

Date: 21.06.2021

Corporate Relations Department <b>BSE Limited</b> 1st Floor, New Trading Ring Rotunda Building, P J Tower Dalal Street, Fort, Mumbai 400 001	Corporate Listing Department <b>National Stock Exchange of India Ltd</b> Exchange Plaza, 5th Floor Plot No.C-1, G Block Bandra-Kurla Complex Bandra (East), Mumbai 400 051.
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**SUB: Investor Presentation for Q4 & FY ended 31<sup>st</sup> March 2021.**

**Scrip Code:** BSE Code: 541700, NSE Code: TCNSBRANDS

**Ref: Regulation 30 of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015.**

Dear Sir/Madam,

With reference to the above captioned subject, please find herewith, enclosed Investor Presentation for Q4 & FY ended 31<sup>st</sup> March 2021. The aforesaid Investor Presentation is also being disseminated on Company's website at <https://wforwoman.com/content/investor-relation/>

This is for your information and record.

Thanking you,  
For and On behalf of **TCNS Clothing Co, Limited**

**Piyush Asija**  
**Company Secretary and Compliance Officer**  
**M. No. A21328**

**Date: 21.06.2021**

**Place: New Delhi**



**TCNS Clothing Co. Limited**

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CIN- L99999DL1997PLC090978



# TCNS Clothing Co. Ltd.

Q4 & FY21 Results  
June 21, 2021



# Safe Harbor

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- 1** Q4 & FY21 Highlights
- 2** Current Situation & Focus Areas for FY22
- 3** Business Update – Q4 & Full Year FY21
- 4** Company Financials – Q4 and Full Year FY21

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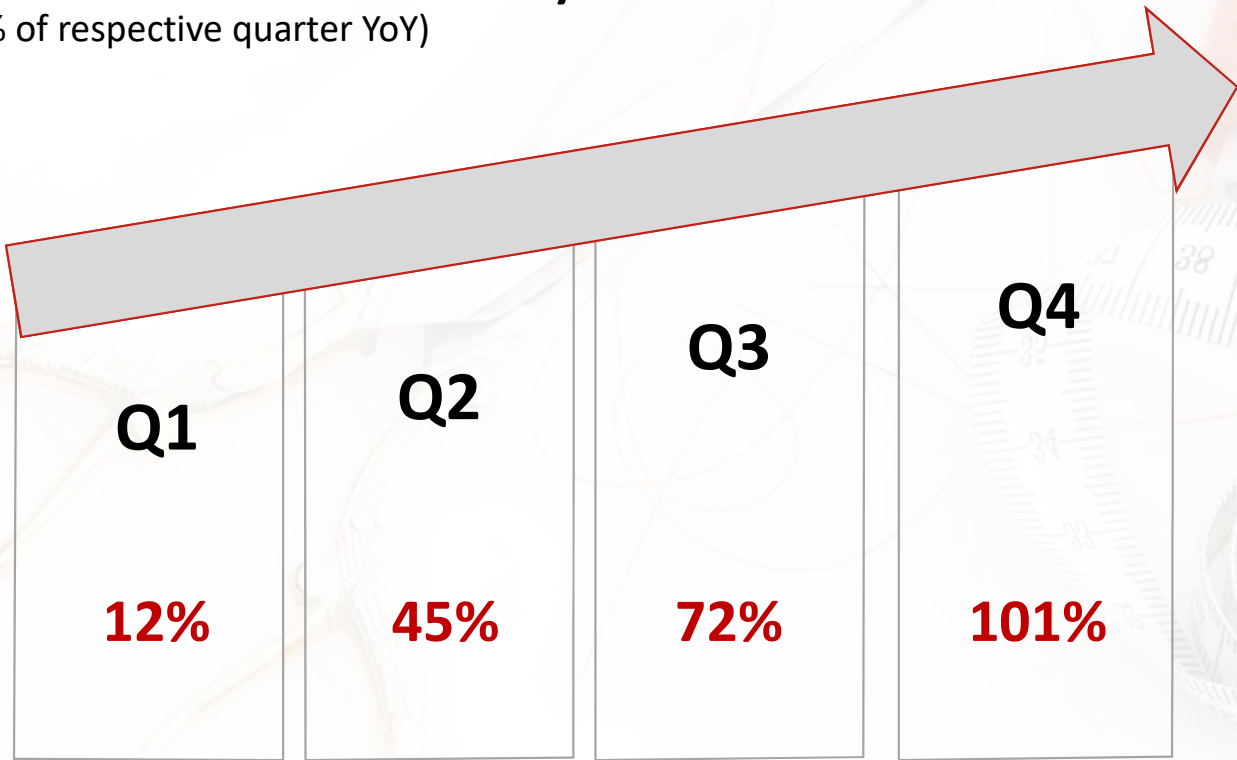
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# Sequential improvement in recovery through FY21; Q4 impacted by lockdowns / disruptions starting mid-March

## FY21 Overall Sales Recovery (% of respective quarter YoY)



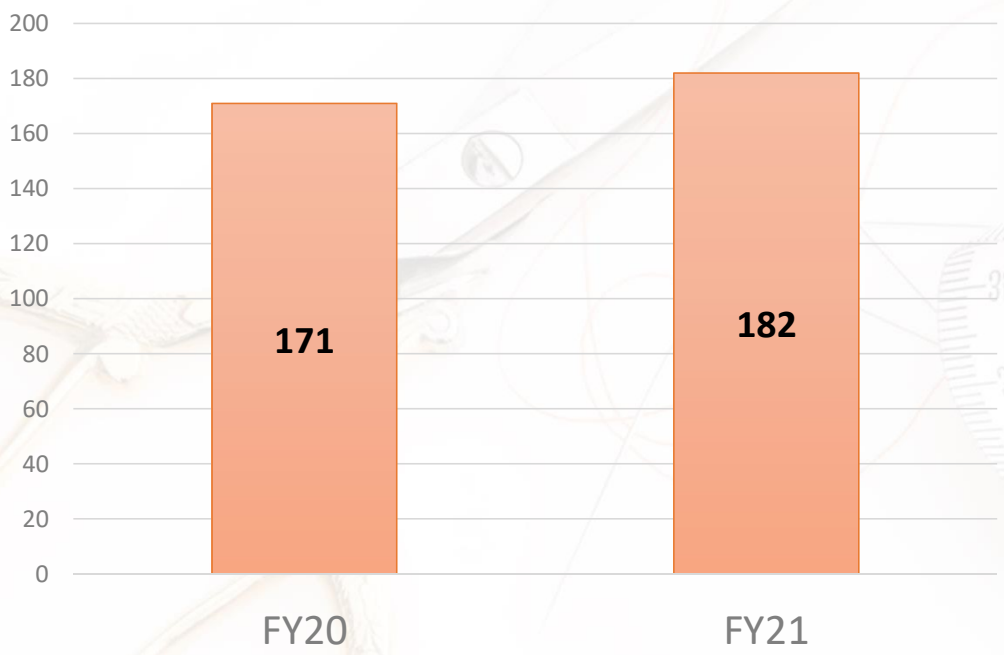
### Q4 Highlights

- Offline: consistent sales recovery with many tier 2/3 geographies tracking near pre-covid levels
- Online: strong sustained momentum with online sales more than doubling over last year. Own website grew ~2.5X over last year
- Kick-starting growth: Signed up 30 EBOs in Q4; slated to open in H1 FY22

Exceeded the primary FY21 objective of cash conservation; Ended the year with higher cash reserves of Rs.182 crores<sup>1</sup> without any fundraise

### Cash Reserves

Rs. Crores



Key initiatives undertaken for cash conservation:

- Cost rationalization : 30%+ reduction in costs against FY20
- Working capital reduction on back of leveraging inventory-at-hand across seasons

Note: (1) Excluding bank limits, includes one-time tax refund

# Focus Areas for FY21: Key Highlights

## Strengthen Balance Sheet

- ✓ Achieved the objective of preserving the balance sheet strength, with addition to net cash reserves
- ✓ Augmented partnerships with vendors by fulfilling all payment commitments and providing additional support

## Optimize Cost Structure

- ✓ Realized overall savings of 30%+
  - Rental: ~45%
  - ERC: ~23%
  - Overheads: ~29%

## Continue Consumer Engagement

- ✓ Invested in and sharply scaled both D2C channels: own website & marketplaces
- ✓ Institutionalized social commerce and hyperlocal sales capabilities: eg. Virtual shopping via chat / video, Society-sales.

## Build Organization Resilience

- ✓ Implemented phase 1 of best-in-class automated inventory management system
- ✓ Setup new integrated warehouse for more robust, efficient and scalable supply chain
- ✓ Institutionalized express production and replenishment model

## Seize Opportunities

- ✓ Newly launched footwear category pilot showing traction. Scaling up in FY22. Running pilots for Aurelia Girls and Elleven
- ✓ Kick-starting Expansion : Signed up 30 EBOs in Q4; slated to open in H1 FY22





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# Current situation: near-term demand scenario continues to be disrupted with Covid 2<sup>nd</sup> wave impact

## 1 Stores Unlocking

- Gradual unlocking for both high-street and mall stores
- As on date, ~60% of offline network operational with stipulated restrictions



## 2 Online Sales

- Online channels (both own website & marketplaces) continued operations through lockdown
- Impact of ban on non-essential items delivery in multiple states in April and May

## 5 Supply Chain

- Warehouse and transportation operational through the lockdown with appropriate restrictions
- Production units disrupted in April / May – now mostly functional

# FY22 Key Priorities: Invest in building growth runways and key capabilities while preserving balance-sheet strength

## 01. Online Business Growth

- Continue scale-up of own website through deeper omni offerings, personalized marketing and technology upgradation
- Expand third-party marketplace with new business models, additional channels and online first product offering



## 02. Calibrated Offline Expansion

- Project Rise: upgrade and expand the flagship stores to tap into available real estate opportunity
- Project Bharat: expand store network across tier 3/4 markets through franchisee-led model



## 03. Cash Conservation

- Reduce working capital through inventory optimization and lower-risk trade models
- Continue optimizing costs on all fronts, especially rentals and overheads

## 04. Swifter Thought-to-Shelf

- Enhance design, sampling and production capabilities to develop products closer to season launch
- Institutionalize next phase of Automated inventory management

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## Q4 & FY21 Highlights: Reported Ind-AS-116

Amount Rs. Crores	Q4 FY21	Q4 FY20	Growth%
Revenue	221	219	1%
EBITDA	41	4	854%
PBT	5	-36	NA
PAT	4	-24	NA

Amount Rs. Crores	FY21	FY20	Growth%
Revenue	635	1149	-45%
EBITDA	51	207	-75%
PBT	-77	66	NA
PAT	-56	69	NA

% to Revenue	Q4 FY21	Q4 FY20
EBITDA	18.6%	2.0%
PBT	2.1%	-16.6%
PAT	1.8%	-10.8%

% to Revenue	FY21	FY20
EBITDA	8.1%	18.1%
PBT	-12.1%	5.8%
PAT	-8.9%	-6.0%



# Q4 Brand-wise performance



**PREMIUM FUSION WEAR**

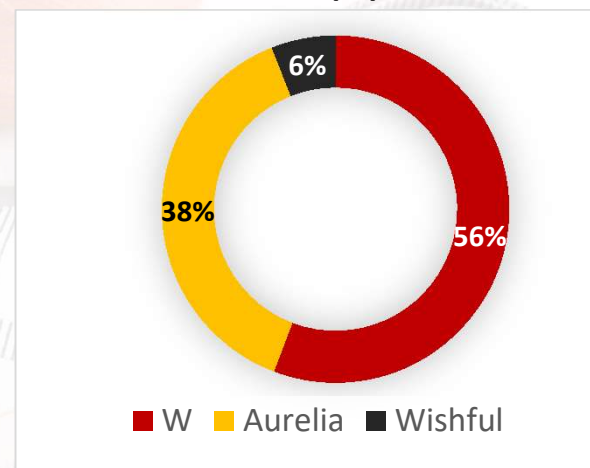


**CONTEMPORARY ETHNIC WEAR**



**PREMIUM OCCASION WEAR**

**Share of Brands (%) : Q4 FY21**

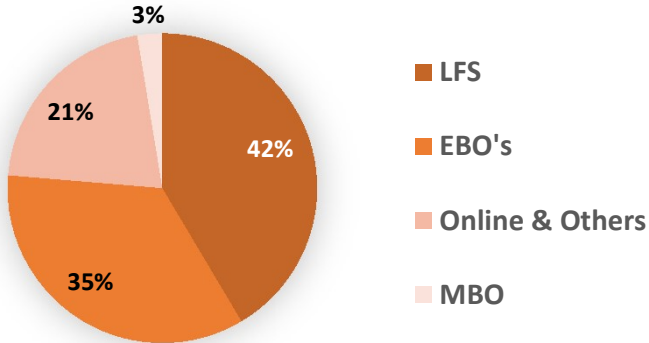


**Brand Wise Growth**

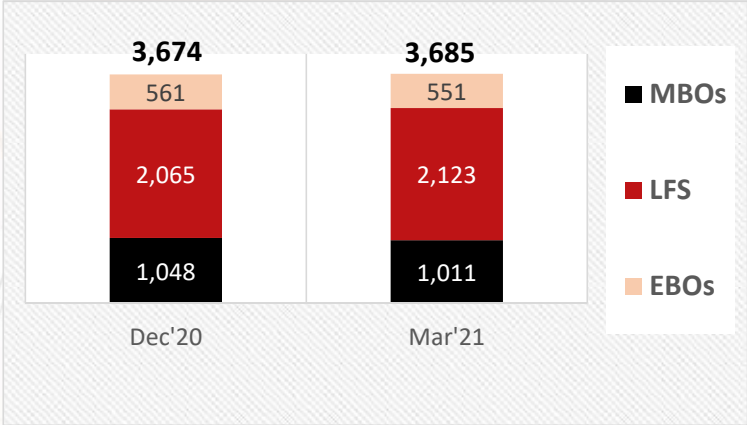
Brands	Q4 FY21
W	-2%
Aurelia	11%
Wishful	-23%

# Q4 Channel-wise performance

Channel Wise Revenue Split – Q4 FY21



Pan India Multichannel Presence



# of EBOs	As of Mar'21	Q4 openings
W	319	-8
Aurelia	223	-2
Wishful	4	-1
Elleven	5	1
<b>Total</b>	<b>551</b>	<b>-10</b>

# Working Capital

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Rs. Million

Particulars	Mar'21	Sep'20	Mar'20
Debtors	1648	1,637	1,756
Inventory	2781	3,335	3,302
Payables	(912)	(969)	(1,223)
<b>Total Working Capital</b>	<b>3517</b>	<b>4,003</b>	<b>3,835</b>

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# Financials : Q4 and FY21

Particulars (All amounts in Rs. Million)	For the Quarter Ended			For the Year Ended	
	March 31, 2021	Dec 31, 2020	March 31, 2020	March 31, 2021	March 31, 2020
<b>Income</b>					
(a) Revenue from operations	2211	2379	2192	6355	11487
(b) Other income	181	49	91	490	211
<b>Total income</b>	<b>2392</b>	<b>2428</b>	<b>2283</b>	<b>6845</b>	<b>11698</b>
<b>Expenses</b>					
(a) Cost of materials consumed	605	706	1199	2205	4507
(b) Purchases of stock-in-trade	64	3	26	80	93
(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	272	217	-302	439	-577
(d) Employee benefits expense	319	258	383	1214	1576
(e) Finance costs	114	70	95	365	382
(f) Depreciation and amortisation expense	249	194	313	919	1032
(g) Rent expenses	-	17	62	17	226
(h) Selling and distribution expenses	534	548	585	1596	2691
(i) Other expenses	188	246	287	781	1108
<b>Total expenses</b>	<b>2345</b>	<b>2259</b>	<b>2648</b>	<b>7615</b>	<b>11037</b>
<b>Profit/(loss) before tax (2 - 4)</b>	<b>47</b>	<b>169</b>	<b>-365</b>	<b>-769</b>	<b>661</b>
<b>Tax expense</b>					
(a) Current tax	0	0	-94	0	181
(b) Adjustment for tax related to earlier years	0	0	0	0	-244
(c) Deferred tax (credit)/charge	8	43	-33	-206	29
<b>Total tax expense</b>	<b>8</b>	<b>43</b>	<b>-127</b>	<b>-206</b>	<b>-33</b>
<b>Profit/(loss) for the period / year (5 - 7)</b>	<b>39</b>	<b>127</b>	<b>-238</b>	<b>-564</b>	<b>694</b>



# Balance-Sheet as on 31.03.2021

Particulars (All amounts in Rs. Million)	As at Mar 31, 2021	As at Mar 31, 2020
<b>ASSETS</b>		
<b>Non-current assets</b>		
(a) Property, plant and equipment	307	397
(b) Capital work-in-progress	5	21
(c) Right of use assets	2686	3084
(d) Other Intangible assets	21	36
(e) Financial assets - Other financial assets	444	480
(f) Deferred tax assets (net)	550	350
(g) Non-current tax assets (net)	103	455
(h) Other non-current assets	30	29
<b>Total non-current assets</b>	<b>4147</b>	<b>4852</b>
<b>Current assets</b>		
(a) Inventories	2781	3302
(b) Financial assets		
(i) Investments	1724	1181
(ii) Trade receivables	1648	1756
(iii) Cash and cash equivalents	146	529
(iv) Bank balances other than (iii) above	3	3
(v) Other financial assets	4	37
(c) Other current assets	289	316
<b>Total current assets</b>	<b>6594</b>	<b>7124</b>
<b>Total assets</b>	<b>10741</b>	<b>11976</b>

Particulars (All amounts in Rs. Million)	As at March 31, 2021	As at March 31, 2020
<b>EQUITY AND LIABILITIES</b>		
<b>Equity</b>		
(a) Equity share capital	123	123
(b) Other equity	5997	6477
<b>Total equity</b>	<b>6120</b>	<b>6600</b>
<b>Liabilities</b>		
<b>Non-current liabilities</b>		
(a) Financial liabilities		
(i) Lease liabilities	2632	2995
(ii) Other financial liabilities	50	67
(b) Provisions	124	122
(c) Other non-current liabilities	8	5
<b>Total non-current liabilities</b>	<b>2814</b>	<b>3188</b>
<b>Current liabilities</b>		
(a) Financial liabilities		
(i) Borrowings	54	0
(ii) Lease liabilities	619	625
(iii) Trade payables	912	1223
(iv) Other financial liabilities	72	77
(b) Provisions	4	3
(c) Current tax liabilities (net)	43	57
(d) Other current liabilities	105	202
<b>Total current liabilities</b>	<b>1808</b>	<b>2188</b>
<b>Total liabilities</b>	<b>4622</b>	<b>5376</b>
<b>Total equity and liabilities</b>	<b>10741</b>	<b>11976</b>

# Cash-Flows for FY21

Particulars (All amounts in Rs. Million)	For the year ended 31.03.21	For the year ended 31.03.20	Particulars (All amounts in Rs. Million)	For the year ended 31.03.21	For the year ended 31.03.20
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>			<b>B. CASH FLOWS FROM INVESTING ACTIVITIES</b>		
<b>Profit/(Loss) before tax</b>	<b>-769</b>	<b>661</b>	Capital expenditure on property, plant and equipment (including capital work-in-progress and capital advances)	-101	-324
<b>Adjustments for</b>			Capital expenditure on intangible assets	-8	-4
Depreciation and amortisation expense	919	1032	Proceeds from sale of property, plant and equipment	4	14
Re-measurement of defined benefit liability	22	-13	Purchase of current investments	-1716	-4613
Interest and dividend income on financial assets	-15	-106	Proceeds from sale of current investments	1202	4811
Gain on sale of financial assets	-16	-10	Proceeds from maturity of bank deposits	0	12
Finance costs	365	382	Interest and dividend received	64	80
Loss on plant and equipment sold / scrapped / written off	27	28	<b>NET CASH FLOW USED IN INVESTING ACTIVITIES (B)</b>	<b>-556</b>	<b>-25</b>
Allowance for expected credit loss	74	44			
Lease liability written back	-49	-53	<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>		
Gain on fair valuation of financial assets	-29	0	Proceeds from current borrowings (net)	54	0
Share based payments to employees	61	87	Repayment of non-current borrowings	0	-2
<b>Operating profit before working capital changes</b>	<b>589</b>	<b>2051</b>	Shares issued on exercise of employee stock options	7	46
<b>Changes in working capital:</b>			Payment on account of lease liabilities (including interest on lease liability)	-996	-1007
<i>Adjustments for (increase) / decrease in operating assets:</i>			Interest paid	-25	-7
Inventories	521	-561	<b>NET CASH FLOW USED IN FINANCING ACTIVITIES (C)</b>	<b>-961</b>	<b>-971</b>
Trade receivables	34	7			
Other financial assets	35	29	19 Net increase/(decrease) in cash and cash equivalents (A+B+C)	-383	314
Other assets	30	-33			
<i>Adjustments for increase / (decrease) in operating liabilities:</i>					
Other financial liabilities	-11	4			
Other liabilities	-94	-40			
Provisions	3	46			
Trade payables	-311	73			
<b>Cash generated from operations</b>	<b>796</b>	<b>1576</b>			
Less: Income tax refunds/(paid) (including tax deducted at source)	337	-266			
<b>NET CASH FLOW FROM OPERATING ACTIVITIES (A)</b>	<b>1133</b>	<b>1310</b>			



THANKYOU

