



卐



INDO COUNT INDUSTRIES LIMITED

THE GLOBAL BED LINEN COMPANY

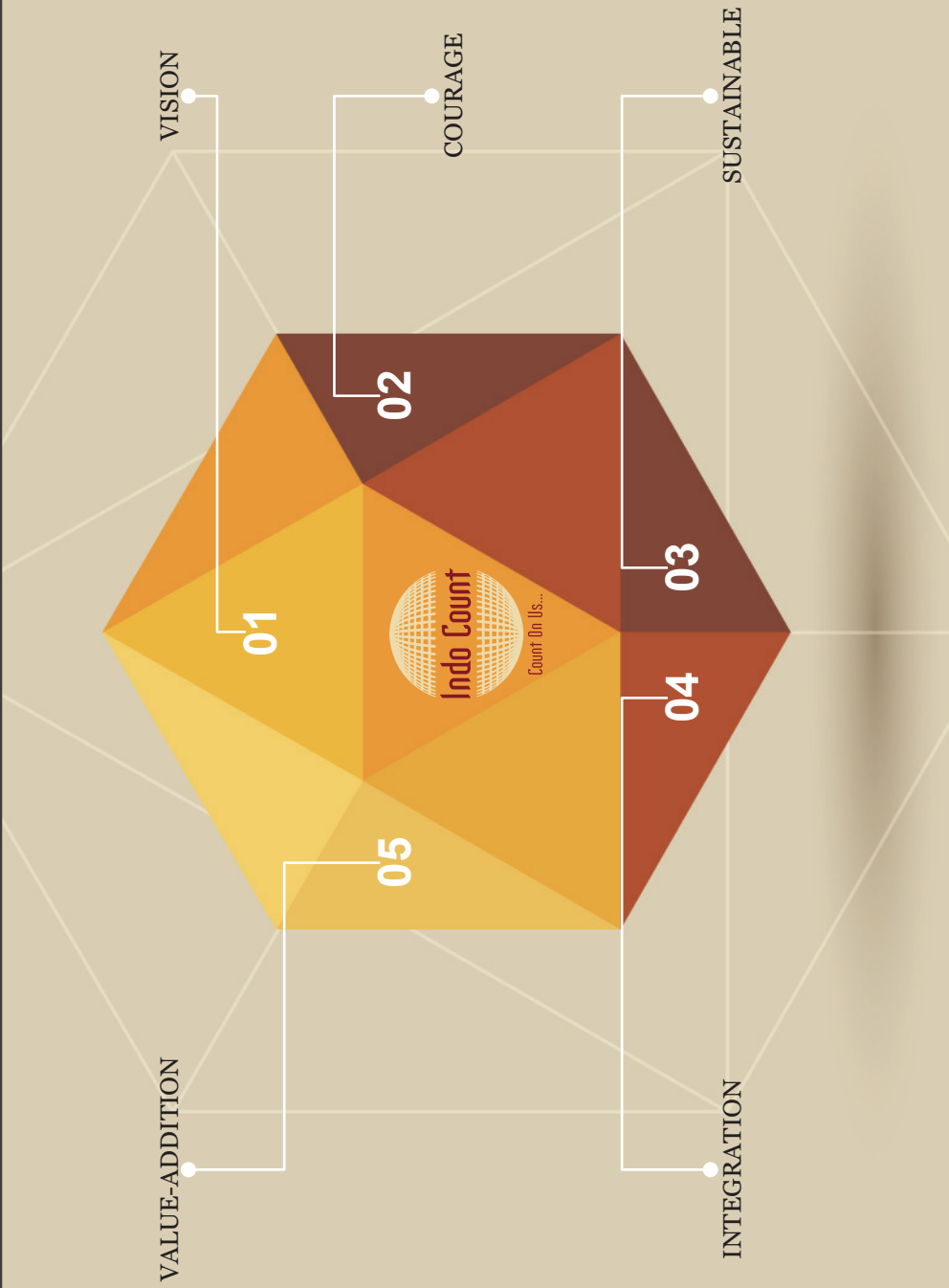
SAFE HARBOR STATEMENT

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.

CERTAIN MATTERS DISCUSSED IN THIS PRESENTATION MAY CONTAIN STATEMENTS REGARDING THE COMPANY'S MARKET OPPORTUNITY AND BUSINESS PROSPECTS THAT ARE INDIVIDUALLY AND COLLECTIVELY FORWARD-LOOKING STATEMENTS. SUCH FORWARD-LOOKING STATEMENTS ARE NOT GUARANTEES OF FUTURE PERFORMANCE AND ARE SUBJECT TO KNOWN AND UNKNOWN RISKS, UNCERTAINTIES AND ASSUMPTIONS THAT ARE DIFFICULT TO PREDICT. THESE RISKS AND UNCERTAINTIES INCLUDE, BUT ARE NOT LIMITED TO, THE PERFORMANCE OF THE INDIAN ECONOMY AND OF THE ECONOMIES OF VARIOUS INTERNATIONAL MARKETS, THE PERFORMANCE OF THE TIRE INDUSTRY IN INDIA AND WORLD-WIDE, COMPETITION, THE COMPANY'S ABILITY TO SUCCESSFULLY IMPLEMENT ITS STRATEGY, THE COMPANY'S FUTURE LEVELS OF GROWTH AND EXPANSION, TECHNOLOGICAL IMPLEMENTATION, CHANGES AND ADVANCEMENTS, CHANGES IN REVENUE, INCOME OR CASH FLOWS, THE COMPANY'S MARKET PREFERENCES AND ITS EXPOSURE TO MARKET RISKS, AS WELL AS OTHER RISKS. THE COMPANY'S ACTUAL RESULTS, LEVELS OF ACTIVITY, PERFORMANCE OR ACHIEVEMENTS COULD DIFFER MATERIALLY AND ADVERSELY FROM RESULTS EXPRESSED IN OR IMPLIED BY THIS PRESENTATION. THE COMPANY ASSUMES NO OBLIGATION TO UPDATE ANY FORWARD-LOOKING INFORMATION CONTAINED IN THIS PRESENTATION. ANY FORWARD-LOOKING STATEMENTS AND PROJECTIONS MADE BY THIRD PARTIES INCLUDED IN THIS PRESENTATION ARE NOT ADOPTED BY THE COMPANY AND THE COMPANY IS NOT RESPONSIBLE FOR SUCH THIRD PARTY STATEMENTS AND PROJECTIONS.

A NUMBER OF FACTORS HELPED
INDO COUNT INDUSTRIES REPORT
A RECORD PERFORMANCE IN THE
FIRST QUARTER OF 2015-16



Right at the outset...

The principal points that we wish to make are that
at Indo Count Industries Limited ...



...our record performance in the first quarter of 2015-16 was not one-off

... our industry outperformance was the result of a long-term structural shift in our business model

... the profitable growth (ninth in 13 quarters) was the result of a sustainable business model

...our business model is designed to enhance sustainable value for all our stakeholders

THIS IS HOW WE REPORTED A RECORD FIRST QUARTER, 2015-16

1

| | | | |
|------------------------------|----------|----------|----------|
| REVENUES (RS / CR) | Q1FY2016 | Q1FY2015 | % GROWTH |
| | 460.99 | 316.08 | 46% |

2

| | | | |
|----------------------------|----------|----------|----------|
| EBITDA (RS / CR) | Q1FY2016 | Q1FY2015 | % GROWTH |
| | 103.77 | 51.97 | 100% |

3

| | | | |
|------------------------------|----------|----------|----------|
| INTEREST (RS / CR) | Q1FY2016 | Q1FY2015 | % GROWTH |
| | 14.85 | 13.90 | 7% |

4

| | | | |
|--------------------------|----------|----------|----------|
| DEPR (RS / CR) | Q1FY2016 | Q1FY2015 | % GROWTH |
| | 4.21 | 3.57 | 18% |

5

| | | | |
|-------------------------|----------|----------|----------|
| PBT (RS / CR) | Q1FY2016 | Q1FY2015 | % GROWTH |
| | 84.71 | 34.50 | 146% |

6

| | | | |
|-------------------------|----------|----------|----------|
| TAX (RS / CR) | Q1FY2016 | Q1FY2015 | % GROWTH |
| | 29.35 | 9.59 | 206% |

7

| | | | |
|-------------------------|----------|----------|----------|
| PAT (RS / CR) | Q1FY2016 | Q1FY2015 | % GROWTH |
| | 55.36 | 24.91 | 122% |

8

| | | | |
|----------------------------|----------|----------|----------|
| EPS (RS / SHARE) | Q1FY2016 | Q1FY2015 | % GROWTH |
| | 14.02 | 6.80 | 106% |

9

| | | | |
|------------------------|----------|----------|------------|
| EBIDTA MARGIN % | Q1FY2016 | Q1FY2015 | BPS GROWTH |
| | 22.51 | 16.44 | 607 |

10

| | | | |
|--|--------|--------|--------|
| NET DEBT/EBIDTA* *ANNUALISED | Q12016 | Q12015 | GROWTH |
| | 0.6X | 1.7X | -65% |

PROFIT AND LOSS STATEMENT

Q12016 Q12015 GROWTH FY2015

| REVENUE | Q12016 | Q12015 | GROWTH | FY2015 |
|---------------------------------------|---------------|---------------|-------------|-----------------|
| Revenue from operations | 454.65 | 303.37 | | 1,615.56 |
| Operating Income | 6.33 | 12.71 | | 64.38 |
| TOTAL REVENUE | 460.99 | 316.08 | 46% | 1,679.95 |
| EXPENSES | | | | |
| Material Consumed | 224.48 | 179.65 | 25% | 933.71 |
| Employee Benefits | 22.05 | 15.91 | 39% | 72.78 |
| Other Expenses | 110.69 | 68.55 | 61% | 372.19 |
| TOTAL EXPENSES | 357.22 | 264.11 | 35% | 1,378.67 |
| EBIDTA | 103.77 | 51.97 | 100% | 301.27 |
| EBIDTA Margin | 22.5% | 16.4% | | 17.9% |
| Depreciation and amortisation expense | 4.21 | 3.57 | 18% | 15.40 |
| EBIT | 99.57 | 48.40 | 106% | 285.87 |
| EBIT Margin | 21.6% | 15.3% | | 17.0% |
| Finance Charges | 14.85 | 13.90 | 7% | 62.53 |
| Exceptional Items | - | - | | 25.74 |
| Profit Before Tax | 84.71 | 34.50 | 146% | 197.60 |
| PBT Margin | 18.4% | 10.9% | | 11.8% |
| Tax expense: | 29.35 | 9.59 | 206% | 58.56 |
| Profit for the year | 55.36 | 24.91 | 122% | 139.04 |
| PAT Margin | 12.0% | 7.9% | | 8.3% |

BALANCE SHEET

30-06-2015 Rs. Cr

31-03-2015 Rs. Cr

SOURCE OF FUNDS

SHAREHOLDERS' FUNDS

| | | |
|--------------------|--------|--------|
| Share Capital | 41.98 | 41.98 |
| Reserves & Surplus | 413.70 | 360.86 |

NON - CURRENT LIABILITIES

| | | |
|--------------------------|-------|-------|
| Long Term Borrowings | 73.48 | 67.15 |
| Deferred Tax Liabilities | 40.47 | 40.12 |
| Long Term Provisions | 1.13 | 1.38 |
| | - | - |

CURRENT LIABILITIES

| | | |
|---------------------------|----------|----------|
| | - | - |
| Short Term Borrowings | 209.53 | 222.76 |
| Trade Payables | 224.46 | 182.83 |
| Other Current Liabilities | 188.94 | 168.10 |
| Short Term Provisions | 86.30 | 68.20 |
| | 1,279.98 | 1,153.39 |

APPLICATION OF FUNDS

| | | |
|------------------------------|--------|--------|
| Fixed Assets | 401.78 | 374.76 |
| Non - Current Investments | 18.80 | 18.80 |
| Long Term loans and advances | 31.25 | 10.20 |

CURRENT ASSETS

| | | |
|-----------------------------|----------|----------|
| Inventories | 329.15 | 264.13 |
| Trade Receivables | 215.30 | 208.04 |
| Cash and cash equivalents | 35.47 | 16.27 |
| Short Term Loans & Advances | 148.01 | 125.43 |
| Other Current Assets | 100.22 | 135.76 |
| | 1,279.98 | 1,153.39 |

MAJOR FINANCIAL INDICATORS

TERM DEBT (RS, CRORE) | TERM DEBT/EQUITY RATIO

73.47

Q1FY2016

101.10

Q1FY2015

0.16

Q1FY2016

0.34

Q1FY2015

NET DEBT (RS, CRORE)

247.55

Q1FY2016

352.35

Q1FY2015

0.54

Q1FY2016

1.21

Q1FY2015

RETURN ON CAPITAL
EMPLOYED*
(*ANNUALISED)

55%

Q1FY2016

42%

Q1FY2015

RETURN
ON EQUITY*
(*ANNUALISED)

36%

Q1FY2016

28%

Q1FY2015

Note: Calculated on standalone basis

THE BIG POINTS

01

Reported profitable growth for the ninth quarter in the last 13 quarters

02

PAT growth 122% sharper than revenue growth 46%

03

Highest-ever EBITDA margin across the last 12 quarters

04

Interest cover (EBIDTA / interest) at 6.99 times, highest in the company's history

AGENDA FOR 2015-16

TO ACHIEVE AT LEAST 50% UTILISATION
OF THE ENHANCED CAPACITY

INCREASE CUSTOMER BASE

ENRICH PRODUCT MIX

ENTER NEW COUNTRIES

ACCELERATE PRODUCT INNOVATION

PART TWO

OUR BUSINESS MODEL
AND HOW IT IS ENHANCING
LONG-TERM VALUE - 1

STRATEGIC

1

Integrated: Cotton yarn to fabric to processed fabric to bed linen

Culture: Prudent forward integration over backward integration

Flexible and focused: Prudent mix of in-sourcing and outsourcing

Value-added: Transformed from a conventional yarn personality (commodity) into a global bed linen organisation (value-added).

PART TWO

OUR BUSINESS MODEL
AND HOW IT IS ENHANCING
LONG-TERM VALUE - 2

PRODUCT AND MARKETS

2

Brand: Positioned as a mid-to-high bed linen company

Market: Principal export to the most demanding bed linen market (USA).

Consumers: Servicing some of the largest and most respected global retail brands.

Product mix: Beyond commodity; graduated to the mid-to-high product niche (higher thread count).

PART TWO

OUR BUSINESS MODEL AND HOW IT IS ENHANCING LONG-TERM VALUE - 3

3

MANUFACTURING

Technology: Spinning units comprised advanced equipment from Rieter, XORELLA & Uster and LMW, among others; home textiles business comprised equipment from reputed international brands like Tsudakoma, Benninger, Zimmer, Monforts and Bruckner.

Make to order: Securing orders followed by customized product manufacture. Result: Shorter working capital cycle and capability-based competitiveness

Horizontal expansion: Extended from Bed Sheet focus to Fashion Bedding, Utility Bedding and Institutional Bedding; completed the Bed Linen product basket; basket marked by product sophistication, value-addition, quality respect and enduring customer relationships

DE-RISKING STRENGTHENED OUR FINANCIALS

Business initiative

- Increased inventory turns
- Concessional debt from TUFs
- Expansion at capital cost lower than industry average
- Stronger terms of trade with customers and raw material providers
- Non-bulk purchase of raw material

Impact

- One of the most attractive profit increases in India's textiles industry.
- Profitable growth in 10 of the last 13 quarters
- ROCE increase in each of the last four years - 5.80% to 34.50%
- EBIDTA margin increase from 7.80% to 22.51% across the last five years
- One of the highest asset-turnover ratios in India's textile sector

DE-RISKING STRENGTHENED OUR FINANCIALS

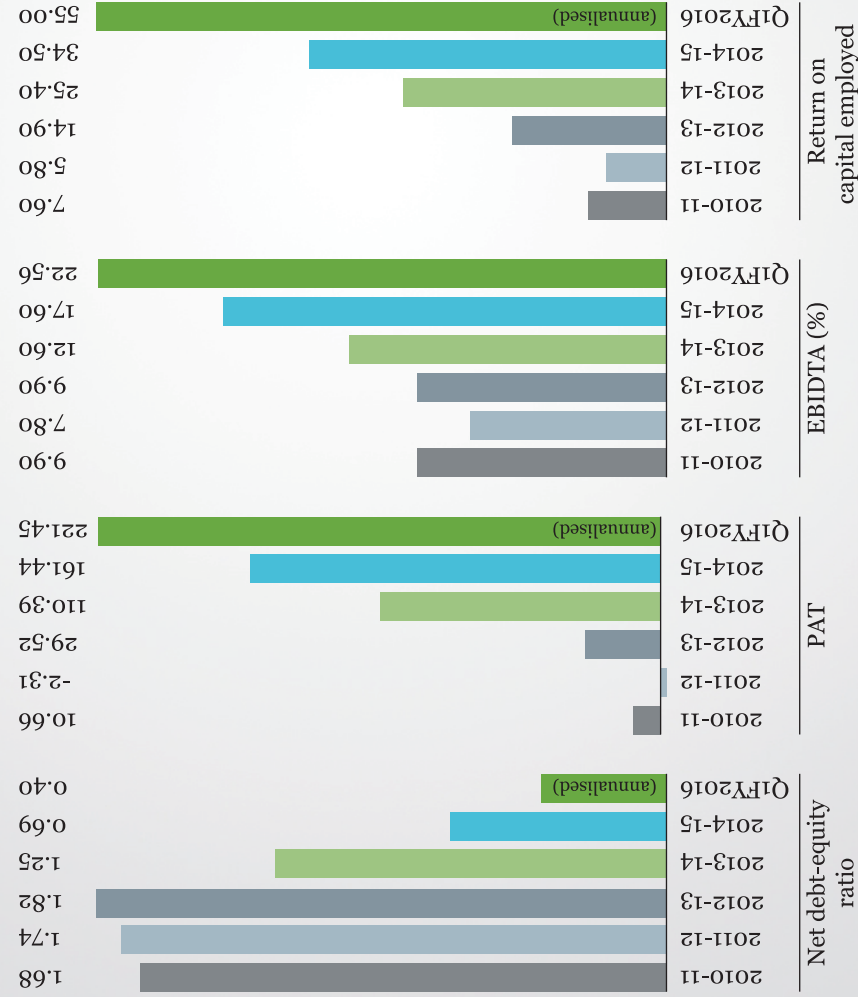
OUR BUSINESS MODEL HAS TRANSLATED INTO FINANCIAL OUTPERFORMANCE

Return on capital employed

- Indo Count's ROCE, 2014-15: 34.5%
- Average textile industry ROCE (spinning-weaving-processing companies): 11.3%

Asset: turnover ratio

Indo Count has the second highest asset-turnover of 2.46x in India's textiles sector (Source: ET 500).



Q1 FY 2016 is on standalone basis. All other data is on consolidated basis.

OUR BUSINESS IS ENHANCING SHAREHOLDER VALUE

EARNINGS PER SHARE

- Equity constant at Rs 40 cr



ENHANCING VALUATIONS

- Combination of high EBIDTA margin of 22.54% per cent (Q1 of 2015-16), Rs 36 cr cash on books and a 45% topline growth in Q1 2015-16
- This fusion helped enhance discounting on the country's stock exchanges.
- Increased intrinsic value of shares has enhanced investor wealth over the last eight quarters.

INDUSTRY DISCUSSION

THE GLOBAL HOME TEXTILES INDUSTRY

- Industry growth of 5% expected to sustain through to 2017
- Bed linen constitutes close to 21% of the total home textiles industry by volume

Global home textiles market (USD \$ bn)



(Source: Global and Indian Textile Apparel Trade-Technopak Analysis)

INDIAN HOME TEXTILES INDUSTRY

- Indian textiles industry contributes ~14% of Index of Industrial Production (IIP); accounts for around 5% of GDP
- Textiles contributes close to 13% of the country's total export earnings
- Indian textiles market estimated at around US\$108 billion
- Indian textile industry estimated to five-fold in ten years (US\$500 bn)

India's sectoral advantage

- Skilled people
- Competitive production cost
- Abundant captive availability of raw cotton
- Favourable Government policies (cheaper credit and capex subsidies)
- Free trade agreements with ASEAN
- Growing demand for premium products

INDUSTRY DISCUSSION

SUSTAINING GROWTH

Started

2007: Commenced home textile business with 36 mn metres per annum

2012: Expanded to 45 mn metres per annum through debottlenecking

2015: Brownfield expansion to 68 mn metres per annum

2016: Further expansion to be evaluated post stabilisation of the new capacity

“Export Excellence Award in the Top Exporter – Non MSME -Trading House Category” from
Ministry of Commerce and Federation of Indian Export Organisations (FIEO)

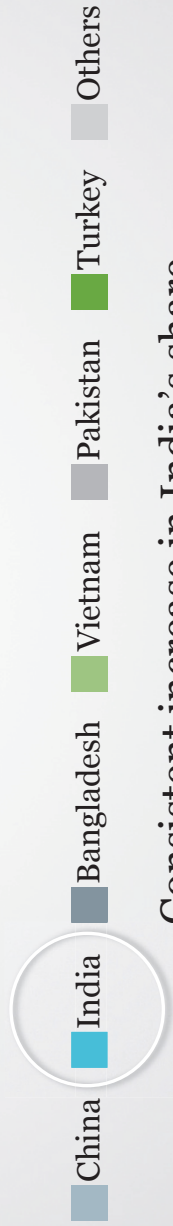
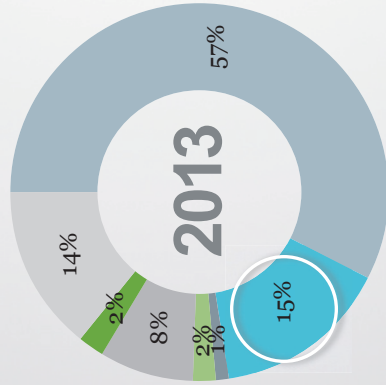
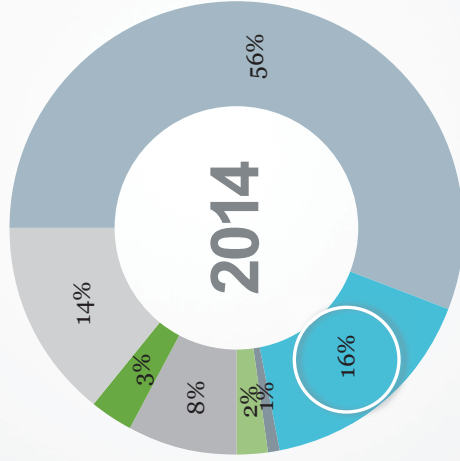
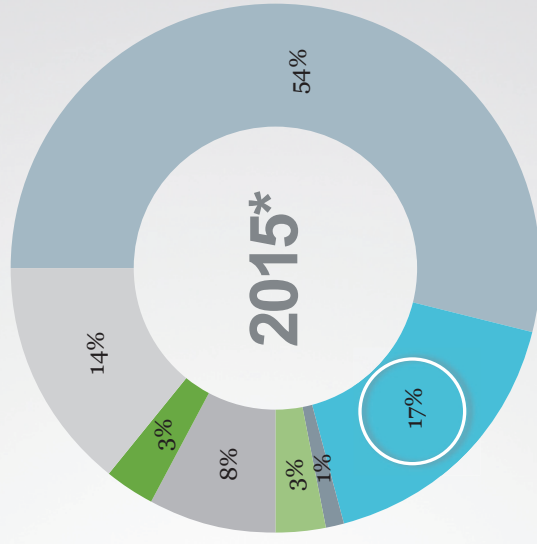
INDUSTRY DISCUSSION

BUSINESS PROCESS



INDUSTRY DISCUSSION

MADE-UP IMPORTS TO US



Consistent increase in India's share

*From Jan'15 – May'15

INDUSTRY DISCUSSION

India – Growing Market



INDUSTRY DISCUSSION

INDIA'S TEXTILE MARKET SIZE

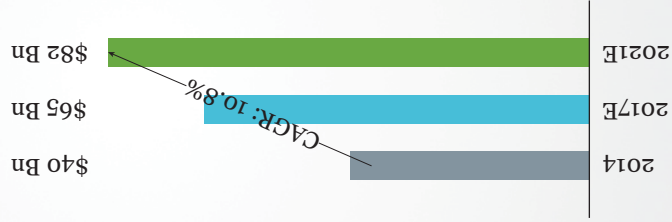
The size of India's textile market is expected to expand at a CAGR of 10.1 per cent over 2009-21.



Textile Market Size CAGR 10.1%E

TEXTILE AND APPAREL INDUSTRY EXPORTS FROM INDIA

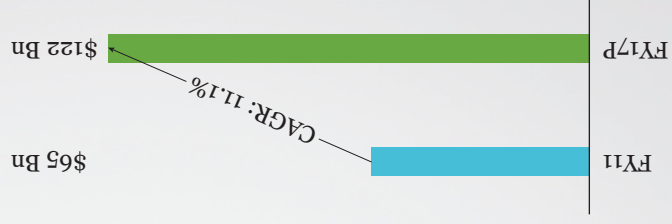
Textile and apparel exports from India is expected to increase to USD82 billion by 2021 and to USD65 billion by 2017 from USD40 billion in 2014



Textile and apparel industry export from India (USD billions)

DEMAND FOR APPAREL

Demand for apparel is likely to rise to USD122 billion by 2017 from USD65 billion in FY11



Demand for Apparel (USD billions)

The textile industry, and 'Make in India'

FACTS

- 2nd largest textile manufacturer in the world
- 2nd largest producer of silk and cotton
- 24% of the world's spindles
- Competitive advantage in skilled manpower and production costs over other textile producers
- Abundant availability of raw materials like cotton, wool, silk and jute

DRIVERS

- Changing lifestyles; increasing demand for quality products
- Conducive Government policies
- Centers of excellence focused on quality, testing and evaluation
- Resource centers and training facilities

GLOBAL PRESENCE



MAJOR PRODUCTS AND INNOVATION AT INDO COUNT INDUSTRIES

PRODUCTS

- **Bed sheets:** Flat sheet, fitted sheet and pillow cases
- **Fashion bedding:** Comforters, bed in bag, quilts and coverlets, decorative pillows, etc.
- **Utility bedding:** Basic white bedding, mattress pads, protectors, comforters with poly fill fibre
- **Institutional linen:** Flat sheets, pillow cases, duvet covers and shams; caters to hotels, hospitals and others

INNOVATION



OUR SALES, EXPORTS AND CUSTOMERS

OVERVIEW

- Third largest bed linen exporter from India
- Fourth largest company to export bed linen to USA
- The thirteenth largest global home textiles supplier to the US (Source: Home & Textiles Today, February 2015).
- Formed subsidiaries in UK and Australia to promote the company's products in UK, Australia & New Zealand..
- Predominantly export focused: 90% of the Total revenue in Q1 2016

EXPORTS

- Predominant US focus (70% of sales)
- Non-US sales across 48 countries
- Prominent non-US markets of UK, Canada, Europe, MENA and Australia.
- Grew exports from a few five countries in 2010-11 to 49 in 2014-15

OUR RATINGS AND AWARDS

Received 'A' rating from ICRA for long-term DEBT exposure and A1+ rating for short-term exposure.

Received the Export Excellence Award for “Top Exporter-Non MSME- Trading House” category conferred by FIEO (Western Region)

Received the Gold trophy from TEXPROCIL for Special Achievement in Made Ups for 2013-14

Received the Bronze trophy from TEXPROCIL for 3rd highest exports in Made Ups for 2013-14

Received the Trophy for international Achievement Award, Bangkok, from Indian Achievers Forum for 2012

TRIPLE BOTTOMLINE

Shareholders

Increased earnings per share from Rs 3.03 (2010-11) to Rs 38.95 (2014-15) and 14.02 in Q1 2015-16.

Strengthened ROCE from 7.60% (2010-11) to 34.50% (2014-15) to 75% in Q1 2016

Employees

10,000 people (direct and indirect.

Increased the proportion of women in the workforce from 39 (2010-11) to 551 (2014-15).

Increased employee payout from Rs 35.21cr (2010-11) to Rs 79.87cr (2014-15).

Community

Paid Rs 150 cr taxes in its existence.

Worked on Health care, water sanitation and education.

Launched an e-learning programme across seven schools.

Created public infrastructure and primary health care support at Kolhapur, Maharashtra.

OUR VISION

TO EMERGE AMONG THE
THREE LARGEST BED LINEN
MANUFACTURERS AND
EXPORTERS IN THE WORLD.

THE GLOBAL BED LINEN COMPANY

INVESTOR CONTACTS

For further information please contact:

Indo Count Industries Limited

CIN: L72200PN1988PLC068972\

Mr. K.R. Lalpuria
Executive Director

kklalpuria@indocount.com

Mr. R. Sundaram
CFO & CS

rsundaram@indocount.com
www.indocount.com

Investor Relations Advisors:

Strategic Growth Advisors Pvt. Ltd.

CIN: U74140MH2010PTC204285

Ms. NehaShroff/ Ms. RuchiRudra

sneha@sgapl.net / rruchi@sgapl.net

www.sgapl.net