

Indo Count
COMPLETE COMFORT

H1 FY17 Investor Presentation



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Comments of Executive Chairman, Mr Anil Kumar Jain, on the results

“The Company has achieved satisfactory second quarter results in spite of challenges. Indo Count was able to offset these headwinds by consolidation of business to sow the seed for next round of growth, its dynamic response to market trends, launching new brands and robust operations.

The recent upgrades in our Credit ratings to ICRA AA- (with stable outlook) and CARE AA- along and TEXPROCIL Silver Trophy for Second Highest Exports of Cotton Made-up Exports (Bed Linen /Bed Sheets / Quilts) are demonstrative of the Company's strengthened leading position in the niche Home Textiles segment coupled with consistent cash accruals generated in the business which has led to a strong operational and financial performance.

I hope ongoing expansion projects to scale up the production will further strengthen our position in Home Textiles and able to deliver better and sustained performance in coming years.”



Key Financial Indicators

REVENUE (RS.CRS)

1,069

H1 FY17

1,034

H1 FY16

EBITDA (RS.CRS)

227

H1 FY17

206

H1 FY16

EBIT (RS.CRS)

211

H1 FY17

193

H1 FY16

PAT (RS.CRS)

123

H1 FY17

103

H1 FY16

EPS (RS.)

31.16

H1 FY17

26.29

H1 FY16

CASH PROFIT (RS.CRS)

170

H1 FY17

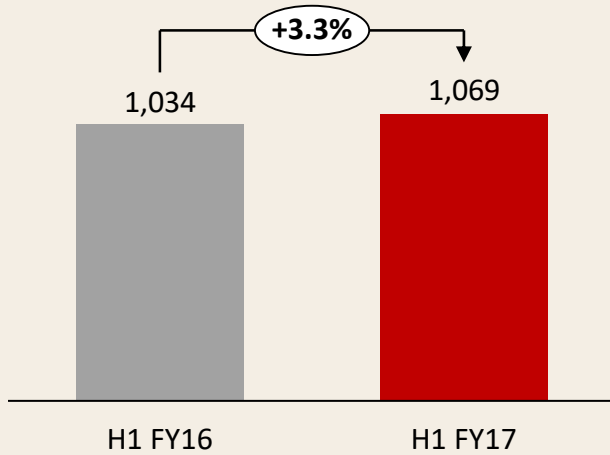
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H1 FY16

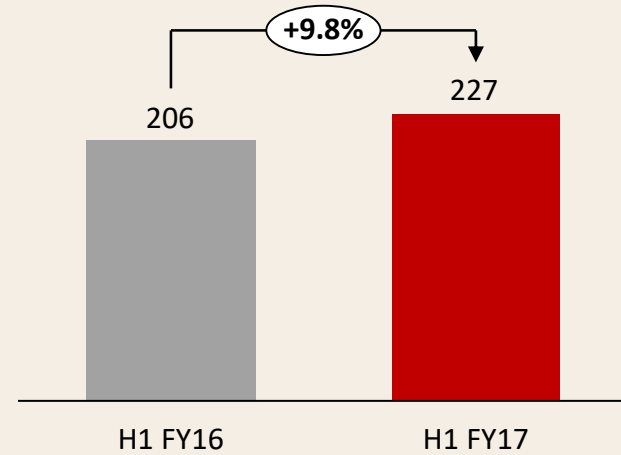
Financial Highlights – H1 FY17



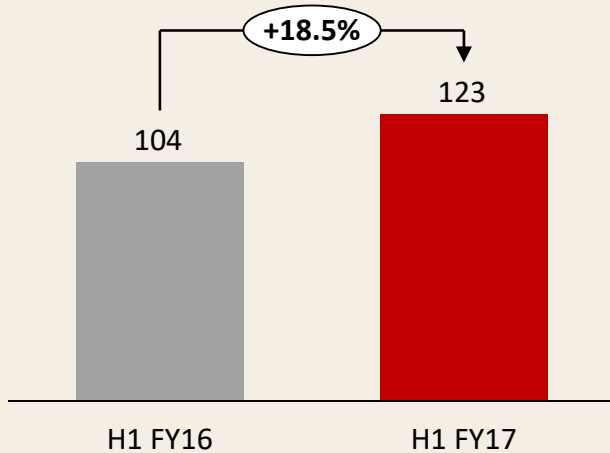
Revenue (Rs. In crs)



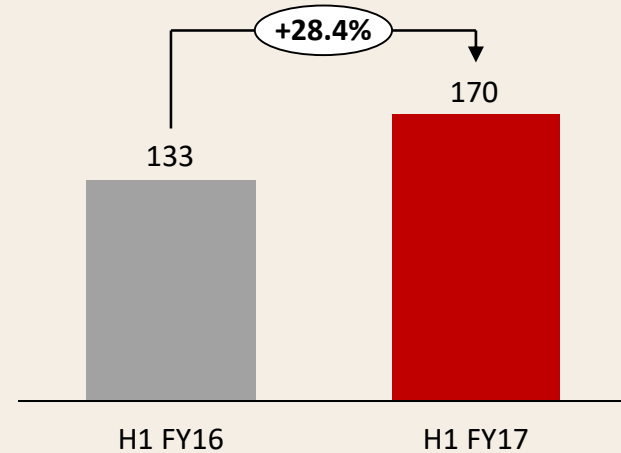
EBITDA (Rs. In crs)



PAT (Rs. In crs)



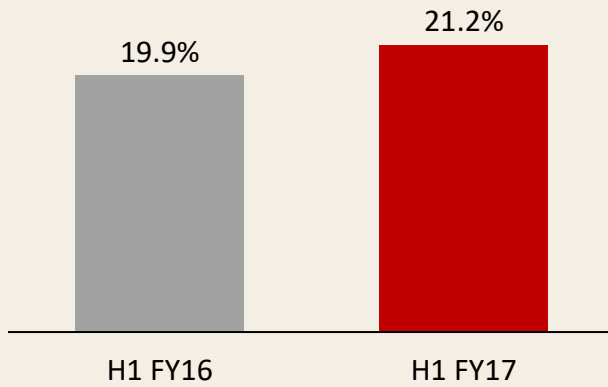
Cash PAT (Rs. In crs)



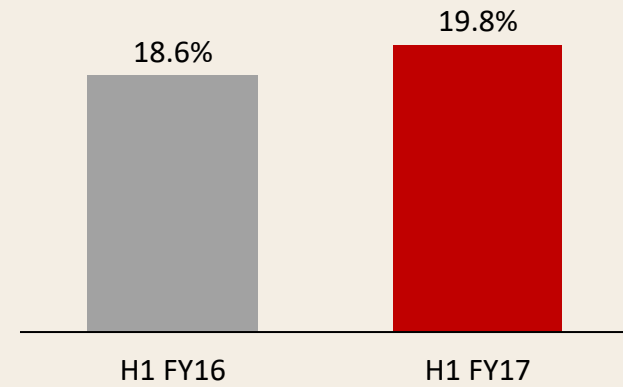
Margin Profile



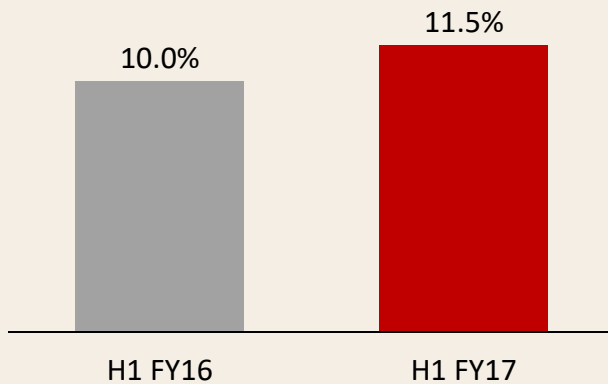
EBITDA (%)



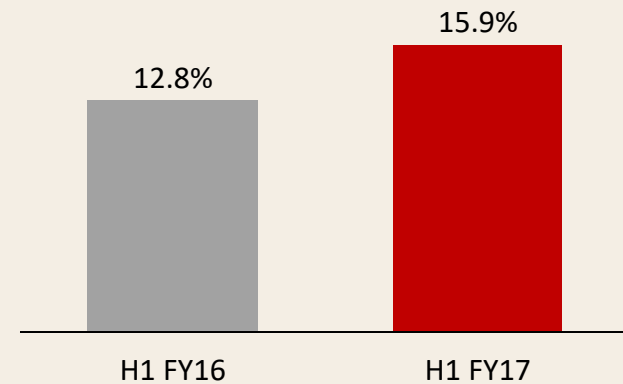
EBIT (%)



PAT (%)



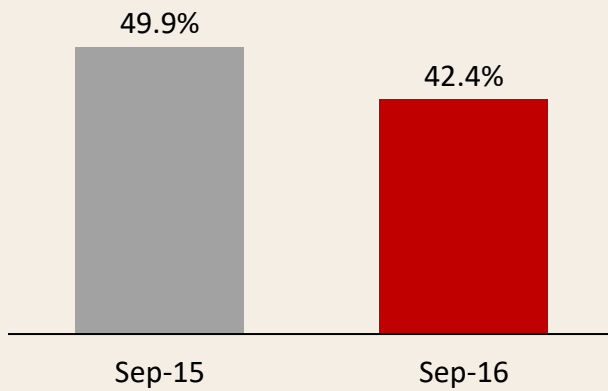
Cash PAT (%)



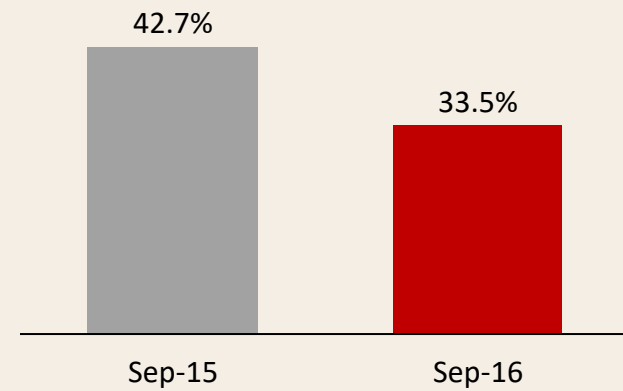
Ratio Analysis



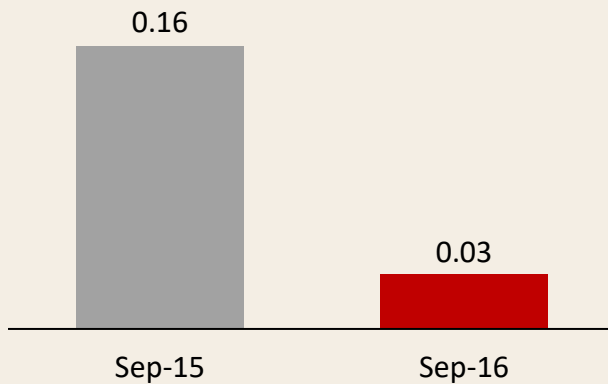
ROCE (%)*



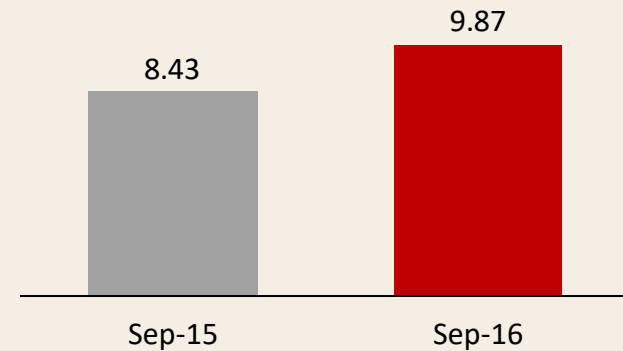
ROE (%)*



Long Term Debt/Equity (x)



Interest Coverage (x)



*PAT on annualised basis

Profit & Loss Statement



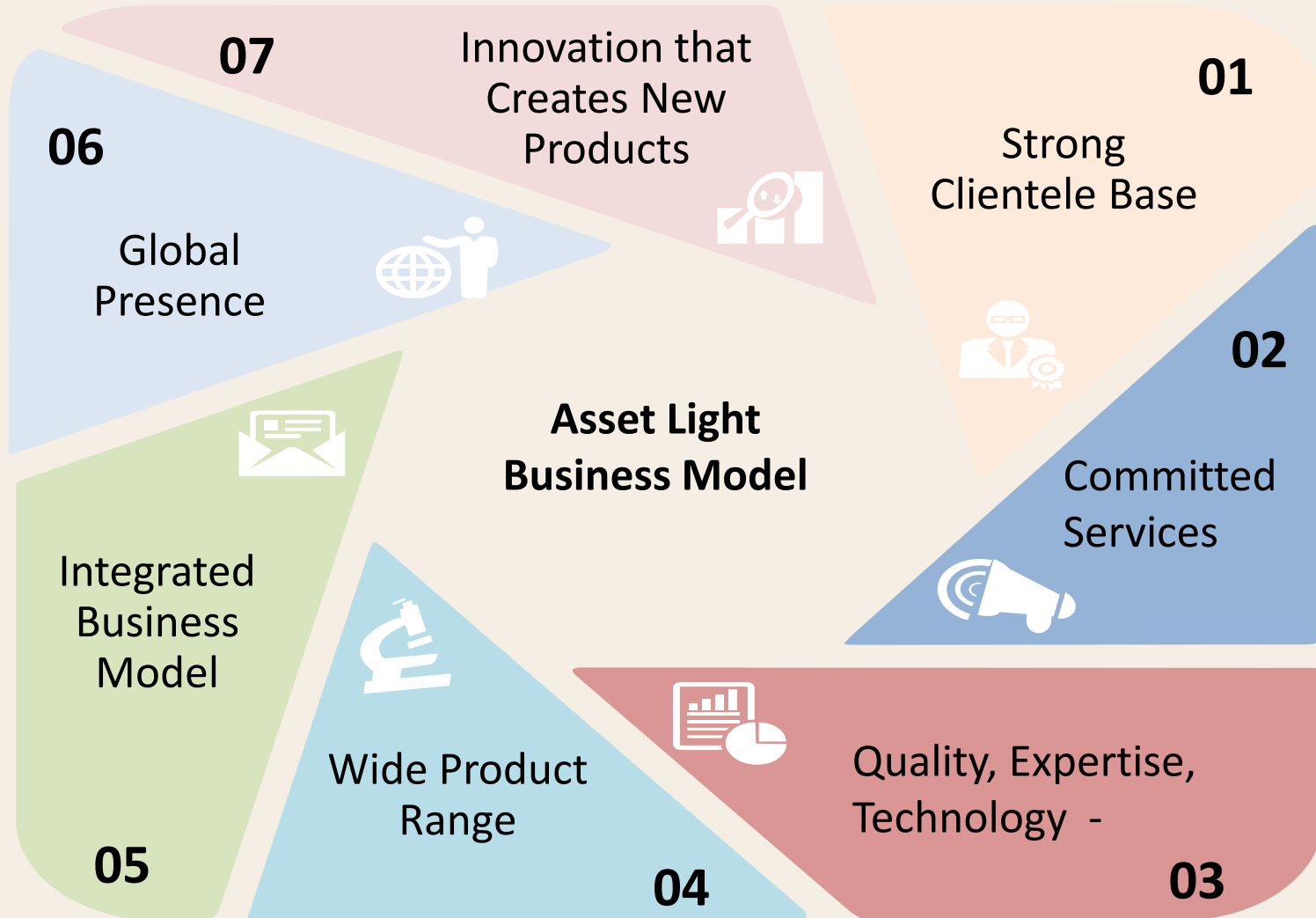
Particular (Rs. Crs)	H1FY17	H1FY16	Change %
Total Revenue	1,068.98	1,034.40	3.3%
Expenses			
Material consumed	563.26	526.22	
Employee benefits	54.21	46.91	
Power & Fuel Cost	30.05	31.68	
Other expenses	194.80	223.21	
EBITDA	226.66	206.38	9.8%
<i>EBITDA margin %</i>	<i>21.2%</i>	<i>19.9%</i>	<i>+130bps</i>
Depreciation	15.35	13.59	
EBIT	211.31	192.79	9.6%
<i>EBIT margin %</i>	<i>19.8%</i>	<i>18.6%</i>	<i>+120bps</i>
Finance charges	21.41	30.20	
Profit before Tax	189.90	162.59	16.8%
<i>PBT margin %</i>	<i>17.8%</i>	<i>15.7%</i>	<i>+210bps</i>
Tax expense	66.88	58.78	
Profit after Tax	123.02	103.81	18.5%
Other Comprehensive Income	(0.29)	(0.58)	
Total Comprehensive Income	122.73	103.23	18.9%
<i>PAT margin %</i>	<i>11.5%</i>	<i>10.0%</i>	<i>+150bps</i>
Cash profit	170.32	132.63	28.4%

Balance Sheet



Particular (Rs. Crs)	Sept-16
EQUITY AND LIABILITIES	
Equity Share Capital	39.48
Reserves & Surplus	692.38
Long Term Borrowings	20.27
Other Non Current Liabilities	99.77
Short Term Borrowings	160.08
Other Current Liabilities	329.30
TOTAL SOURCE OF FUNDS	1,341.28
ASSETS	
Fixed Assets	480.60
Non - Current Investments	19.61
Long Term loans and advances	10.62
Inventories	301.92
Trade Receivables	341.98
Cash and cash equivalents	14.84
Short Term Loans & Advances	0.16
Other Current Assets	171.55
TOTAL APPLICATION OF FUNDS	1,341.28

Our Strengths



Our Achievements

Leadership

2nd Largest manufacturer and exporter of Bed Sheets, Bed Linen, Quilts from India – TEXPROCIL

Preferred Supplier

3rd Largest Supplier of Bed sheets into USA

Global Player

11th Largest Home Textile Supplier into USA



Recognition

Ranked **235 in profit** among India's top 500 companies by profit - Dun & Bradstreet (D&B)

Strong Credit Profile

Credit Rating of "AA-" for Long-term bank facilities and "A1+" for Short-term bank facilities by ICRA and CARE

Performance

Strong growth in Profits. Reducing Debt thus Increasing Network

COMPANY OVERVIEW

Vision



“To be one of the Leading players in the Global Home Textile industry on the strengths of Technology, Experience and Innovation”

Indo Count is one of the leading end-to-end bedding provider that is solely focussed on creating all-encompassing sleep experiences for consumers around the world.

Management Team



Mr. Anil Kumar Jain – Executive Chairman

- ✓ Promoter of the Company & its his Vision to foray into the Home Textile Business
- ✓ Entrepreneurship skills and business leadership with 37 years of experience
- ✓ Widely recognized in the industry for his outstanding ability of turning business around

Mr. Mohit Jain – Managing Director

- ✓ Promoter & its his Vision of Emerging as a Leading Global Home Textile Company
- ✓ Graduated from Babson College , United States of America
- ✓ Over 17 years of Experience in Global Marketing & Entrepreneurship

Mr. K.R. Lalpuria – Executive Director

- ✓ Chartered Accountant with more than 30 years of experience in the Textile industry
- ✓ Associated with the company from past 6 years and has good network for business development globally

Mr. Kamal Mitra – Director (Works)

- ✓ Associated with the company from past 11 years & having more than 35 years of experience in the Textile Industry
- ✓ Responsible for the entire manufacturing operations of the Spinning facilities of the Group

Mr. Dilip Ghorawat – CFO

- ✓ Chartered Accountant with more than 25 years of experience in the Industry
- ✓ Responsible for Financial Strategy, Raising of Funds, Mergers & Acquisitions

Innovative Products



Institutional Linen

Flat sheets, pillow cases, duvet covers and shams; caters to hotels, hospitals and others



Utility Bedding

Basic white bedding, mattress pads, protectors, white filled comforters filled with poly fill fibre



Fashion Bedding

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



Bed Sheets

Flat sheet, fitted sheet and pillow cases

Global Presence



India

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



U.S.

- Showroom and design studio in New York
- Warehouse for retail and e-commerce at Charlotte



U.K.

- Showroom, design studio and warehouse in Manchester



AUSTRALIA

- Showroom, design studio and warehouse in Melbourne

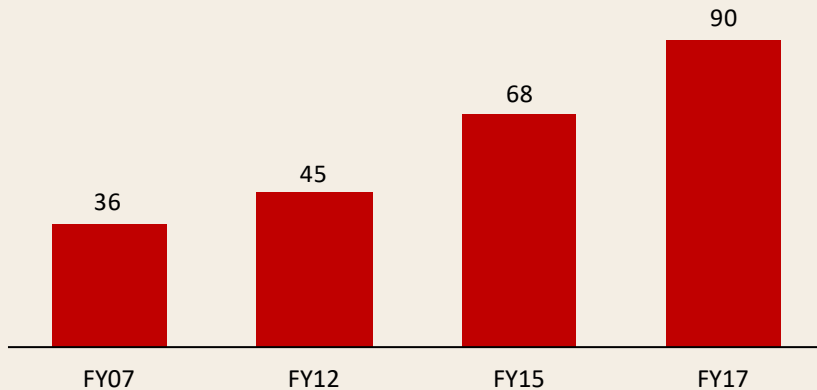
Exports to 54 countries

Proactive Manufacturing Capacity Investments



Phase 1 – Board Approved Capex of Rs. 175 crs

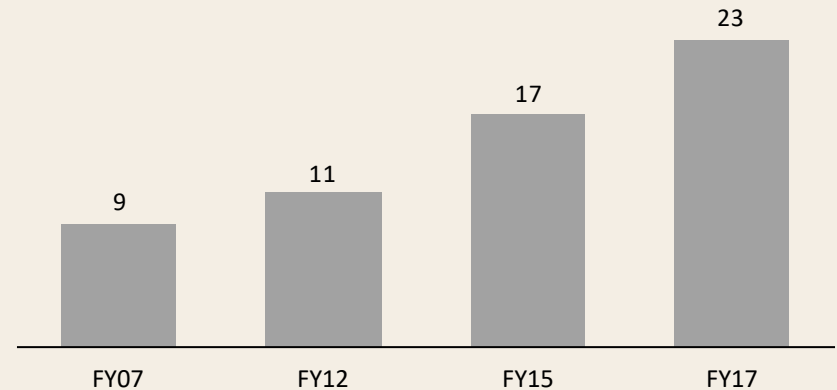
Processing Capacity - In mn meters



- The capital expenditure will be for
 - Increasing capacity from 68 mn meters/annum to 90 mn meters/annum – **by March 2017**
 - Setting up a state –of-the-art RO and water effluent treatment plant – **Completed**
 - Automation of cut-and-sew and warehousing – **by March 2017**

Phase 2 – Board Approved Capex of Rs. 300 crs

Sheet Sets - In mn



- The capital expenditure will be for
 - Upgrading Existing spinning facilities
 - Investment in additional weaving capacity (with specialized looms) and
 - Value added equipment's for the delivery of fashion and utility bedding

Continuous Initiatives...



Technology advancement for Customized Offerings

Building Brand Portfolio

Enhanced Product Mix with High Value Products

Increasing Target Market

Larger Showroom Experience

Domestic Brand Development

... strengthening Brand Positioning

Own Brands



Licensed Brands



HARLEQUIN



Indian Brand



Indo Count Approach



- Employment potential made available
- Improved women empowerment
- Skill Development



Every Smile Counts

Our continued success, our productivity, and our high standards of product quality are dependent upon our most crucial resource, our Employees & Environment

CSR

02

Key Philosophy is

“Every Smile Counts...”

- Focus areas are Education, Healthcare, Water & Sanitation, Medical Environment
- Undertaken through Indo Count Foundation and with other Trusts

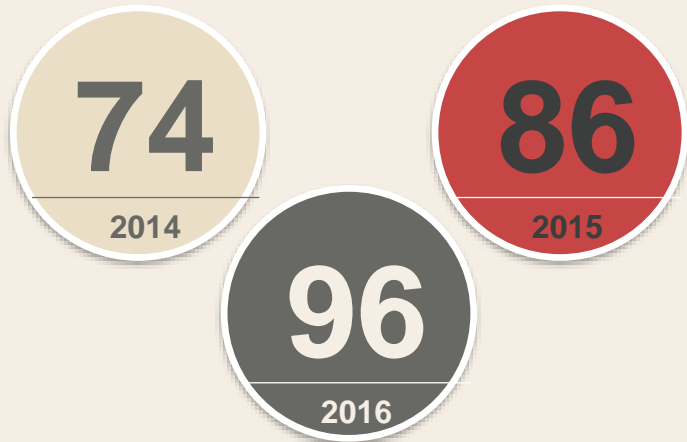
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Employees

Industry Discussion



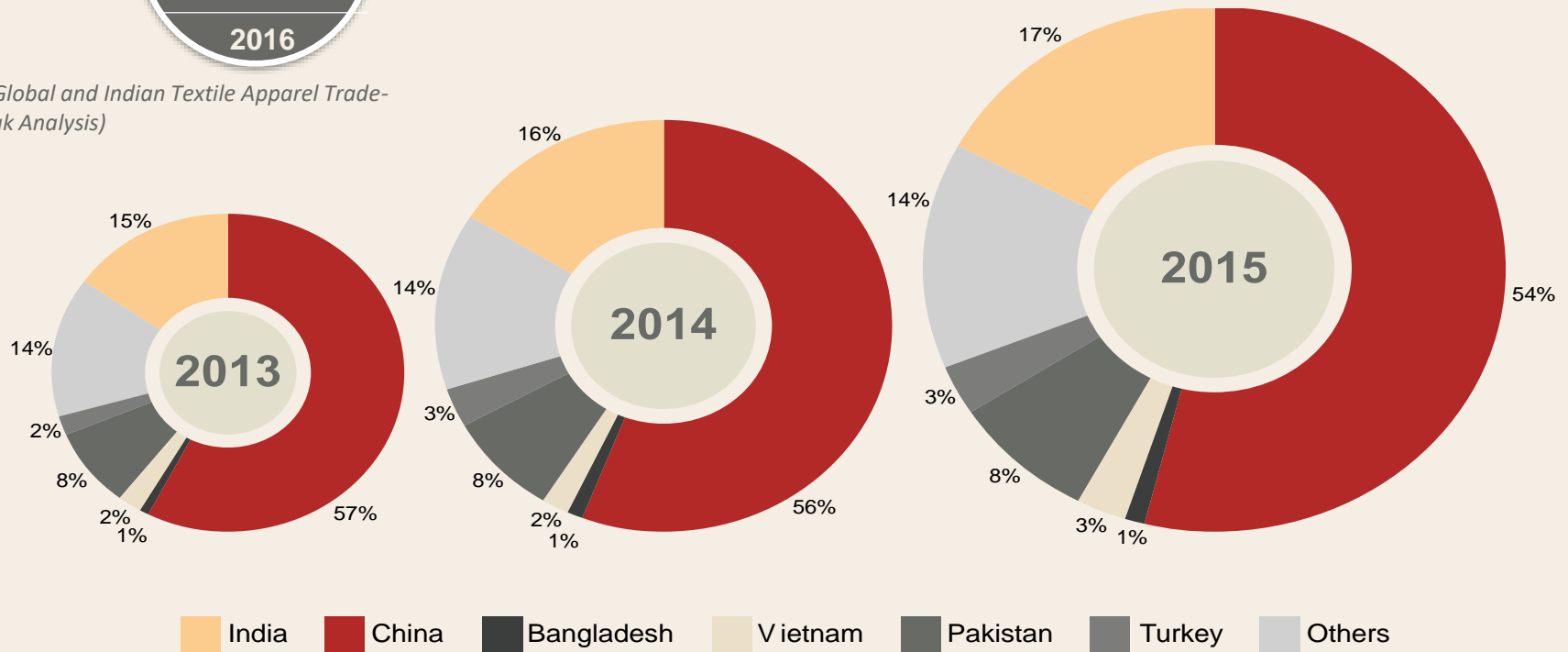
Global home textiles market in bn US\$



The global home textiles industry

- Industry growth of 5% expected to sustain through 2017
- Home linen nearly 21% of the total home textiles industry (by volume)
- Growing market for higher value home linen
- Widening home linen product mix

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



Made - Up Imports by United States – India's Share is Growing

India In A Position To Capitalize



Our Future Agenda

- Implement capacity expansion

- Increase capacity utilization

- Promote Bed Linen brands Globally

- Presence in Domestic market

- Strengthen customer mix

- Enhance margins

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 who has been awarded as one of the India's Best Top 100 CEO's 2015, the Company has focused on some of the world's finest fashion, institutional and utility bedding 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 processing capacity of the Company is being enhanced from 68 million meters to 90 million meters by the end of this fiscal year 2017.

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

The Company has launched the following innovated products:-

Infinity cotton: Blend of a few finest cotton varieties in the world resulting in superior yarn

Thermal balance: Balances temperature between body and bed to deliver superior sleep characteristics

ICIL has introduced three lifestyle brands "Boutique Living", "Revival" and "The Pure Collection" in March, 2016 in US Market. Further 3 new brands viz Sanderson, Harlequin and Scion, licensed through Walker Greenbank PLC UK, having strong presence in UK & Australia were introduced in North America.

ICIL is second largest manufacturer and exporter of bed linen from India; amongst the top three bed sheet suppliers in USA and eleventh largest global home textiles supplier to USA. ICIL has a strong global clientele and exports to more than 54 countries. Major revenues are derived from USA, the Company's largest market; its other prominent markets comprise UK, Canada, Europe, MENA and Australia etc. The Company enjoys long-term relationships with large global marquee retailers.

ICIL has been conferred for second consecutive year prestigious award from TEXPROCIL for the year 2015-16, SILVER TROPHY for the Second Highest Exports of "Bed Linen/Bed Sheets/Quilts under Category III.

Investors Contact

For further information please contact:

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