

# SUDITI INDUSTRIES LTD.



C-253/254, MIDC, TTC INDL.AREA, PAWNE VILLAGE, TURBHE, NAVI MUMBAI – 400 705  
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Regd.Office: A-2, Shah & Nahar Indl.Estate, Unit No.23/26, Lower Parel, Mumbai-400013.

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Ref: No. SIL/S/52/2018-19

Date: 24.08.2018

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

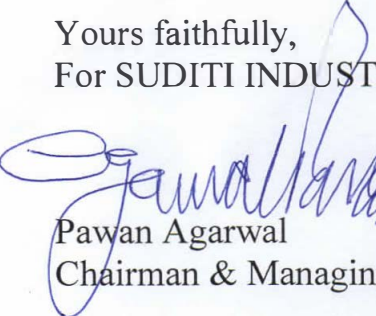
Company Script Code No. 521113

Dear Sir,

We hereby submit the “Q1/FY 2018-19 Earnings presentation” prepared by our Investor Relations Management Services Company “M/S.Valorem Advisors “for the information of the investors. The financial details presented contain the information from the June 2018 quarterly (30/06/2018) results submitted by the company and the disclaimer statement is also attached for the information of the investors

Thanking you,

Yours faithfully,  
For SUDITI INDUSTRIES LTD.

  
Pawan Agarwal  
Chairman & Managing Director





  
SUDITI INDUSTRIES LTD.

# Q1-FY19 EARNINGS PRESENTATION

# Executive Summary



## Overview

- 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



## Products and Business Mix

- **Retail Business**
  - **Licensed Brands** – FC Barcelona, Manchester City FC
  - **Own Brands** – Riot and Indianink
  - **Partnership Brands** – YouWeCan and NUSH
- **Fabric and Garments Business**



## Key Marquee Clients

- **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



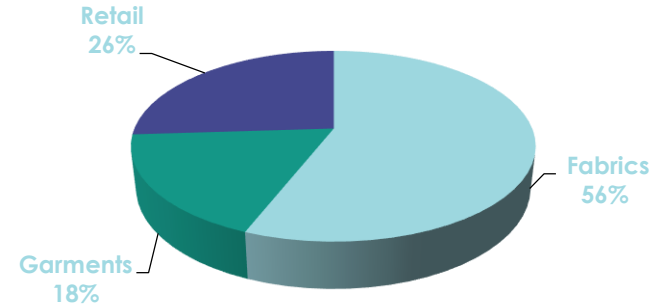
## FY18 Financial Performance (Standalone)

- Total Income: **INR 980 Mn**
- EBITDA: **INR 93 Mn**
- Net Profit: **INR 34 Mn**

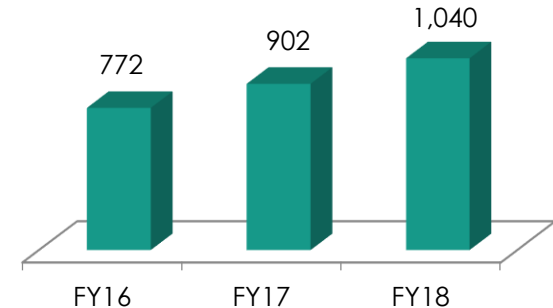
# Company Overview

- SIL 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 and Manchester City FC** and also ventured licensing agreements with **YouWeCan** as well as a joint venture with **NUSH**.
- The company has a strong retail presence through 2 of its **key brands: Riot** and **Indianink**.
- **Riot** is an inspirational youth brand that offers quality fashion wear at economical prices. **Indianink** offers a vivid range of contemporary fashion and styled garments for women.
- It also launched a clothing brand **YWC** Fashion with cricketer Yuvraj Singh in 2016 and brand **NUSH** with celebrity actress Anushka Sharma in 2017.

SEGMENTAL REVENUE (FY18)



CONSOLIDATED REVENUES (INR MN)



# Key Strengths

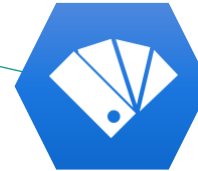
Experienced promoters & a strong management team

Established Players in Apparel Brand Licensing



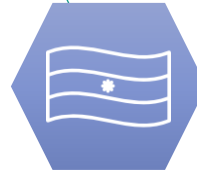
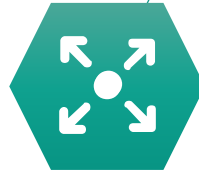
Vertically integrated - processing to garmenting

Strong Retail brands - Riot & Indian Ink



Diversified range of textile products

Reliable suppliers of Fabrics and Garments to Marquee Clients



Strong Pan India distribution network across platforms

# 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**.

INFO

STRATEGY

# Q1-FY19 Financial/Operational Highlights

## Q1-FY19 Standalone Financial Performance:

**Total Income\*** – INR 270 Mn;

**EBITDA**- INR 19 Mn;

**EBITDA Margin**- 7.04%

**Net Profit**- INR 7 Mn;

**PAT Margin**- 2.59%

**Diluted EPS**- INR 0.44 per equity share

\* - Includes Other Income

## Q1-FY19 Operational Highlights:

- YWC Fashion opens the second EBO at Chandigarh.
- PAT increases to INR 7 Mn in Q1-FY19 compared to INR 4 Mn in Q1-FY18.

# Quarterly Standalone Financial Performance (IND AS)

Particulars (INR Mn)	Q1-FY19	Q4-FY18	QoQ	Q1-FY18	YoY
<b>Total Income*</b>	<b>270</b>	<b>289</b>	<b>(6.6)%</b>	<b>224</b>	<b>20.5%</b>
Total Expenses	251	266	(5.6)%	209	20.1%
<b>EBITDA</b>	<b>19</b>	<b>23</b>	<b>(17.4)%</b>	<b>15</b>	<b>26.7%</b>
<b>EBITDA Margin (%)</b>	<b>7.04%</b>	<b>7.96%</b>	<b>(92)Bps</b>	<b>6.70%</b>	<b>34 Bps</b>
Depreciation	4	4	NA	3	33.3%
Finance Cost	7	7	NA	7	NA
<b>PBT</b>	<b>8</b>	<b>12</b>	<b>(33.3)%</b>	<b>5</b>	<b>60.0%</b>
Tax	1	-	NA	1	NA
<b>PAT</b>	<b>7</b>	<b>12</b>	<b>(41.7)%</b>	<b>4</b>	<b>75.0%</b>
<b>PAT Margin (%)</b>	<b>2.59%</b>	<b>4.15%</b>	<b>(156)Bps</b>	<b>1.79%</b>	<b>80 Bps</b>
Other Comprehensive Income (net of Tax)	1	(1)	NA	-	NA
<b>Total Comprehensive income</b>	<b>8</b>	<b>11</b>	<b>(27.3)%</b>	<b>4</b>	<b>100.0%</b>
Diluted EPS (INR)	0.44	0.64	(31.3)%	0.21	109.5%

\* Includes Other Income



# Standalone Income Statement (IND AS)

Particulars (INR Mn)	FY16*	FY17	FY18
<b>Total Income#</b>	<b>683</b>	<b>819</b>	<b>980</b>
Total Expenses	614	735	887
<b>EBITDA</b>	<b>69</b>	<b>84</b>	<b>93</b>
<b>EBITDA Margin (%)</b>	<b>10.10%</b>	<b>10.26%</b>	<b>9.49%</b>
Depreciation	18	18	15
Finance Cost	30	29	29
<b>PBT</b>	<b>21</b>	<b>37</b>	<b>49</b>
Tax	6	16	15
<b>PAT</b>	<b>15</b>	<b>21</b>	<b>34</b>
<b>PAT Margins (%)</b>	<b>1.82%</b>	<b>2.56%</b>	<b>3.47%</b>
Other Comprehensive Income (net of Tax)	-	-	-
<b>Total Comprehensive income</b>	<b>15</b>	<b>21</b>	<b>34</b>
Diluted EPS (INR)	0.87	1.26	1.91

#Includes other income

\*The numbers reported originally under IGAAP for FY16 is revised to make it comparable with FY17 and FY18 figures which are reported under IND AS

# Standalone Balance Sheet (IND AS)

Liabilities (INR Mn)	FY17	FY18	Assets (INR Mn.)	FY17	FY18
<b>Shareholder Funds</b>			<b>Fixed Assets</b>		
Share Capital	168	168	Properties, Plant and Equipment	104	102
Other Equity	126	163	Intangible Assets	1	1
<b>Total Shareholders Fund</b>	<b>294</b>	<b>331</b>	Capital Work in Progress	2	17
			Intangible Assets under Development	2	2
<b>Non Current Liabilities</b>					
Long Term Borrowings	35	41	<b>Non-current investments</b>		
Other Long Term Liabilities	4	4	Non-current investments	9	10
			Deferred Tax Asset (net)	1	2
<b>Total Non Current Liabilities</b>	<b>39</b>	<b>45</b>	Long term loans	39	86
			Other non current assets	-	-
			Others	3	2
<b>Current Liabilities</b>			<b>Total Non current assets</b>	<b>161</b>	<b>222</b>
Short term Borrowings	211	231	<b>Current Assets</b>		
Trade Payables	137	141	Investments	-	-
Other Financial Liabilities	20	19	Inventories	296	302
Other Current Liabilities	4	19	Trade Receivables	227	234
Short-term provisions	4	4	Cash & Cash Equivalents	4	5
Current Tax Liability(Net)	-	-	Loans	-	-
<b>Total Current Liabilities</b>	<b>376</b>	<b>414</b>	Other current assets	20	27
			Current Tax assets (net)	1	-
			<b>Total Current Assets</b>	<b>548</b>	<b>568</b>
<b>GRAND TOTAL - LIABILITES</b>	<b>709</b>	<b>790</b>	<b>GRAND TOTAL – ASSETS</b>	<b>709</b>	<b>790</b>

# Consolidated Income Statement (IND AS)

Particulars (INR Mn)	FY16*	FY17	FY18
<b>Total Income#</b>	<b>772</b>	<b>902</b>	<b>1,040</b>
Total Expenses	705	816	944
<b>EBITDA</b>	<b>67</b>	<b>86</b>	<b>96</b>
<b>EBITDA Margin (%)</b>	<b>7.35%</b>	<b>9.53%</b>	<b>9.23%</b>
Depreciation	18	18	16
Finance Cost	30	31	33
<b>PBT</b>	<b>19</b>	<b>37</b>	<b>47</b>
Tax	6	16	15
Profit before share of profit/loss of Joint ventures/ Associates	13	21	32
<i>Profit/Loss of Joint Ventures/Associates</i>	-	-	(3)
<b>PAT</b>	<b>13</b>	<b>21</b>	<b>29</b>
<b>PAT Margins (%)</b>	<b>1.43%</b>	<b>2.33%</b>	<b>2.79%</b>
Other Comprehensive Income (net of Tax)	-	-	-
<b>Total Comprehensive income</b>	<b>13</b>	<b>21</b>	<b>29</b>
Diluted EPS (INR)	0.77	1.26	1.61

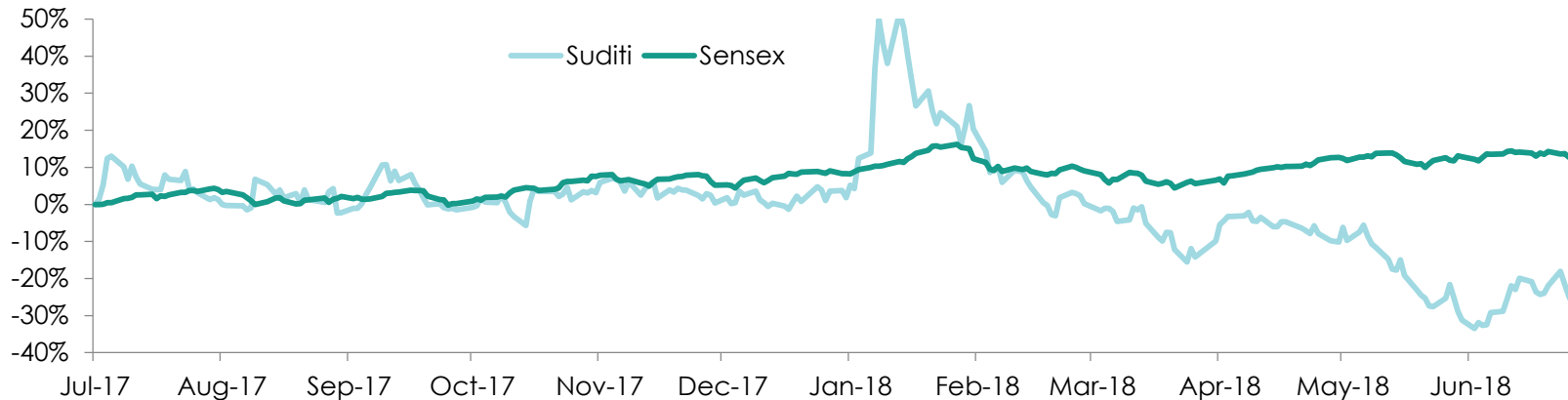
# Includes other income

\*The numbers reported originally under IGAAP for FY16 is revised to make it comparable with FY17 and FY18 figures which are reported under IND AS

# Consolidated Balance Sheet (IND AS)

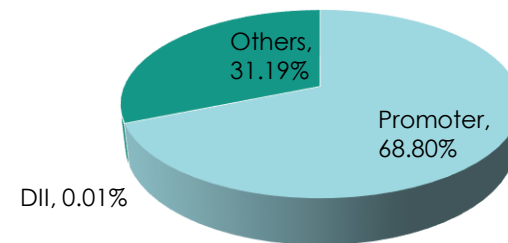
Liabilities (INR Mn)	FY17	FY18	Assets (INR Mn)	FY17	FY18
<b>Shareholder Funds</b>			<b>Fixed Assets</b>		
Share Capital	168	168	Properties, Plant and Equipment	105	104
Other Equity	124	155	Intangible Assets	1	1
Non- Controlling Interest	-	-	Capital Work in Progress	2	17
<b>Total Shareholders Fund</b>	<b>292</b>	<b>323</b>	Intangible Assets under Development	2	2
<b>Non Current Liabilities</b>			<b>Non-current investments</b>		
Long Term Borrowings	35	41	Non-current investments	-	-
Other non-current liabilities	27	26	Deferred Tax Asset (Net)	1	2
<b>Total Non Current Liabilities</b>	<b>354</b>	<b>390</b>	Loans	40	88
			Other non current assets	1	1
			Others	3	2
<b>Current Liabilities</b>			<b>Total Non current assets</b>	<b>155</b>	<b>217</b>
Short term Borrowings	229	292	<b>Current Assets</b>		
Trade Payables	182	211	Investments	-	-
Other Financial Liabilities	33	25	Inventories	328	371
Other Current Liabilities	4	23	Trade Receivables	300	326
Short-term Provisions	5	5	Cash & Cash Equivalents	4	5
Current Tax Liability (Net)	-	-	Loans	-	-
<b>Total Current Liabilities</b>	<b>453</b>	<b>556</b>	Other current assets	19	27
			Current tax assets (net)	1	-
			<b>Total Current Assets</b>	<b>652</b>	<b>729</b>
<b>GRAND TOTAL - LIABILITES</b>	<b>807</b>	<b>946</b>	<b>GRAND TOTAL – ASSETS</b>	<b>807</b>	<b>946</b>

# Capital Market Data



Price Data (30 <sup>th</sup> June, 2018)	INR
Face Value	10
Market Price	53.6
52 Week H/L (INR)	114.9/44.5
Market Cap (INR Mn)	910.1
Equity Shares Outstanding (Mn)	16.98
1 Year Avg. trading Volume ('000)	17.75

Shareholding Pattern (30<sup>th</sup> June, 2018)



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thank  
YOU