotion. It's something that comes from within. Black White Orange plays a very instrumental role in the foundation & formation of brand YWC and in finding the ideal partners in Suditi Industries, to help realize and actualize the thought we had in mind for my apparel line. We are optimistic that our audiences will love the YWC clothing range and their support for the brand will help all the initiatives of the YouWeCan Foundation too. Looking forward to an exciting innings on this one!

- **Yuvraj Singh**



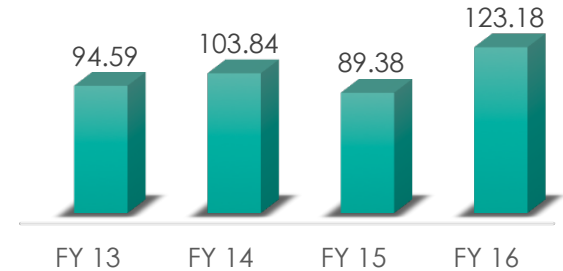
YOUWECAN

Retail Brand - Riot

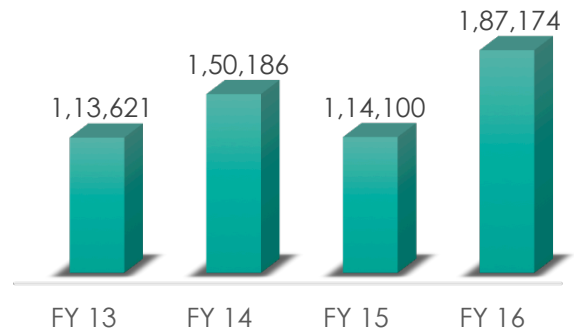


- RIOT was **incorporated in 2010** as a casual fashion brand for the youth.
- The brand offers contemporary clothing and accessories through fresh and inspiring retail formats.
- RIOT's products include **funky denims, comfortable bottoms, cool jackets, stylish shirts for men or skirts, dresses, cardigans or tunics for women, along with fashionable accessories like belts, bags and flip flops.**
- The price points for men and women start from **Rs 599 onwards for the Tops** and **Rs 1999 onwards for the Bottoms.**
- The company commenced the Retail Business through its own and franchisee outlets set up in different parts of the country with the average area of 550 sq feet per store.
- Currently the company has **6 EBO's** and are also sold through departmental/multi product stores such as, Central, Walmart, regional large format stores and other Multi Brand Outlets. The company also sells through various online platforms such as **myntra.com, flipkart.com, jabong.com, amazon.in, snapdeal** etc. and its own online store **www.riotjeans.com.**

RIOT REVENUES (INR MN)



RIOT VOLUME (Pcs)



Retail Brand - Indianink

indianink

- Suditi forayed into women's ethnic and fusion wear in **2015** under its retail brand called **Indianink**.
- Inspired from the roots of diverse culture, Indianink is a vibrant, multi-hued brand filled with an urbane fashion that offers a **vivid range of contemporary fashion and styled garments**. These prêt-à-porter designs assure comfort and an impeccable fit and flow.
- The designs are comfort driven with a fusion of relaxed silhouettes with ethnic influences to craft a result that has a **global appeal**. It also aims to see this aspect of fashion reach every part of the globe.
- Indianink offers various types of products such as **Kurtas, Tunics, Skirts, Salwar Kameez, Knitted Churidar, Patiyala, Dupatta, Pants** etc.
- The collection of **mix-n-matches range from Rs 499 – Rs 1899** and **salwar kameez sets from Rs 2699 – Rs 3999**.
- Currently the company sells through Large format stores such as **Central & Pantaloons** and the company also sells through online platforms such as **Myntra.com, Jabong.com, Amazon.in, Flipkart.com, Snapdeal.com, abof.com, Ajo.com** and its own online store **www.indianink.in**



EBO's and Online Presence

Exclusive Brand Outlets



Online Presence



Logos of online presence partners:

- MyNTRA.com
India's Largest Online Fashion Store
- amazon.in
- Flipkart 
- IndianinK
- RIOT
- JABONG.COM 
- snapdeal.com

Multi-Brand Outlets (MBO)

- SIL has well established Pan India distribution channels
- The company also has presence across 150 multi-brand outlets across 15 States out of which 45 are in Mumbai.
- The company has 18-20 large distributors across India.
- Some of the major cities where we are present are Mumbai, Pune, Nagpur, Goa, Ahmedabad, Surat, Baroda, Rajkot, Chandigarh, Ludhiana, Amritsar, Dehradun, Delhi, Lucknow, Meerut, Varanasi, Allahabad, Guwahati, Shillong, Kolkata, Bhubneshwar, Bangalore, Coimbatore Chennai, Cochin, Hyderabad.

Large Format Stores (LFS)

SHOPPERS STOP

pantaloons

lifestyle®



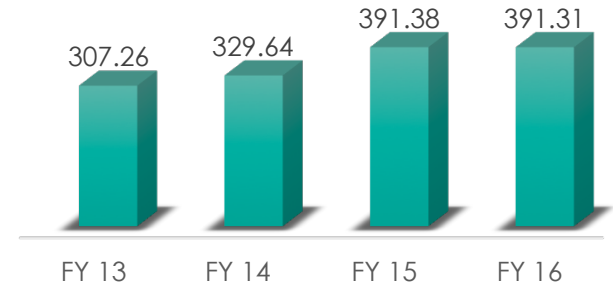
CENTRAL

Walmart

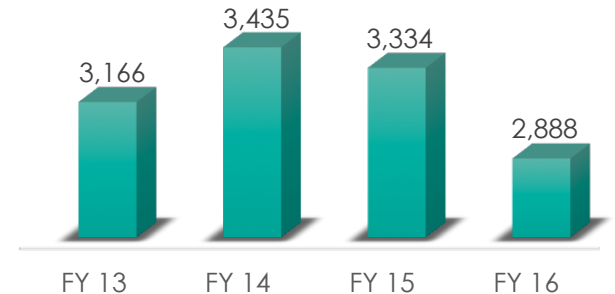
Fabrics

- Suditi's fabric plant unit started way back in 1991, and since has scaled up its operations over the years.
- The company's fabric unit has facilities for knitting, dyeing, printing and finishing of yarns.
- Suditi is well reputed for its excellence and quality textile. The vertical integration allows the company to pass on the benefits of quality and adaptability to its customers to supply products as per customer specifications within the given time frame.
- The processing unit of Suditi Industries is spread **36,000 sq feet** and another **50,000 sq feet** for knitting. This mammoth unit has an installed capacity to produce 4,050 MT of high quality knitted hosiery fabrics every year and a dyeing capacity of 12 Tons per day.
- The company's processing unit clients are spread across various textile, garment and apparel manufacturers across the country.

FABRIC PROCESSING REVENUES (INR MN)



FABRIC PROCESSING VOLUME (MT)



Key Clients



Fabric Processing Facilities



Knitting

- Suditi's Knitting Facility is located in Turbhe and is equipped with 60 circular knitting machines imported from Germany and the USA. Together they have an **annual manufacturing capacity of 2000 tons** of fabrics such as Single Jersey, Pique, Rib, Terry, Interlocks, Pointelle, Fleece, Jacquards and Autostipers.



Printing

- The printing unit is also located in Turbhe, Navi Mumbai, equipped with machines such as the MHM for placement printing and flat bed printing, we are capable of providing our customers with a variety of print techniques including Reactive, Discharge, Disperse and Pigment prints.

Dyeing

- The dyeing unit is located in Turbhe, Navi Mumbai, set up consists of 24 soft flow dyeing machines with a **daily production of 12 tons of knitted fabrics per day**. Here mainly dyeing of Cotton, Viscose, Polyester blends takes place.



Finishing

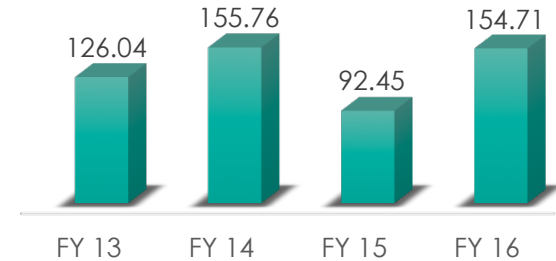
- The finishing unit is equipped with a variety of international machines like Relax Drier, Shearing, Compacting, Raising, Peaching, Pad, Squeeze, Stretch, Brushing, Tumbling, Stentering, and Open Felt Machines. It is through these machines that the company provides the customers with exactly what they are looking for from finishing winter knits, softening fabrics or even providing stain repellent and odour eliminating treatments.



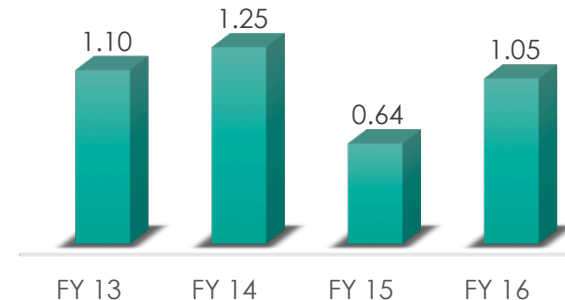
Garments

- Suditi's Garmenting unit at Turbhe, Navi Mumbai is spread across 15,000 sq ft where cutting, stitching, printing, washing and embroidery of around **6,000 pieces** takes place **daily**.
- Suditi has a state of the art garmenting unit with **machines for sewing from** companies like **Juki, Pegasus** and **Yamato**.
- Products basket in this category comprises of knitted garments for men, women and kids in categories like **casual wear, sportswear and active wear**.
- Some of the key clients in this category are Future Group, Mandhana, Siyaram, Myntra.com, Siyaram Silk Mill Ltd, Raymond, Burnt Umber, Pantaloon, Lee cooper, Madura Garments (Brand - Louis Philippe, Van Heusen, Allen Solly), Arvind Lee, Shoppers Stop, Spykar and many more.

GARMENTS REVENUES (INR MN)



GARMENTS VOLUME (Pcs in MN)



Key Clients





INDUSTRY OVERVIEW

Textile Industry Overview

Global Textile Industry

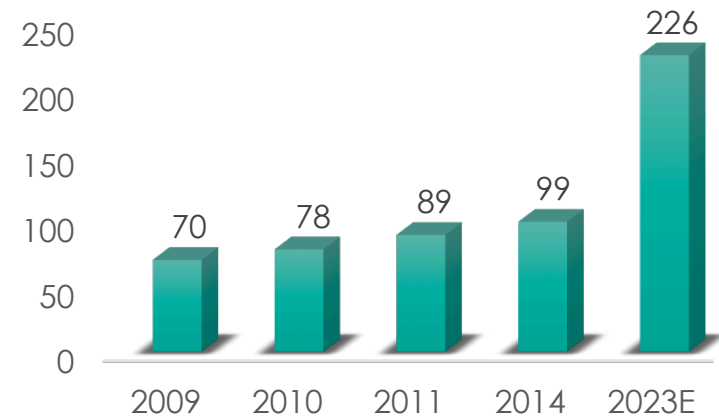
- The global textile market is estimated to be around **US \$1.15 trillion** which is nearly **1.8 % of the world's GDP**.
- Almost **70-75%** of this market is concentrated in **Europe, USA, China and Japan**.



Indian Textile Industry

- **India** is the **second largest exporter** of textiles and clothing in the world.
- Textile Industry accounts for nearly **13% of the total exports from India**.
- It contributes **14%** to industrial production and **4%** to the GDP.
- Indian textile industry accounts for about **24%** of the world's spindle capacity and **8%** of global rotor capacity
- **100% FDI** is approved in the sector. Till **May'15 FDI inflow** in Textile Industry stood at **USD 1647.09 million**.

INDIA'S TEXTILE MARKET SIZE (USD BILLION)



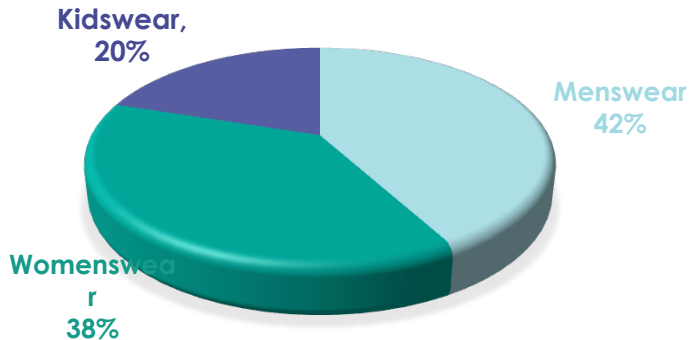
Apparel Industry Overview



Global Apparel Industry

- Apparel constitutes **more than half of** the share of the **global textile**.
- China, India and Russia are emerging as future destinations for apparel consumption.
- It is estimated that the global apparel market will be around **US\$ 2 Trillion by 2020**. India has a share of approximately 5% of the global textile and apparel trade.

INDIAN APPAREL INDUSTRY CATEGORY BREAKUP



Indian Apparel Industry

- The Indian apparel market is expected to grow over four-fold to reach **US\$ 200 billion by 2025** and become the fastest growing market in the world.
- The Indian apparel market has demonstrated resilience and growth in an environment characterized by slow economic growth.
- The recent omission of excise duty on branded apparel has provided an impetus to retailers in terms of the overall market sentiment.

A teal-tinted photograph of a sewing machine. The machine is the central focus, with its needle and foot visible. To the left of the machine is a spool of thread with a decorative pattern. Above the spool is a thimble with a textured surface. The background is a plain, light-colored surface. The text "FINANCIAL PERFORMANCE" is overlaid in white, bold, uppercase letters across the center of the image.

FINANCIAL PERFORMANCE

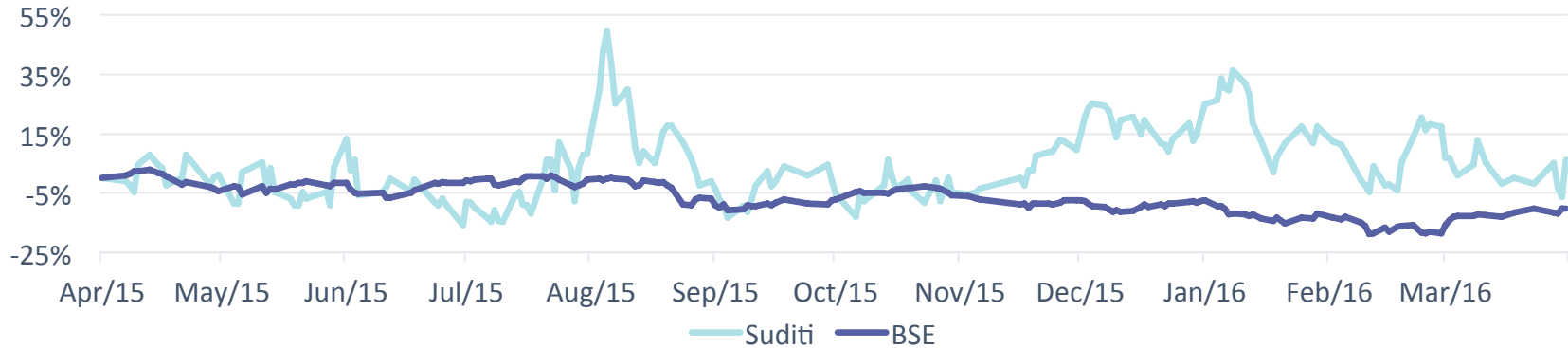
Income Statement

Particulars (INR Mn.)	FY13	FY14	FY15	FY16
Total Revenue	540	623	705	867
Total Expenses	511	580	648	800
EBITDA	29	43	57	67
EBITDA Margin (%)	5.45%	6.89%	8.01%	7.73%
Depreciation	10	12	19	18
Finance Cost	12	21	25	30
PBT	7	10	12	19
Tax	1	2	2	6
PAT	6	8	10	13
PAT Margins(%)	1.08%	1.24%	1.41%	1.50%
Diluted EPS	0.47	0.46	0.58	0.77

Balance Sheet

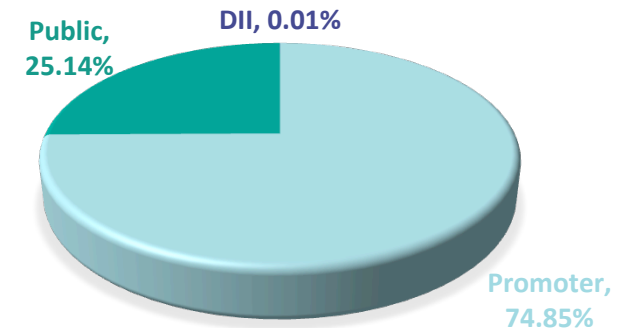
Liabilities (INR Mn.)	FY13	FY14	FY15	FY16	Assets (INR Mn.)	FY13	FY14	FY15	FY16
Shareholder Funds					Fixed Assets				
Share Capital	167	167	167	167	Tangible Assets	91	92	118	
Reserves & Surplus	78	83	90	100	Intangible Assets	1	1	1	
					Capital Work in Progress	33	38		
					Intangible Assets under Development	1	2	2	
Total Shareholders Fund	245	250	257	267	Total Fixed Assets	127	133	121	120
Minority Interest				-					
Non Current Liabilities					Non-current investments				
Long Term Borrowings	10	8	3	43	Deferred Tax Asset	17	17	17	1
Other Long Term Liabilities	5	6	2	8	Long term loans and advances	41	44	41	45
					Other non current assets		1	1	1
Total Non Current Liabilities	16	13	5	51	Total Non current assets	185	196	180	47
Current Liabilities					Current Assets				
Short term Borrowings	106	156	174	191	Current Investments	0	0	0	0
Trade Payables	87	79	86	109	Inventories	166	171	213	233
Other Current Liabilities	12	13	18	21	Trade Receivables	88	97	110	209
Short-term provisions	11	11	12	14	Cash & Bank Balances	3	3	3	4
					Short-term loans & advances	25	37	32	29
					Other current assets	9	18	14	11
Total Current Liabilities	215	258	290	335	Total Current Assets	291	326	372	486
GRAND TOTAL - LIABILITIES	476	521	552	653	GRAND TOTAL - ASSETS	476	521	552	653

Capital Market Data



Price Data (31st March, 2016)	INR
Face Value	10
Market Price	23.4
52 Week H/L (INR)	34.45/17.60
Market Cap (INR Mn)	390.18
Equity Shares Outstanding (Mn)	16.67
Free Float Market Cap (Mn)	98.11
1 Year Avg. trading Volume ('000)	80

SHAREHOLDING PATTERN (31ST MAR 2016)



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Suditi Industries Ltd

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For further information please contact our Investor Relations Representative:



Mr. Anuj Sonpal

Valorem Advisors

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Email: suditi@valoremadvisors.com



thank
YOU