



PearlGlobal

PGIL/SE/2019-20/29

Date: November 25, 2019

THE GENERAL MANAGER,
DEPARTMENT OF CORPORATE SERVICES - CRD
BSE LIMITED
1ST FLOOR, NEW TRADING RING
ROTUNDA BUILDING, P. J. TOWERS
DALAL STREET, FORT,
MUMBAI - 400 001

THE GENERAL MANAGER,
LISTING DEPARTMENT
NATIONAL STOCK EXCHANGE OF INDIA LTD.
"EXCHANGE PLAZA", PLOT NO. C- 1,
G- BLOCK,
BANDRA - KURLA COMPLEX,
BANDRA (E),
MUMBAI - 400 051

Reg: Scrip Code: BSE-532808;

NSE - PGIL;

Sub: Presentation to Analyst / Institutional Investors

Dear Sir/Madam,

In continuation of our letter no. PGIL/SE/2019-20/28 dated November 25, 2019, regarding meeting of Company's senior officials with Analyst / Institutional Investors on Tuesday, November 26, 2019 in Mumbai at 04:00 PM, and pursuant to Regulation 30 read with Part A of Schedule III of SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015, a copy of presentation to be made with Analyst / Institutional Investors is enclosed herewith.

The above is for your kind information and record.

Thanking you,

Yours faithfully,
for **Pearl Global Industries Limited**

(Sandeep Sabharwal)
Company Secretary

Encl: as above

Pearl Global Industries Limited

Corp. Office : Plot No. 51, Sector-32, Gurgaon-122001 Haryana (INDIA)
Tel.: +91-124-4651000, Fax : +91-124-4651010. Website: www.pearlglobal.com

CIN : L74899DL1989PLC036849

Regd. Office: A-3, Community Centre, Naraina Industrial Area, Phase-II, New Delhi-110028



FASHIONABLY AHEAD!

**Pearl Global Industries
Limited**

An Introduction

Company Overview

Pearl Global in a Nutshell



Leading Garment Manufacturer and Exporter having manufacturing facilities in India, Bangladesh, Indonesia & Vietnam with marketing offices in Spain, UK & USA.

Pearl is present in the entire value chain from Knitting of Fabric till final manufacturing of Garments as per the quality standards of the buyer.

Pearl is a unique value proposition due to the following features

- ✓ Multi Product Offering
- ✓ Multi Country Presence
- ✓ Strong Design Development
- ✓ Operational Excellence

Key highlights

74 Million + Units

Produces More than 70 Million + units per year

22 Plants

Has 22 Production Plants

Plants in 4 Countries

Has Production Plants in 4 Countries

26000+ Associates

Has More than 26000 Associates World wide

Products

Multi Product

Pearl has Multi Products in its basket

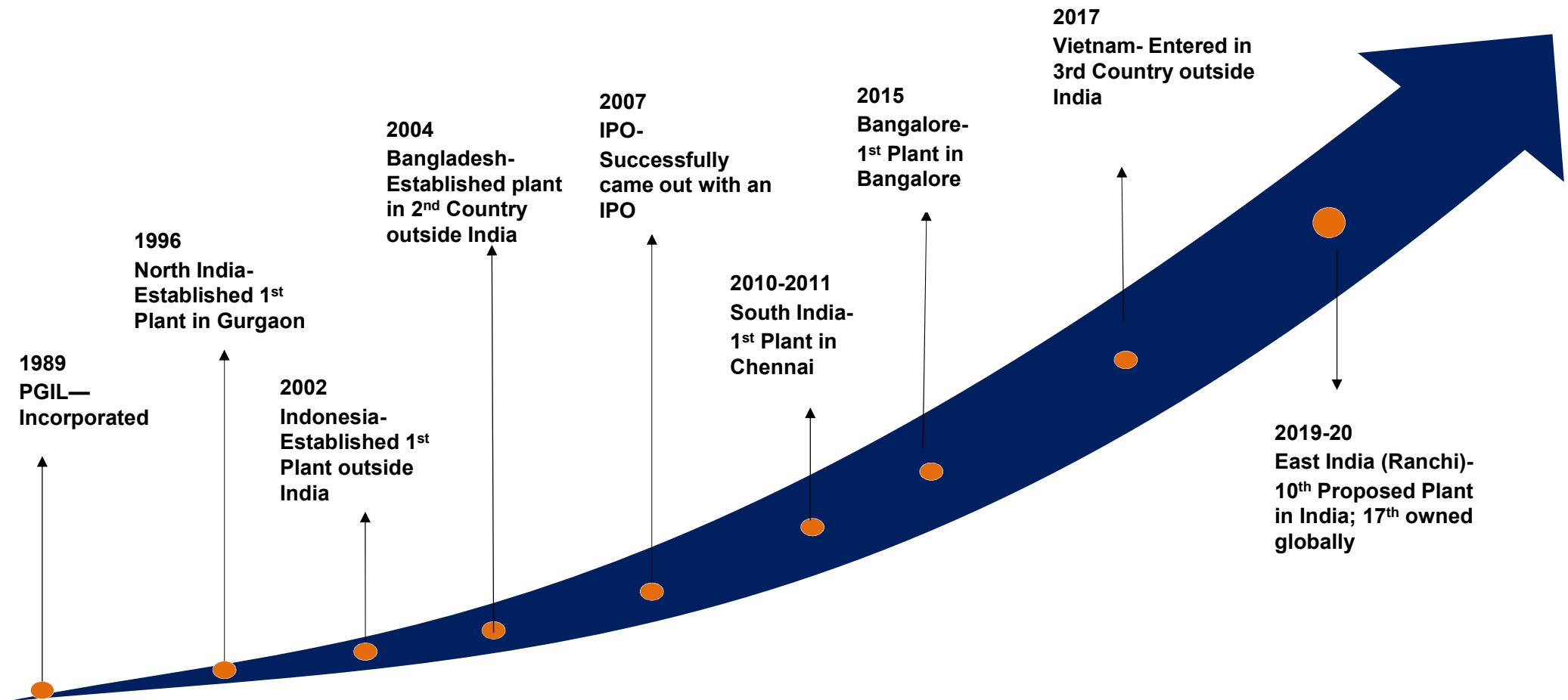
Design Development

Pearl has strong team of 50 Designers

Innovation / Sustainability

Pearl has strong team for innovations / Sustainability

Evolution and key milestones in building the legacy



Awards and Accolades



2019

LOBLAWS JOE FRESH HAS AWARDED PEARL KPI SCORE CARD WITH 100% SCORE FOR ON-TIME SHIPMENTS



2012

AEMA- MEMENTO TO MR. DEEPAK SETH/PEARL GLOBAL ON 30 YEARS OF SERVICE TO APPAREL INDUSTRY & VALUABLE GUIDANCE AND CONTRIBUTION.



2012-2015

FIVE -STAR EXPORTS RECOGNITION FROM OUR ESTEEMED BUYER M/S. MACYS MERCHANDISING GROUP INC, USA



2012-2013

HIGHEST EXPORTS BY YOUNG ENTREPRENEUR WINNER - to Mr. Pulkit Seth



2006-2008

HIGHEST EXPORTS IN WOVEN GARMENTS

PHDCCI-CENTENARY CELEBRATIONS- UDYOG RATNA TO MR. DEEPAK SETH/PEARL GLOBAL FOR VALUABLE CONTRIBUTION TO ECONOMIC DEVELOPMENT OF HARYANA

PHDCCI-CENTENARY CELEBRATIONS - UDYOG RATNA TO MR. DEEPAK SETH/PEARL GLOBAL FOR VALUABLE CONTRIBUTION TO ECONOMIC DEVELOPMENT OF HARYANA

INSTITUTE OF TECHNOLOGY TO MR. DEEPAK SETH IN PROFOUND APPRECIATION & IN RECOGNITION OF HIS INVALUABLE CONTRIBUTION TO THE INSTITUTE AS MEMBER OF TRUSTEES FROM MAR.2007 TO JAN.2012

FOR THE BEST SEZ BY EPCES

JC PENNY PURCHASING PARTNERSHIP AWARD



2016



2016



2012



2010-2011



2006

Business Model

Our Unique Value Proposition

Multi-Product
Offering

Multi-Country
Presence

Strong Design
Development

Operational
Rigor

Sustainability
Orientation



Multi-Product Offering

Woven & Knit Tops & Dresses



47 Mn
Units/Annum

Denim & Woven Bottoms



17 Mn
Units/Annum

Outerwear



6 Mn
Units/Annum

Men's Shirt



3 Mn
Units/Annum

Sleep & Lounge Wear



5 Mn
Units/Annum

in box represent annual capacity



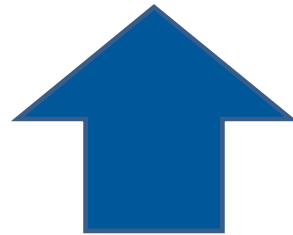
Global Presence



Manufacturing Facilities across the World

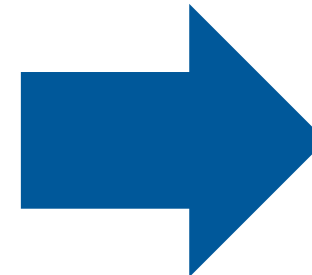
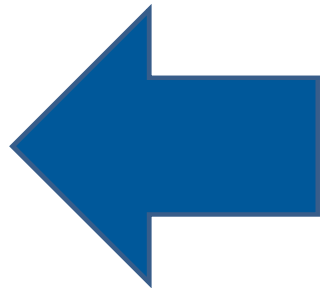


**9 Factories across Gurugram,
Bengaluru & Chennai**



**3 owned Factories
employing
10,000 plus workers
&
6 partnering plants**

**3 Factories equipped
with latest
equipment's to make
complex garments**



**Specialized plant in high end, premium
outerwear & synthetic bottoms**



STRONG EMPHASIS ON IN-HOUSE DESIGN & PRODUCT DEVELOPMENT

- Dedicated in-house design team of 50 designers located in multiple geographies.
- The design teams continually shop markets all over the world and visit all the globally renowned fashion and textile fairs to collect design ideas.
- The design teams are well-equipped to serve the global brands from concept boards to customers.
- New design ideas from marketing people, closer to buyers, which are located in Hong Kong, London, USA and Germany.
- Focus has been on creating brand specific product designs to generate and accelerate business opportunities for the global brands and retailers.



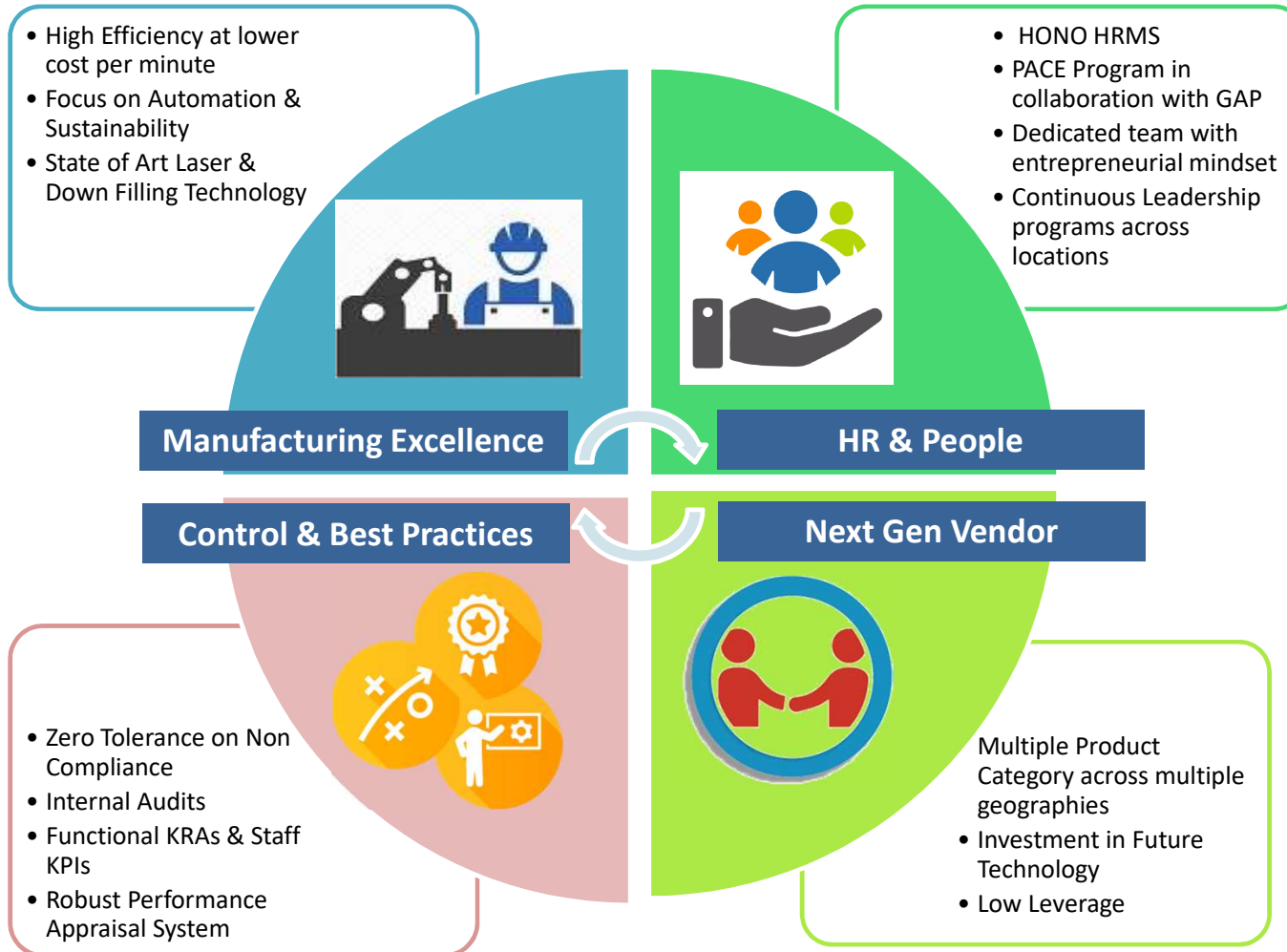
Operational Control & Quality Checks

COMMITMENT TO LEAN PROCESSES, HIGH PRODUCTIVITY AND QUALITY COMPLIANCE

- All manufacturing units are using SAP, an integrated ERP software system, to run day to day operations and monitor key performance indicators.
- System integration has created important checks and balances, resulting in accurate material ordering and complete analysis of customer and seasonal requirements.
- One of the lowest rejection ratio of 2% – 3%.
- 3rd party certifications from leading global inspection and quality check companies like Intertek, SGS and Bureau Veritas.
- Regular quality check inspections from customers.
- Fully compliant with all regulations and quality assurance standards like ISO, 5S and Citipac.



Levers of Internal Influence



Key Sustainable Advantage

Key Customers Servicing Footprint				
Buyer /Locations	India	Bangladesh	Indonesia	Vietnam
The Gap Inc	√		√	
Macys Merchandising Group Inc	√	√		√
Ann Taylor Inc			√	√
Kohl'S Department Store Inc.	√	√		√
Loblaws Inc	√	√		√
Kroger	√	√		√
Ascena Group	√			√
RALPH LAUREN	√	√		√
Target Australia	√	√		√
Belk	√	√		
Kmart Australia	√	√		
Next	√	√		

Multiple Location Presence Provides Competitive Advantage to Meet Complex & Diverse Product Design Requirement of Global Retailers

Key Customers

NORDSTROM


BANANA REPUBLIC

 macy's

Bershka

next

ANN TAYLOR

ZARA 





RALPH  LAUREN



LANE BRYANT

KOHL'S

AMERICAN EAGLE


POLO
RALPH LAUREN


MUJI
無印良品


Target.

PRIMARK®








TOM TAILOR

TOMMY  HILFIGER

J.Jill



GIII

Walmart 
Canada

M&S

 belk

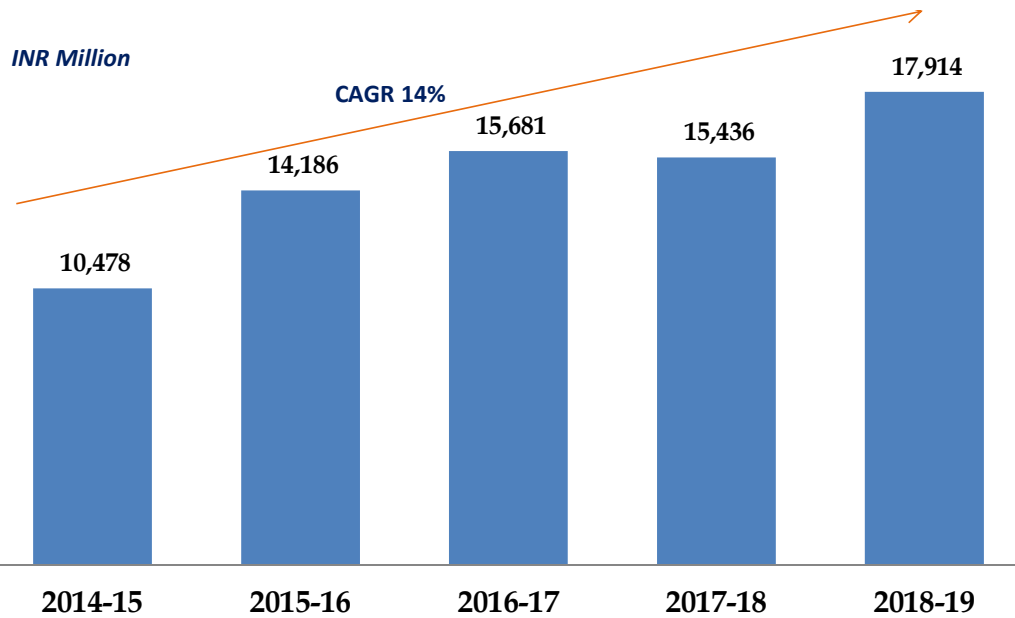
Financial Overview

Financial Performance

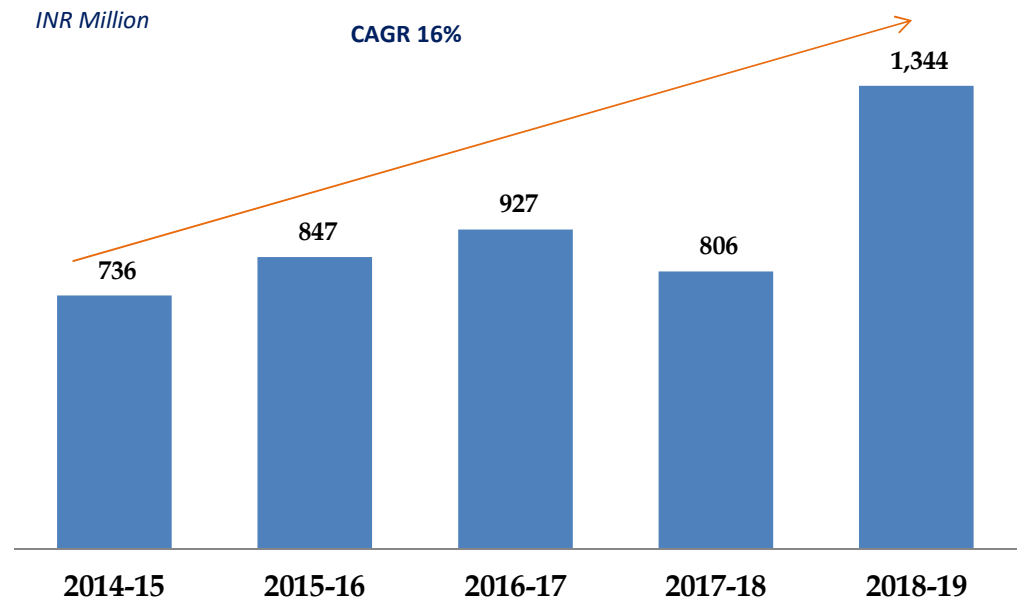


Strong growth coupled with improving profitability and conservative leverage profile creating shareholder value

Revenue growth

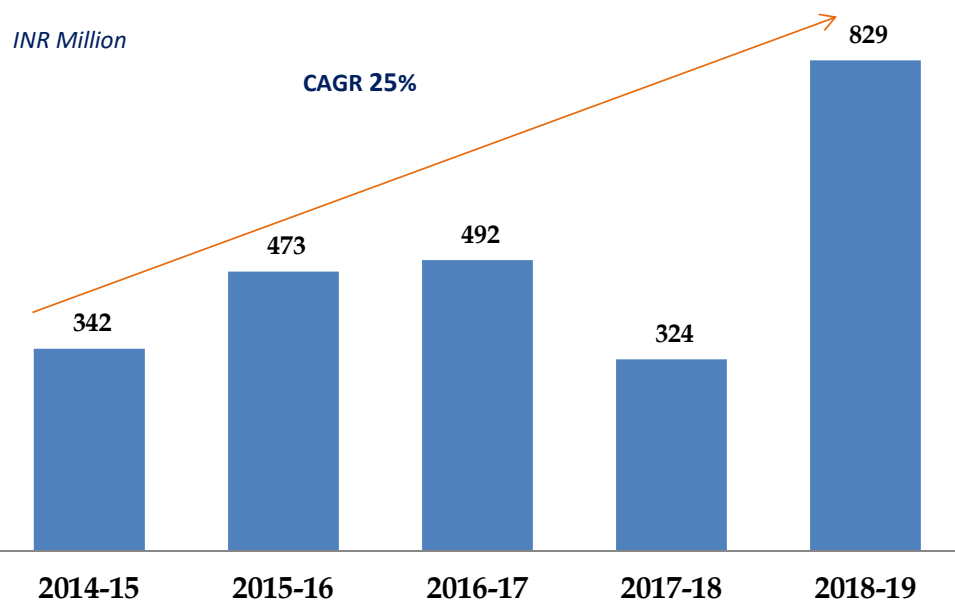


EBIDTA Evolution

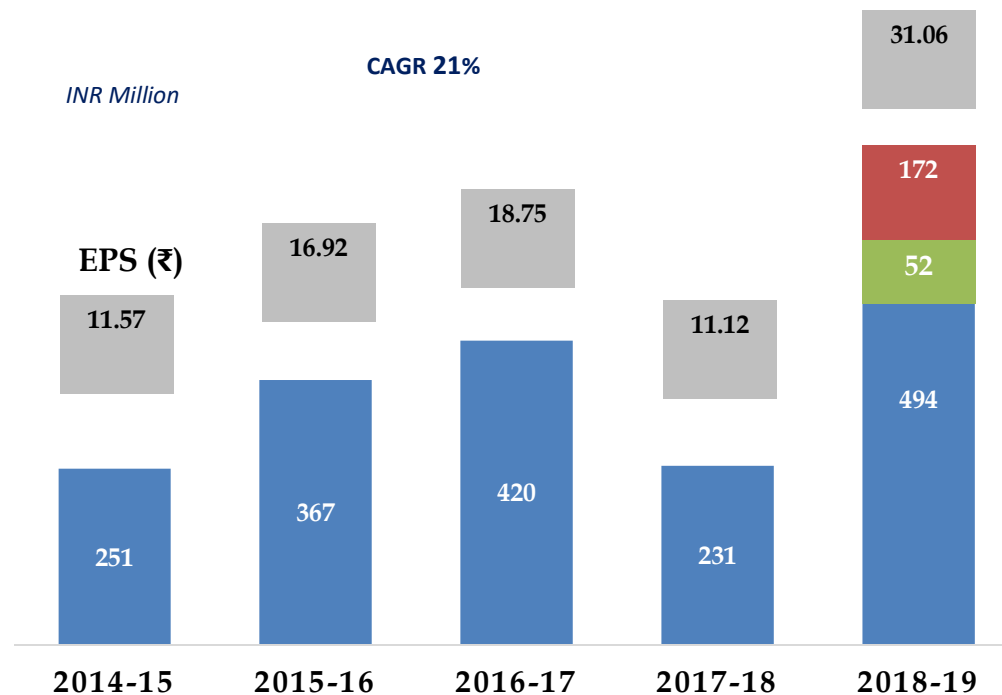


Financial Performance (Cont'd)

PBT Evolution



PAT Evolution



FY 2018-19, PBT includes approximately \$ 2.14 Million as Compensation against Compulsory Land Acquisition by the Government.

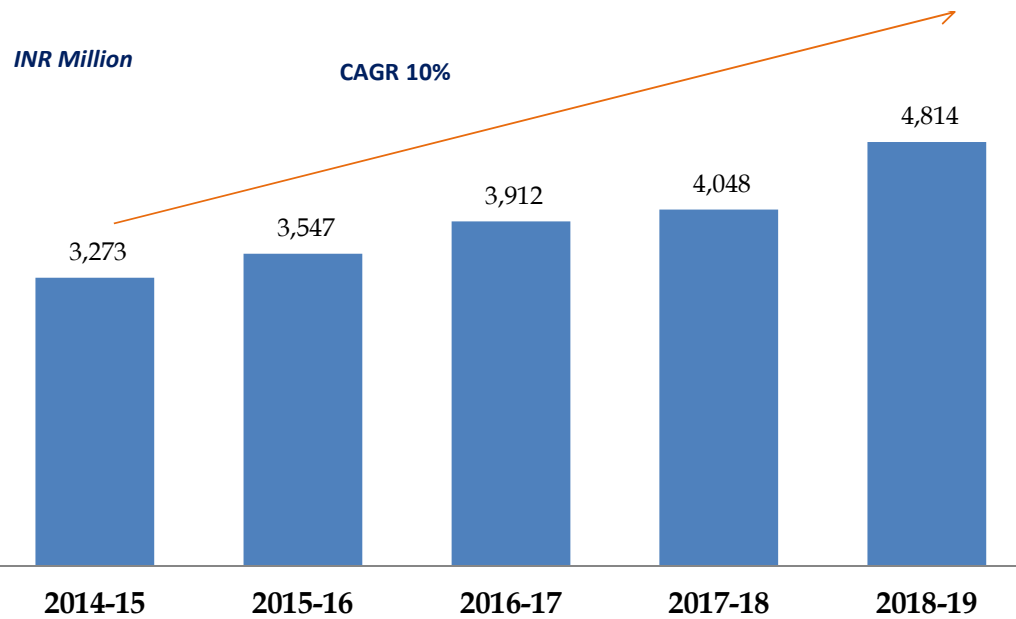
* PAT CAGR is calculated without considering exceptional growth in FY 2018-19.

EPS is stated at INR per share.

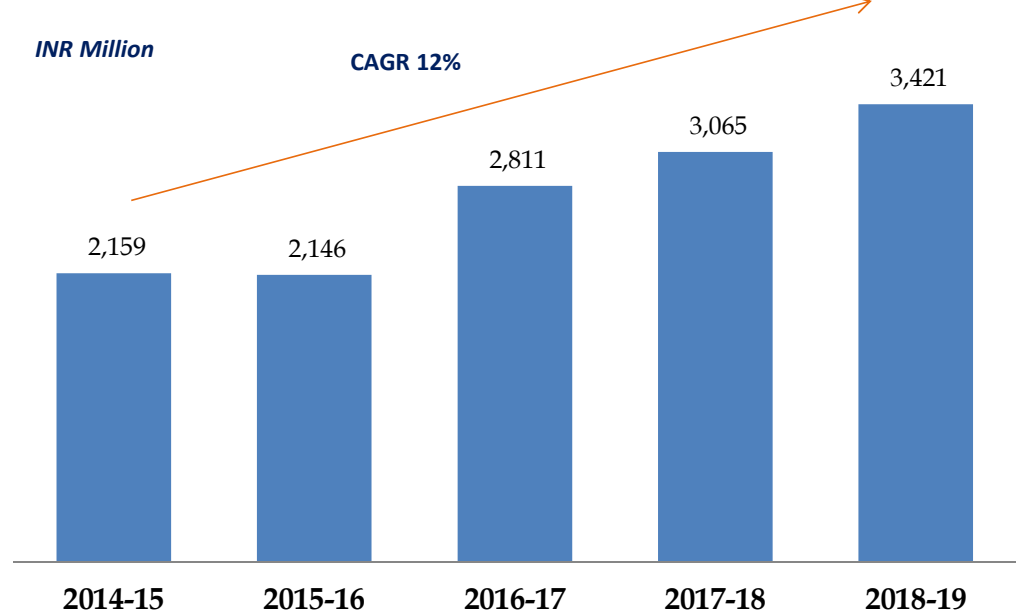
Financial Performance (Cont'd)



Net Worth



Gross Block



Growth Plans & Targets

Strong Foundation Set-up

Company in FY16 initiated steps to increase its capacity base in India and overseas

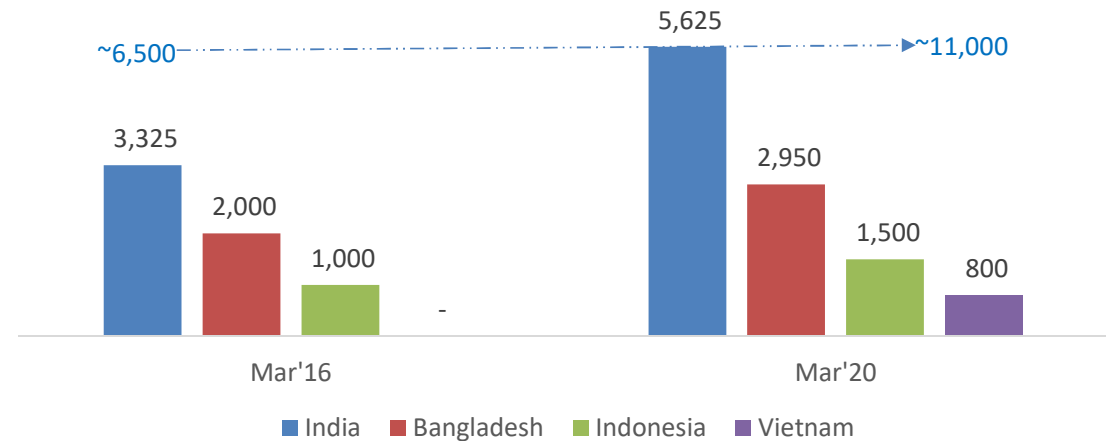
Company has been in investment mode during the last 3 years and in total has spent ~INR 1,500 Million on capacity expansion

Capacity expansion has not only increased the depth but also the breath of manufacturing capabilities

Company can now offer retailers multiple types of products

- ✓ Woven & Knit Tops & Dresses
- ✓ Denim & Woven Bottoms
- ✓ Outerwear
- ✓ Sleep & Lounge Wear
- ✓ Men's Shirts

Capacity Expansion (# Machines)



Major Expansion/Acquisition:

- ✓ 1000 machines in Bangalore in two phases
- ✓ New factory in Gurgaon - 800 machines
- ✓ New factory in Ranchi ~500 machines
- ✓ New unit in Dhaka - 800 machines
- ✓ New outerwear factory in Indonesia - 500 machines
- ✓ Acquired new jacket factory in Vietnam - 800 machines

Growth Targets

Management has set targets of growing its consolidated revenues by CAGR of ~14% between FY18-19 to FY22-23

Consolidated earnings are slated to grow by CAGR of ~20% between FY18-19 to FY22-23

Capacity utilizations at manufacturing units are expected to increase from current levels of 65-70% to 85-95%

Key Ratios

	FY19	FY23
Gearing Ratio (Times)	0.72	0.39
Current Ratio (Times)	1.39	2.00
Interest Coverage Ratio (Times)	4.19	7.41
Return on Equity (%)	10.36	14.65
ROCE (%)	16.79	18.0
PBT (%)	3.74	5.00
EBIDTA (%)	6.85	9.20

New Customers Pipeline

- ❖ *PVH / Tommy Hilfiger / CK - Long-term Strategic Partner*
- ❖ *American Eagle - Direct Customer Manufacturer Relationship*
- ❖ *Next - Direct Customer Manufacturer Relationship*
- ❖ *Walmart Canada - Entry into largest retailer in the World*
- ❖ *Brooks Brothers - High value prestigious retailer*
- ❖ *Ross - Direct relationship with high growth retailer*

Appendix

Sustainability

- ❖ **Zero Liquid Discharge** based washing plants
- ❖ **Ozone Machine** for green laundry
- ❖ **E-flow** – Enabling low water/chemical consumption by using spray system
- ❖ **Laser Machine-** Eco-friendly approach Compact machine Jeanologia
- ❖ **Sustainable Fabrics:** Sourcing BCI Cotton, FSC/Canopy certified Rayon/Tencel/Ecovera, Recycled Poly
- ❖ **ETP & STP:** All facilities equipped with Effluent Treatment Plants (ETPs) and Sewage Treatment Plants (STPs) to treat wastewater before releasing it into the environment
- ❖ **Solar Powered:** 769 plates solar plates installed in Chennai facility , covering an area of 8,120 sq mtr / 220KW)
- ❖ **LEED Platinum Certified** Facility in Chennai (India)



Our Key Workforce & Community Welfare Initiatives

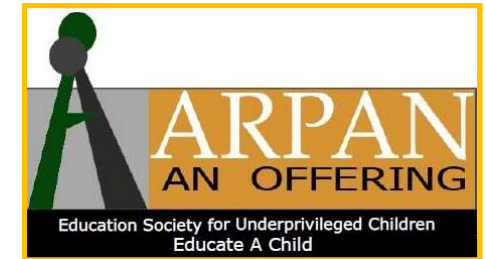


Health



- **Cancer Awareness & Prevention:** Collaborated with CAPED India to raise awareness about cervical & breast cancer amongst women
- **Free Medical Consultation & Medication:** Mina Seth Charitable Clinic, set up in 1983 in Delhi, provides free medical consultancy and medicines to people from low income families.

Arpan Society [Our Not for Profit vertical] with focus on education and skill Development for the children of underprivileged society



Education

Empowerment



Gender Equality Project : launched in partnership with Marks & Spencer & British High Commission, helped us raise awareness about gender inequality in society, address issues of biases in the workplace and at home

IMPACT Program : partnered with Ralph Lauren for the Production Capacity analysis, and initiated the capacity building of the HR & Production team to control the workers turnover and absienitsm.

Our Key Capability Building & Governance Initiatives



Manufacturing Excellence: 5S Implementation

- Process Mapping of all key manufacturing Processes included with Train the Trainer, to scale up the program internally within the organisation.
- Training Content and case studies along with Role Playing exercises, Activities, Workshops etc



"Aarambh": The Pearl Global Campus Hiring and Onboarding Program to create young Leaders.



PGIL has participated in Great Place to Work® Institute [GPTW] third party employee survey with the aim to build, sustain, and recognize High-Trust, High-Performance Culture at workplace.

Worker Engagement



Health

- Medical health camps for workers across all our facilities, every quarter

Education

- Scholarship funding education for more than 200 primary & middle school children

Women Empowerment

- Personal Advancement and Career Enhancement (P.A.C.E.), empowering women in their professional and personal lives
- Training on menstrual hygiene & sanitary napkins Vending Machine
- HER health programme to raise health related awareness
- Gender Equality Project, in partnership with M&S & British High Commission

My Voice

- Third party ethics helpline for whistle blowing of unethical practices, POSH issues and violation of code of conducts at workplace

Innovation | Technology Platforms



OPTITEX



Thank You