

15th November, 2017

The National Stock Exchange of India Limited
Listing Department,
Exchange Plaza, Bandra Kurla Complex,
Bandra (East)
Mumbai – 400 051

BSE Limited
Department of Corporate Services
Floor 25, Phiroze Jeejeebhoy Towers
Dalal Street,
Mumbai – 400 001

Company Symbol : ICIL

Scrip Code No.: 521016

Subject: Investor Presentation Q2FY18 Results

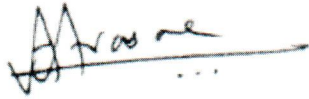
Please find enclosed herewith a copy of Investor Presentation with respect to Standalone Unaudited Financial Results for the quarter and half year ended 30th September, 2017.

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 LIMITED

Head Office : 301, Arcadia, III Floor, Nariman Point, Mumbai - 400021 Maharashtra, India | **T** 91 22 4341 9500 | **F** 91 22 2282 3098

Marketing Office : 25, Vardhaman Industrial Complex, Gokul Nagar, Thane (W) - 400601 Maharashtra, India | **T** 91 22 4151 1800 | **F** 91 22 2172 0121

Home Textile Division : T3, Kagal - Hatkanangale Five Star, MIDC Ind. Area, Kolhapur - 416216 Maharashtra, India | **T** 91 231 662 7900 | **F** 91 231 662 7979

Regd. Office : Office No. 1, Plot No.266, Village Alte, Kumbhoj Road, Taluka Hatkanangale, Dist. Kolhapur - 416109 Maharashtra, India | **T** 91 230 3292933 | **F** 91 230 2483275

CIN L72200PN1988PLC068972 | **E** info@indocount.com | **W** www.indocount.com

The background of the slide is a photograph of a bedroom. A bed with a dark wood headboard is the central focus. It is dressed in a dark-colored bedspread with a vibrant floral pattern of pink, white, and red flowers. Several pillows are arranged on the bed, including two light green pillows and several with floral patterns. On either side of the bed is a dark wood nightstand with a white lamp that has a glowing shade. The room has a grey wall and light-colored wood flooring.

Investor Presentation
Q2FY18
November 2017

Safe Harbor

This presentation and the accompanying slides (the “Presentation”), which have been prepared by **Indo Count Industries Ltd** (the “Company”), have been prepared solely for information purposes and do not constitute any offer, recommendation or invitation to purchase or subscribe for any securities, and shall not form the basis or be relied on in connection with any contract or binding commitment whatsoever. No offering of securities of the Company will be made except by means of a statutory offering document containing detailed information about the Company.

This Presentation has been prepared by the Company based on information and data which the Company considers reliable, but the Company makes no representation or warranty, express or implied, whatsoever, and no reliance shall be placed on, the truth, accuracy, completeness, fairness and reasonableness of the contents of this Presentation. This Presentation may not be all inclusive and may not contain all of the information that you may consider material. Any liability in respect of the contents of, or any omission from, this Presentation is expressly excluded.

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.

Chairman's Message

*Commenting on the results, **Mr. Anil Kumar Jain, Executive Chairman**, “We faced headwinds in the last few quarters but now are witnessing improving trend. Our Q-o-Q performance has reaffirmed the same.*

Our twin strategy of being customer centric and able to introduce new products and designs along with improved product mix gives us the confidence to achieve higher growth in times to come. This approach is aided by Strong relationships with customers which will strengthen our market position. Our domestic market continues to witness increased acceptance for our Brands and Designs.

Global Economy is improving and with our capabilities and capacities along with the right product offerings gives us immense confidence to capitalize on the growing opportunities in the Home Textile Industry.

I am happy to share with you that Texprocil has awarded us the GOLD TROPHY the “Highest Exports of Bed Linen/Bed Sheets/Quilts” in Category III for the year 2016-2017”. This reaffirms our consistent growth story in Home Textiles segment in the last decade.”

Journey to Leadership Position achieved in last decade



Improving Performance Q-o-Q

In Rs. Crs.

	Last Fiscal		Current Fiscal	
	Q1FY17	Q2FY17	Q1FY18	Q2FY18
Revenue	493	576 ↑ 17%	432	493 ↑ 14%
EBITDA	110	116 ↑ 6%	65	71 ↑ 9%
PAT	60	63 ↑ 4%	32	36 ↑ 12%

Leading to sustainable growth going forward

Standalone Key Financial Indicators Q-o-Q

REVENUE (RS.CRS)

493

Q2FY18

432

Q1FY18

EBITDA (RS.CRS)

71

Q2FY18

65

Q1FY18

EBIT (RS.CRS)

64

Q2FY18

58

Q1FY18

PAT (RS.CRS)

36

Q2FY18

32

Q1FY18

CASH PAT (RS.CRS.)

42

Q2FY18

36

Q1FY18

NET DEBT/EQUITY (X)

0.24

Q2FY18

0.33

Q1FY18

ROCE (%)

25.7%

Q2FY18

22.7%

Q1FY18

ROE (%)

16.2%

Q2FY18

14.8%

Q1FY18

Standalone Profit & Loss Statement

Particular (Rs. Crs)	Q2 FY18	Q2 FY17	Y-o-Y	Q1 FY18	Q-o-Q	H1 FY18	H1 FY17	Y-o-Y
Total Revenue	492.8	576.3	-14.5%	431.8	14.1%	924.5	1,069.0	-13.5%
Expenses								
Material Consumed	276.6	308.5		216.5		493.0	563.3	
Employee Benefits	27.6	28.3		28.1		55.7	54.2	
Power & Fuel Cost	18.5	15.2		20.0		38.5	30.1	
Other Expenses	98.9	108.0		101.9		200.9	194.8	
EBITDA	71.1	116.4	-38.9%	65.3	8.9%	136.4	226.7	-39.8%
<i>EBITDA Margin %</i>	<i>14.4%</i>	<i>20.2%</i>		<i>15.1%</i>		<i>14.8%</i>	<i>21.2%</i>	
Depreciation	7.6	7.3		7.5		15.1	15.4	
EBIT	63.5	109.1	-41.8%	57.8	9.9%	121.4	211.3	-42.5%
<i>EBIT Margin %</i>	<i>12.9%</i>	<i>18.9%</i>		<i>13.4%</i>		<i>13.1%</i>	<i>19.8%</i>	
Finance Charges	8.8	11.6		8.2		17.0	21.4	
Profit before Tax	54.8	97.5		49.6		104.4	189.9	
<i>PBT Margin %</i>	<i>11.1%</i>	<i>16.9%</i>		<i>11.5%</i>		<i>11.3%</i>	<i>17.8%</i>	
Tax Expense	18.9	34.8		17.6		36.5	66.9	
Profit after Tax	35.9	62.7	-42.8%	32.0	12.2%	67.9	123.0	-44.8%
<i>PAT Margin %</i>	<i>7.3%</i>	<i>10.9%</i>		<i>7.4%</i>		<i>7.3%</i>	<i>11.5%</i>	
Other Comprehensive Income	-0.3	-0.14		-0.3		-0.6	-0.3	
Total Comprehensive Income	35.6	62.6		31.7		67.3	122.7	
Cash Profit	42.1	87.9	-52.1%	36.2	16.3%	78.3	157.0	-50.1%

Standalone Balance Sheet

Particulars (Rs. Crs.)	Sep'17	Mar'17
ASSETS		
Non-current assets	532	534
Property, Plant and Equipment	497	497
Capital work-in-progress	9	12
Other Intangible Assets	2	2
Financial Assets		
(i) Investments	20	20
(ii) Loans	2	2
(iii) Others	0	0
(iv) Deferred Expenditure	0	0
Other non-current assets	2	1
Current assets	825	906
Inventories	327	358
Financial Assets		
(i) Trade receivables	303	367
(ii) Cash and cash equivalents	11	8
(iii) Other bank balances other than cash and cash equivalents	2	3
(iv) Loans	0	0
(v) Others	47	62
Current Tax Assets	9	17
Other Current Assets	126	92
TOTAL	1,357	1,440

Particulars (Rs. Crs.),	Sep'17	Mar'17
EQUITY AND LIABILITIES		
EQUITY	884	827
Equity Share Capital	39	39
Other Equity	845	787
Non-Current Liabilities	137	138
Financial Liabilities		
(i) Borrowings	25	21
Provisions	2	2
Deferred Tax Liabilities (Net)	111	115
Current liabilities	336	475
Financial Liabilities		
(i) Borrowings	192	238
(ii) Trade Payables	101	127
(iii) Other Financial Liabilities	16	77
Other Current Liabilities	25	31
Provisions	2	2
Current Tax Liabilities (Net)	0	0
TOTAL	1,357	1,440

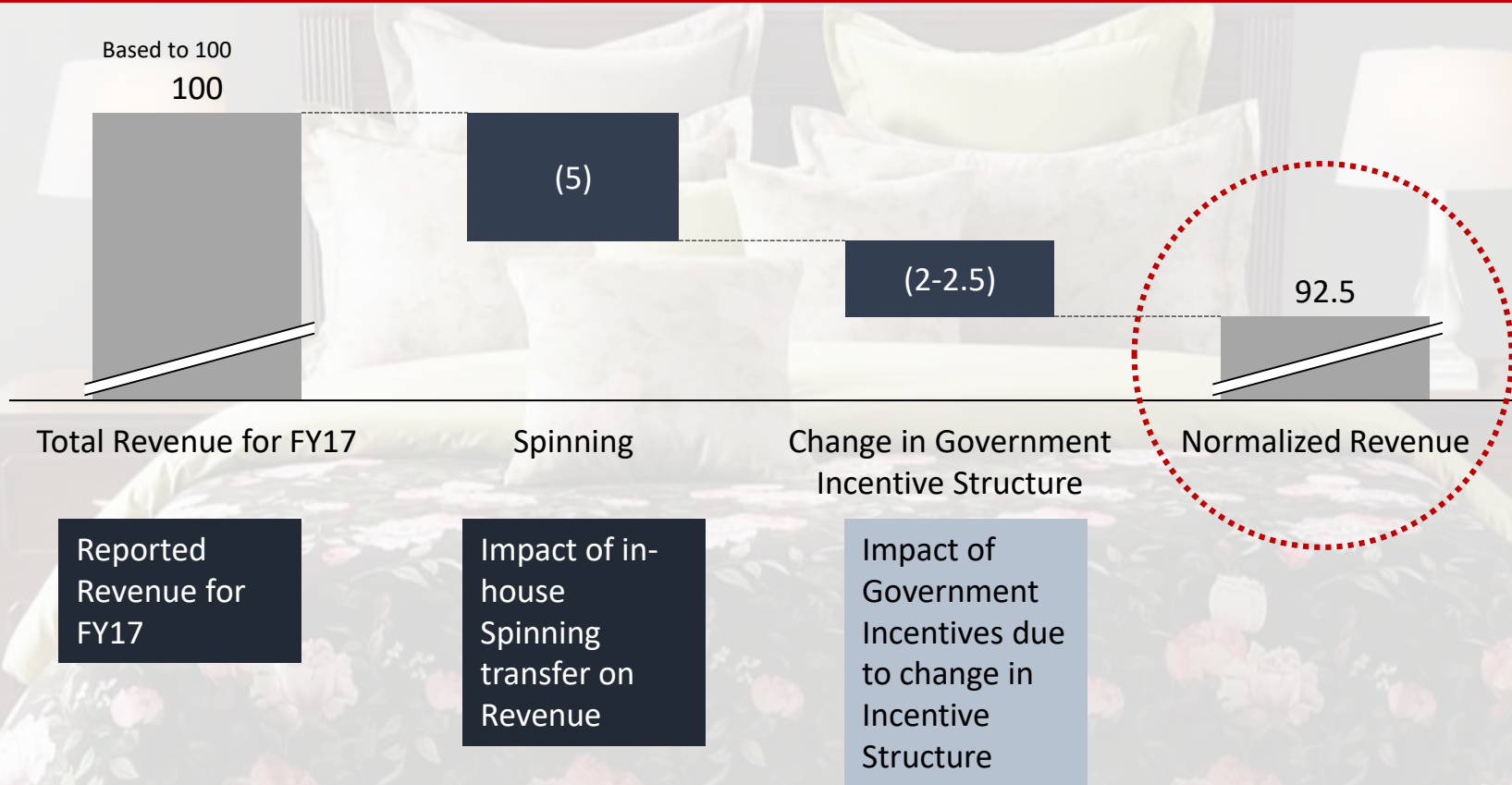
Factors affecting margins in H1FY18

- Higher Raw-material cost
- Power and fuel charges plus job work charges were also higher
- MTM loss
- Impact of GST

Way Forward

- Increased focus in capacity utilization, thereby benefiting from the operating leverage
- Softening of cotton prices is positive going forward

Flattish Revenues for FY18

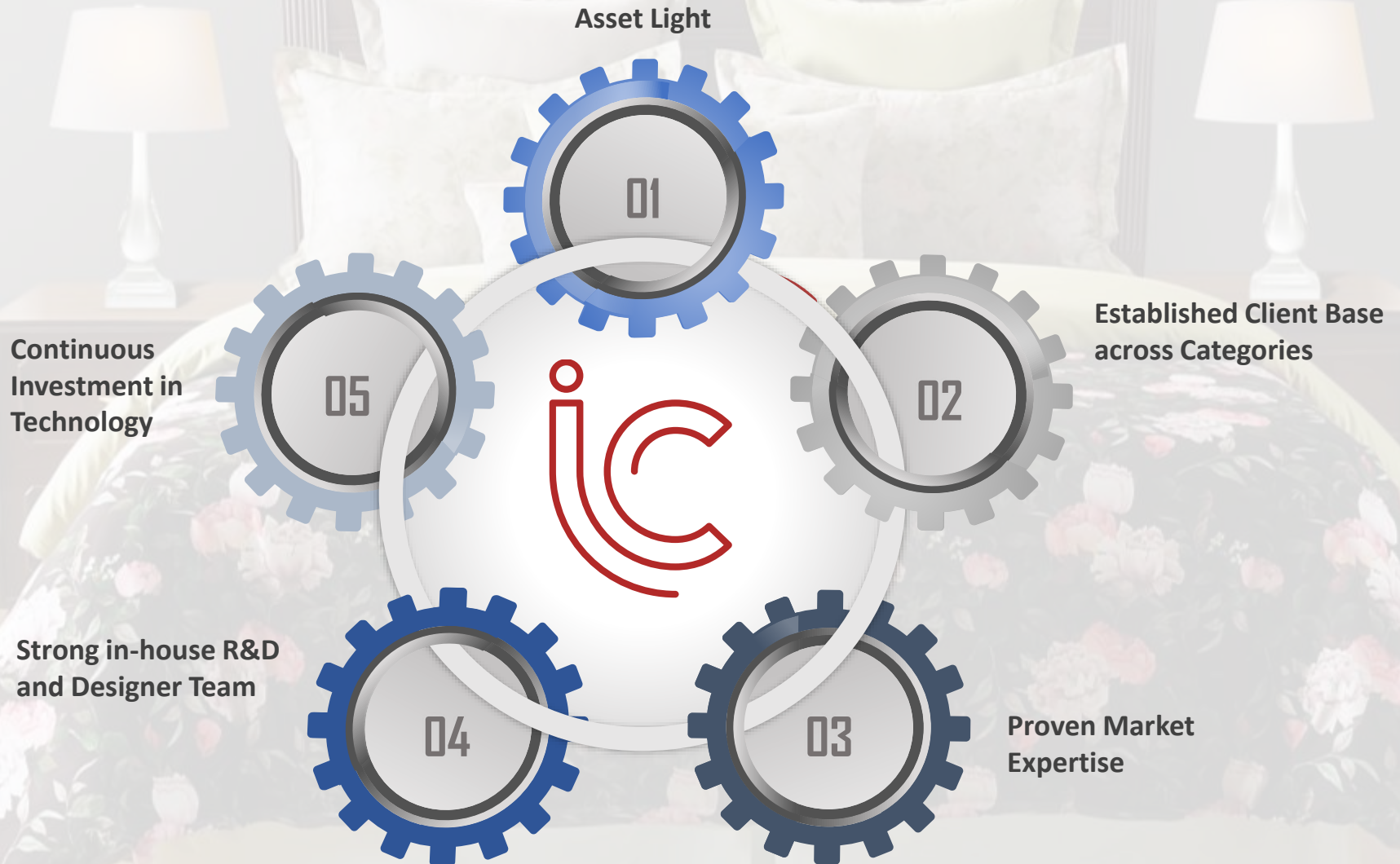


Flattish Revenue for FY18 on normalized Revenue basis



**Strong Name in Global Home
Textile Industry**

Advantage Indo Count



Own Lifestyle Brands



Licensed Lifestyle Brands



Brand in India



*Presence across 20 states and sold across 87 cities with 406 stores in India
Online foray to reach to the vast customer base - www.boutiquelivingindia.com*

Global Presence



India

- Headquarters in Mumbai
- Manufacturing facilities in Kolhapur, Maharashtra
- Showroom and design studio



U.S.A.

- Showroom and design studio in New York
- Warehouse for distribution at Charlotte



U.K.

- Showroom, design studio and warehouse in Manchester



AUSTRALIA

- Showroom, design studio in Melbourne

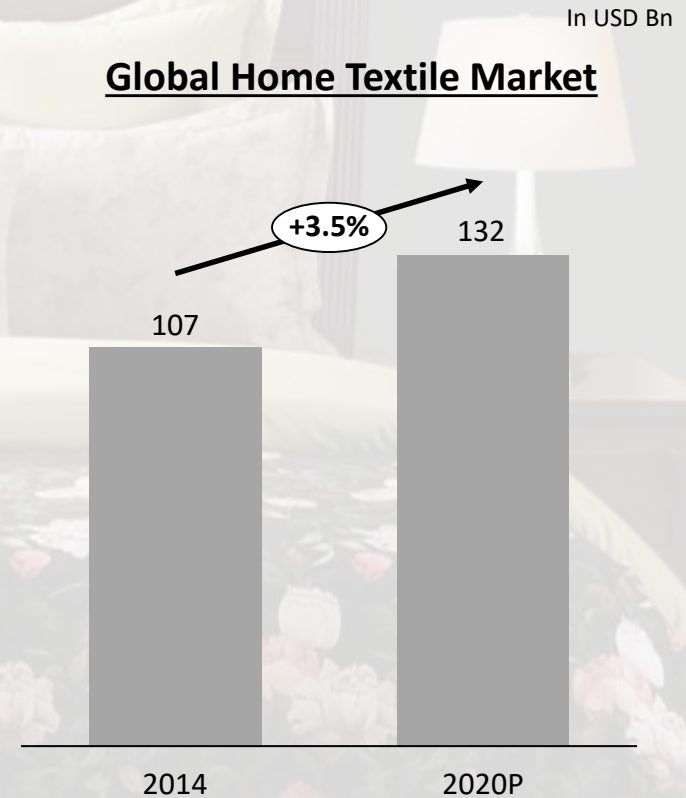
Exporting to 54 countries and counting...



Industry Perspective

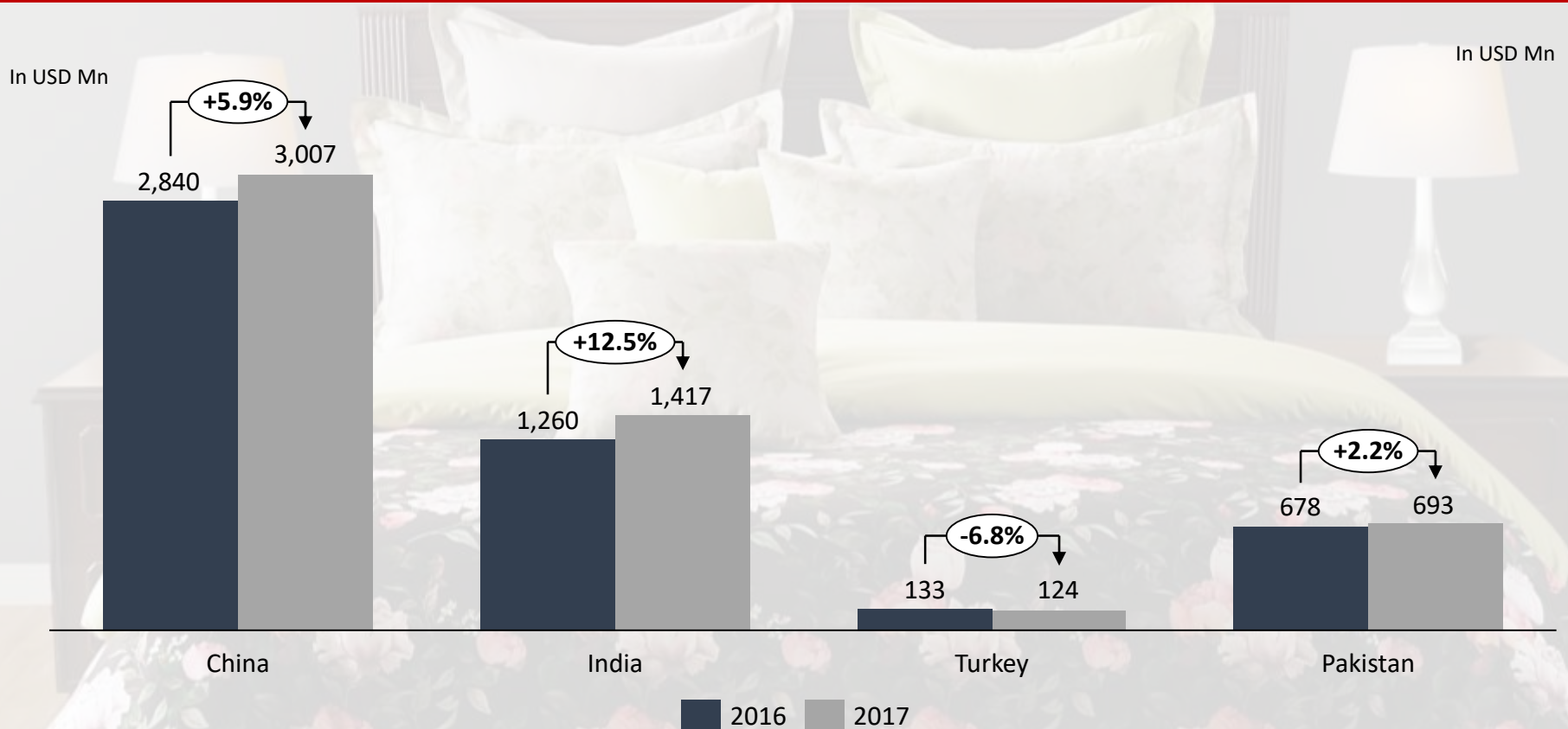
Overview on Global Home Textile Market

- Global Home Textile Market is expected to grow at CAGR of 3.5% from 2014 to 2020
- Indian products has gained a significant market share in global home textiles in the past few years. Accounts for 7% of global home textiles trade
 - India has 14% of world's textiles production; 2nd largest exporter with 5.2% global share and 31% share in cotton yarn exports
 - Largest producer, 2nd largest consumer and exporter of cotton
- China's slowdown giving an opportunity of growth to the Indian Players



Further Strengthening India's Position in the US Market with gaining market share

US Import of Cotton Textile

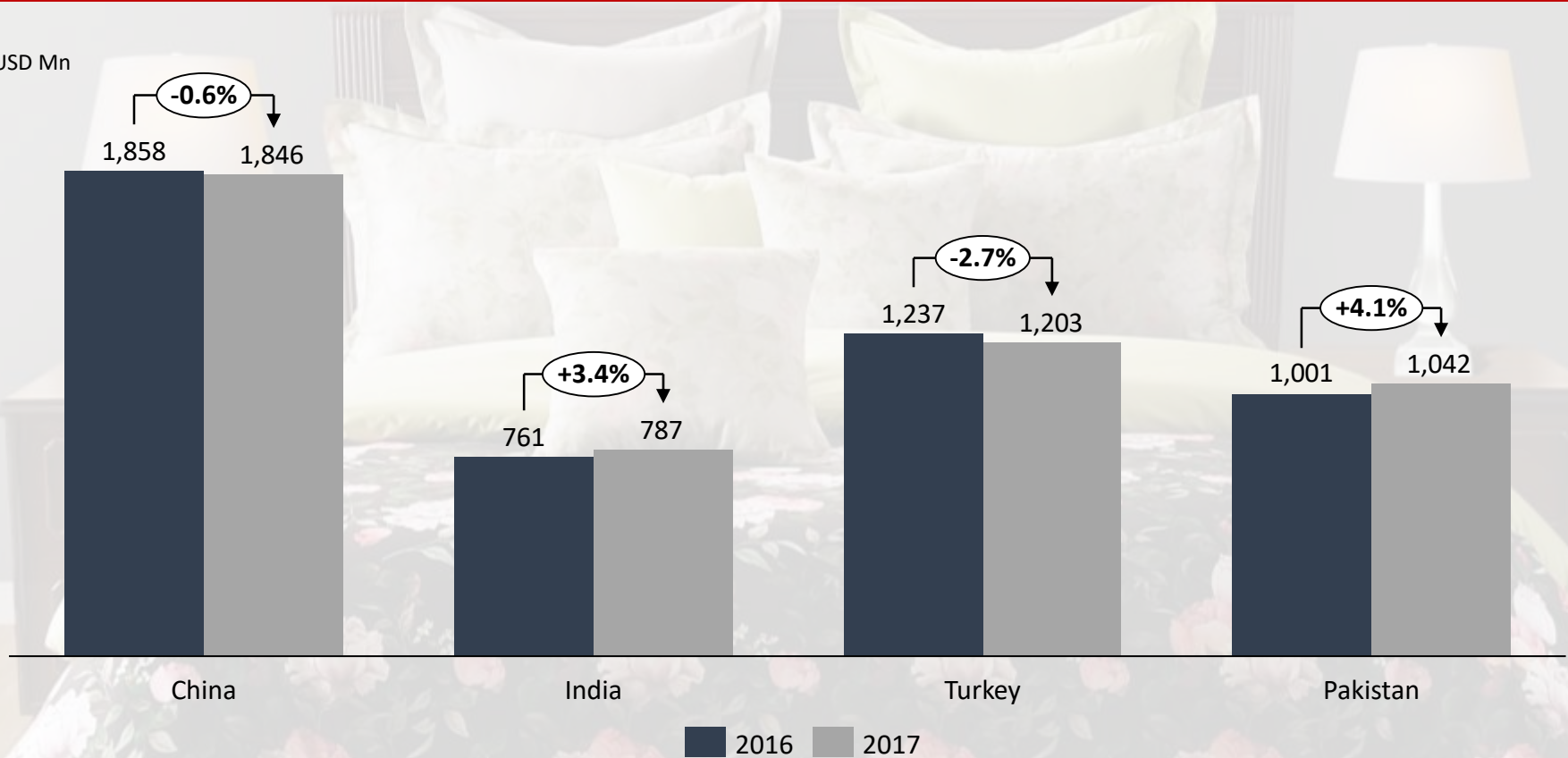


Overall US imports of Cotton Textiles reported a positive growth of 5.11%

India's share in the largest 'Single Country' market – USA has been growing consistently

EU Import of Cotton Textile

In USD Mn



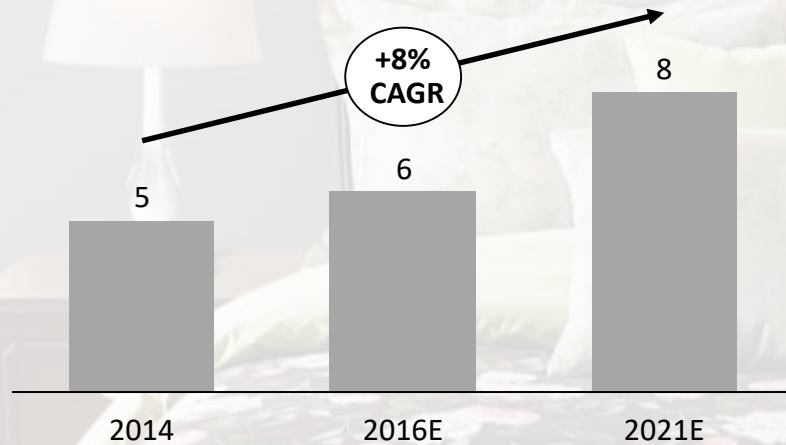
Overall EU imports of Cotton Textiles has slightly increased by 0.42%

India is the second fastest growing country in EU region inspite of no FTA Agreement

Overview on Domestic Home Textile Market

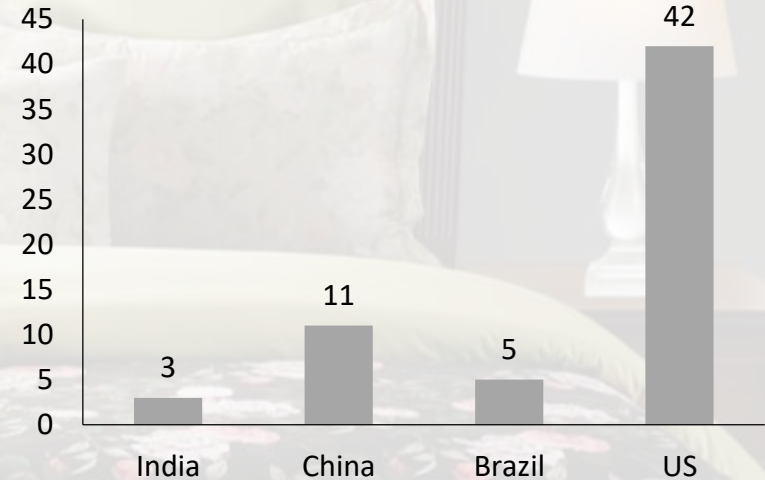
In USD Bn

Domestic Home Textile Market



- Domestic Home Textile Market is expected to grow at a CAGR of 8%
- Bed Linen is expected to grow at CAGR of 8% from Rs. 8,965 Crs 2011 to Rs. 19,350 Crs in 2021

Market Size of Home Textiles



- Annual per capita consumption of home textiles is about US\$3 (About Rs 150) in India compared to world average of US \$23 (About Rs 1200)
- Underpenetrated Market- Opportunity of growth

Increasing Focus on Domestic market to Capitalize the growth opportunities

About Us

Indo Count Industries Ltd (ICIL) (part of S&P BSE 500), is one of India's largest Home Textile manufacturer. Under the leadership of Mr Anil Kumar Jain, Executive Chairman, who has been awarded as one of the India's Best Top 100 CEO's 2016, the Company has focused on some of the world's finest fashion, institutional and utility bedding & sheets and has built significant presence across the globe. Over the years, the Company has successfully carved out a niche for itself and has become a total bedding resource. The company's capacity currently stands at 90 million meters.

The Company's product comprises the following:-

Bed Sheets: Flat sheet, fitted sheet and pillow cases

Fashion Bedding: Comforters, bed in bag, quilts and coverlets, decorative pillows, etc.

Utility Bedding: mattress pads, protectors, comforters filled with poly fibre

Institutional Linen: Basic white bedding, duvet covers and shams; caters to hotels, hospitals and others

ICIL has also been honoured in past with numerous prestigious awards from TEXPROCIL including Gold Trophy for highest exports of Cotton Made-ups in Category III for the year 2016-17.

CARE recently upgraded credit rating to CARE AA (Double AA) with Stable Outlook in August 2017. ICRA's credit rating is ICRA AA- (Double AA minus) for Company's Long-Term Bank Facilities and "CARE A1+/ ICRA A1+" for short term bank facilities. ICRA has upgraded the outlook to positive from stable.

Awards and Recognition



Mr. Mohit Jain, Managing Director, was honoured with one of “India’s Top 40 under Forty”, a prestigious celebration of India’s best business leaders, entrepreneurs and professionals under the age of 40. Economic Times, India’s leading Business Newspaper, in partnership with consulting firm Spencer Stuart, put together this definitive list of India Inc.’s future leaders. The Award was presented by Mr. D. Shivakumar, Chairman & CEO of Pepsico India. This prestigious award is the outcome of a rigorous exercise, beginning with an initial shortlist of over 500 candidates and culminating into a list of the top 40 by the esteemed jury comprising of Mr Harsh Goenka, Chairman of RPG Group, Ms Shikha Sharma, MD and CEO of Axis Bank, Mr D. Shivakumar, Chairman & CEO of Pepsico India, Mr Janmejaya Sinha, Chairman of Boston Consulting Group (Asia Pacific), Ms Vani Kola, Venture Capitalist and MD of Kalaari Capital, Ms Roopa Kudva, MD of Omidya Network India Advisors and Mr Naveen Tiwari, CEO of InMobi . .

Investor Contact

For further information please contact:

Indo Count Industries Limited

CIN: L72200PN1988PLC068972

Mr. K.R. Lalpuria – *Group President*

kklalpuria@indocount.com

Mr. Dilip Ghorawat – *Chief Financial Officer*

dilip.ghorawat@indocount.com

Ms. Ruchita Maheshwari – *Sr. Manager Investor Relations*

ruchita.maheshwari@indocount.com

+91-22-43419500

www.indocount.com

Investor Relations Advisors:

Strategic Growth Advisors Pvt. Ltd.

CIN: U74140MH2010PTC204285

Mr. Shogun Jain / Ms. Neha Shroff

+91 77383 77756 / +91 77380 73466

shogun.jain@sgapl.net / neha.shroff@sgapl.net

www.sgapl.net

