



Indo Count
COMPLETE COMFORT

Investor Presentation
Q1FY18

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Chairman's Message

*Commenting on the results, **Mr. Anil Kumar Jain, Executive Chairman**, “The quarter gone by has been challenging for us and the Industry. Slow off-take by our Customers coupled with lower amortization of operational costs has impacted our margin profile.*

We believe in our wide and innovative product profile and strong Customer relationship which will help us to overcome this challenge in time to come. Our strategy is to move up the value chain in our product mix and focus on operational efficiencies.

We are confident to capitalize on the opportunities in the Global and Domestic Home Textile Industry with our enhanced capacities and capabilities. Our market and customer centric approach will create a sustainable business model both in the Short term and Long term.”

Awards and Recognition



Mr. Mohit Jain, Managing Director, was honoured with one of “India’s Top 40 under Forty”, a prestigious celebration of India’s best business leaders, entrepreneurs and professionals under the age of 40. Economic Times, India’s leading Business Newspaper, in partnership with consulting firm Spencer Stuart, put together this definitive list of India Inc.’s future leaders. The Award was presented by Mr. D. Shivakumar, Chairman & CEO of Pepsico India. This prestigious award is the outcome of a rigorous exercise, beginning with an initial shortlist of over 500 candidates and culminating into a list of the top 40 by the esteemed jury comprising of Mr Harsh Goenka, Chairman of RPG Group, Ms Shikha Sharma, MD and CEO of Axis Bank, Mr D. Shivakumar, Chairman & CEO of Pepsico India, Mr Janmejaya Sinha, Chairman of Boston Consulting Group (Asia Pacific), Ms Vani Kola, Venture Capitalist and MD of Kalaari Capital, Ms Roopa Kudva, MD of Omidya Network India Advisors and Mr Naveen Tiwari, CEO of InMobi. .



Financial Performance

Standalone Key Financial Indicators

REVENUE (RS.CRS)

432

Q1FY18

493

Q1FY17

EBITDA (RS.CRS)

65

Q1FY18

110

Q1FY17

EBIT (RS.CRS)

58

Q1FY18

102

Q1FY17

PAT (RS.CRS)

32

Q1FY18

60

Q1FY17

CASH PAT (RS.CRS.)

40

Q1FY18

80

Q1FY17

NET DEBT/EQUITY (X)

0.33

Q1FY18

0.48

Q1FY17

Standalone Profit & Loss Statement

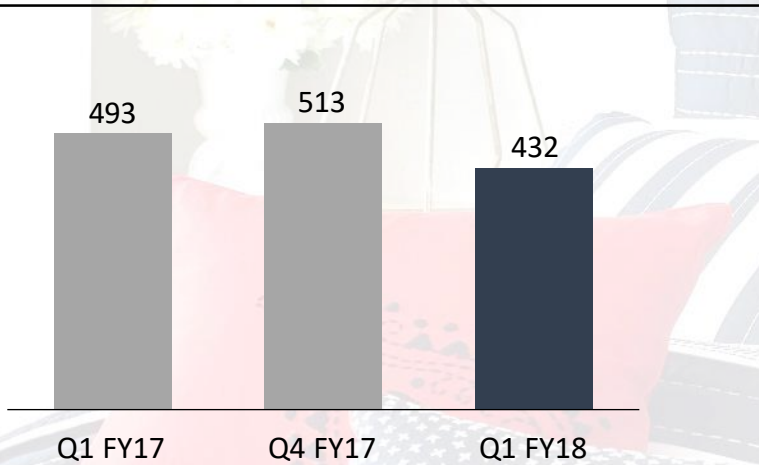
Particular (Rs. Crs)	Q1 FY18	Q4 FY17	Q1 FY17
Total Revenue	431.8	512.9	492.6
Expenses			
Material Consumed	216.5	245.4	254.8
Employee Benefits	28.1	30.8	26.0
Power & Fuel Cost	20.0	19.2	14.8
Other Expenses	101.9	127.4	86.8
EBITDA	65.3	90.1	110.3
<i>EBITDA Margin %</i>	<i>15.1%</i>	<i>17.6%</i>	<i>22.4%</i>
Depreciation	7.5	7.9	8.0
EBIT	57.8	82.2	102.2
<i>EBIT Margin %</i>	<i>13.4%</i>	<i>16.0%</i>	<i>20.7%</i>
Finance Charges	8.2	8.9	9.8
Profit before Tax	49.6	73.3	92.4
<i>PBT Margin %</i>	<i>11.5%</i>	<i>14.3%</i>	<i>18.8%</i>
Tax Expense	17.7	24.5	32.1
Profit after Tax	32.0	48.8	60.3
<i>PAT Margin %</i>	<i>7.4%</i>	<i>9.5%</i>	<i>12.2%</i>
Other Comprehensive Income	-0.3	-0.7	-0.1
Total Comprehensive Income	31.7	48.1	60.2
Cash Profit	40.0	69.2	79.7

Key Highlights of Q1 FY18

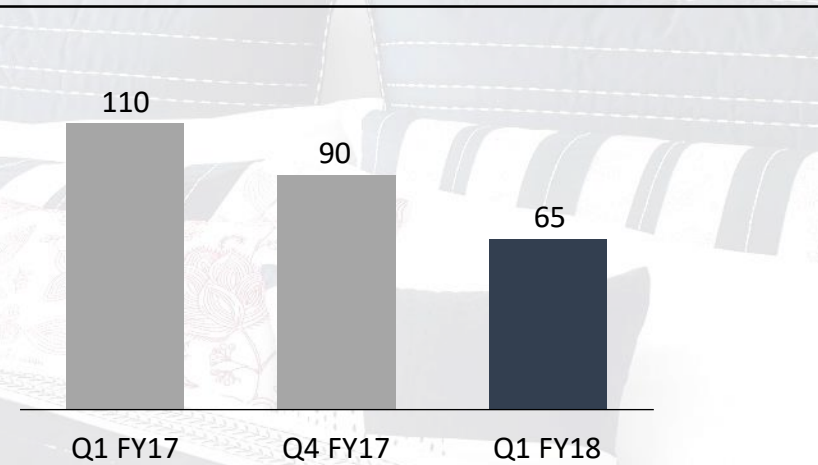
- We began FY18 guiding 62-63mn sales volume based on annual off-take estimates of our customers. Q1FY18 witnessed de-stocking resulting in off-take deferment from some of our customers which has resulted in Sales de-growth.
- We continue to work closely with our Customers adding value to their Retail strategy. We have not lost any customer however we have refrained supplies to couple of financially stressed customers.
- Based on our expectation of re-stocking commencing slowly, we estimate FY18 to be flattish.
- Rise in raw-material and operational costs coupled with lower absorption of fixed costs on account of lower volumes impacted the EBITDA margin for the quarter.
- Credit Rating Agency ICRA, in its letter dated 10th August 2017 has reaffirmed the Long-term rating of ICRA AA- (pronounced ICRA double A minus) and the Short-term rating of ICRA A1+ (pronounced ICRA A one plus). The Outlook on the long-term rating has been revised to Positive from Stable.
- The rating reaffirmations and revision in outlook by ICRA are demonstrative of the Company's sustainable financial position.

Standalone Financial Highlights: Q1FY18

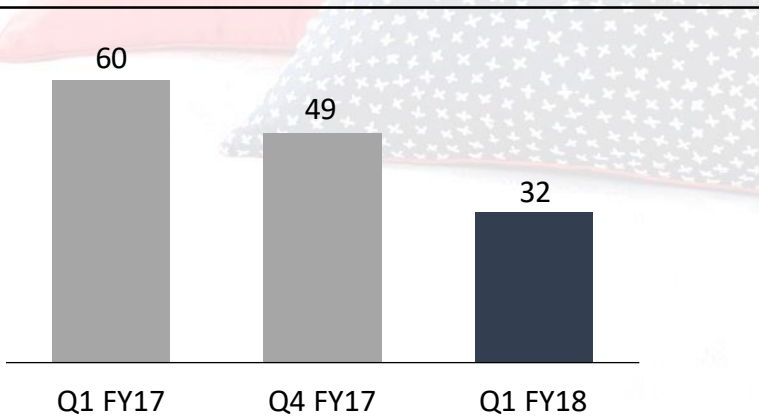
Revenue (Rs. In crs)



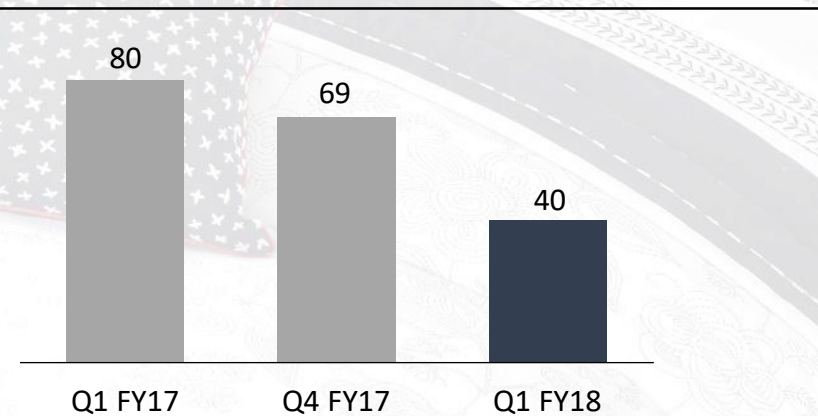
EBITDA (Rs. In crs)



PAT (Rs. In crs)

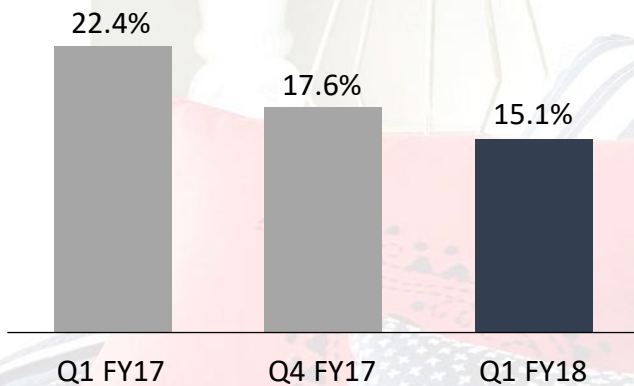


Cash PAT (Rs. In crs)

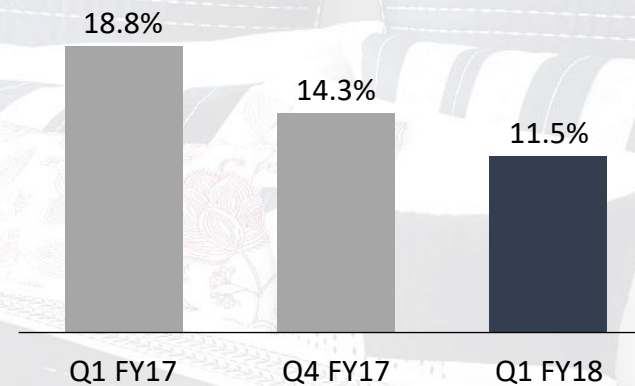


Standalone Margin Profile: Q1FY18

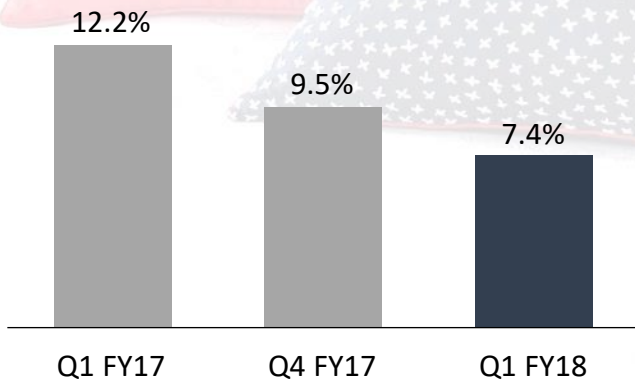
EBITDA (%)



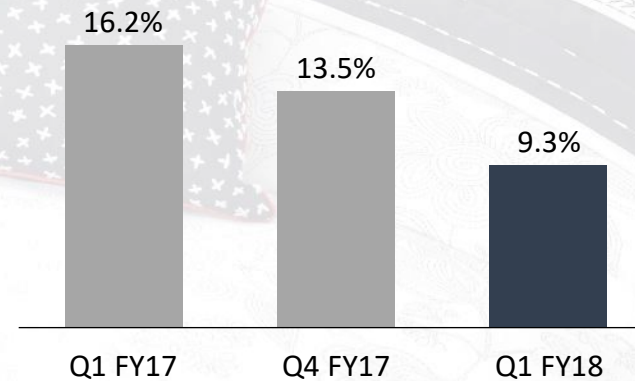
PBT (%)



PAT (%)

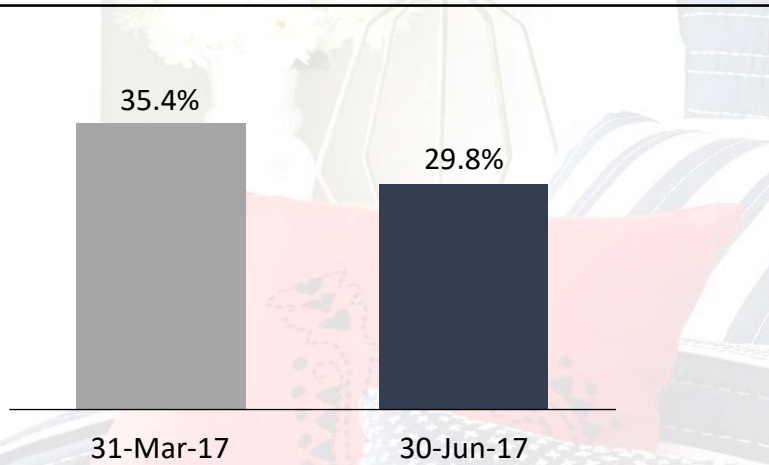


Cash PAT (%)

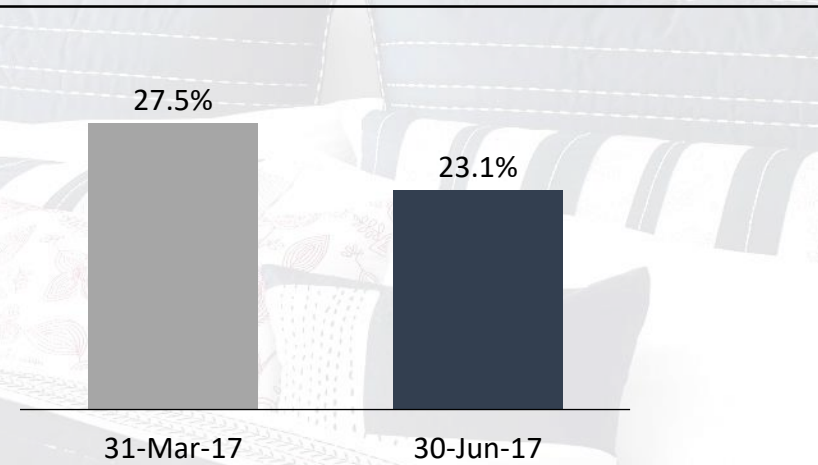


Standalone Ratio Analysis: Q1FY18

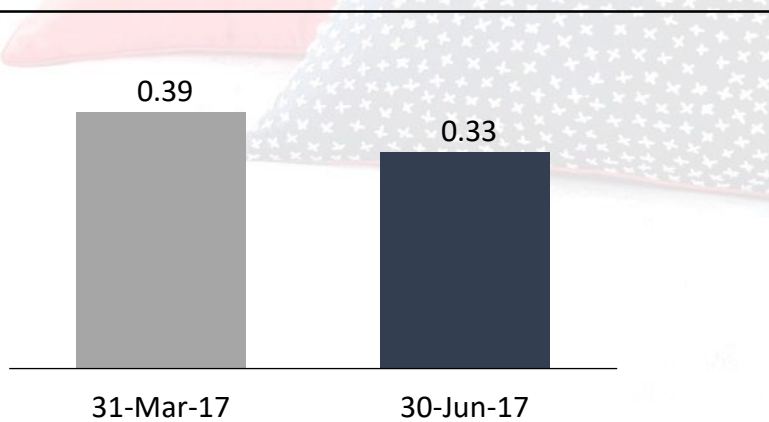
ROCE (%)*



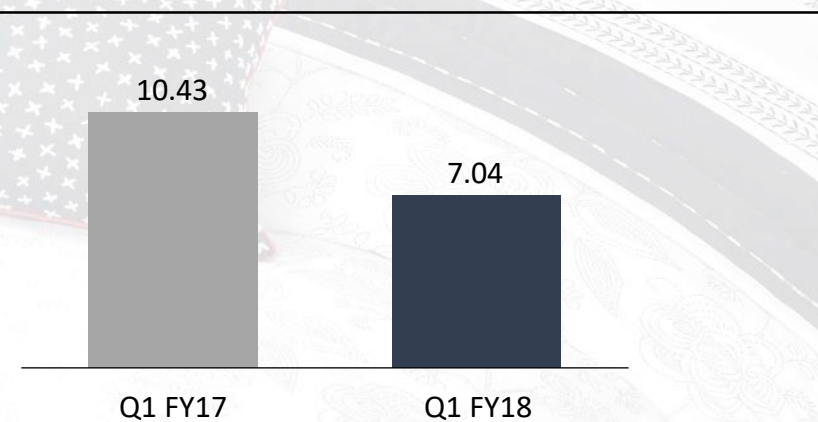
ROE (%)*



Net Debt/Equity (x)



Interest Coverage (x)

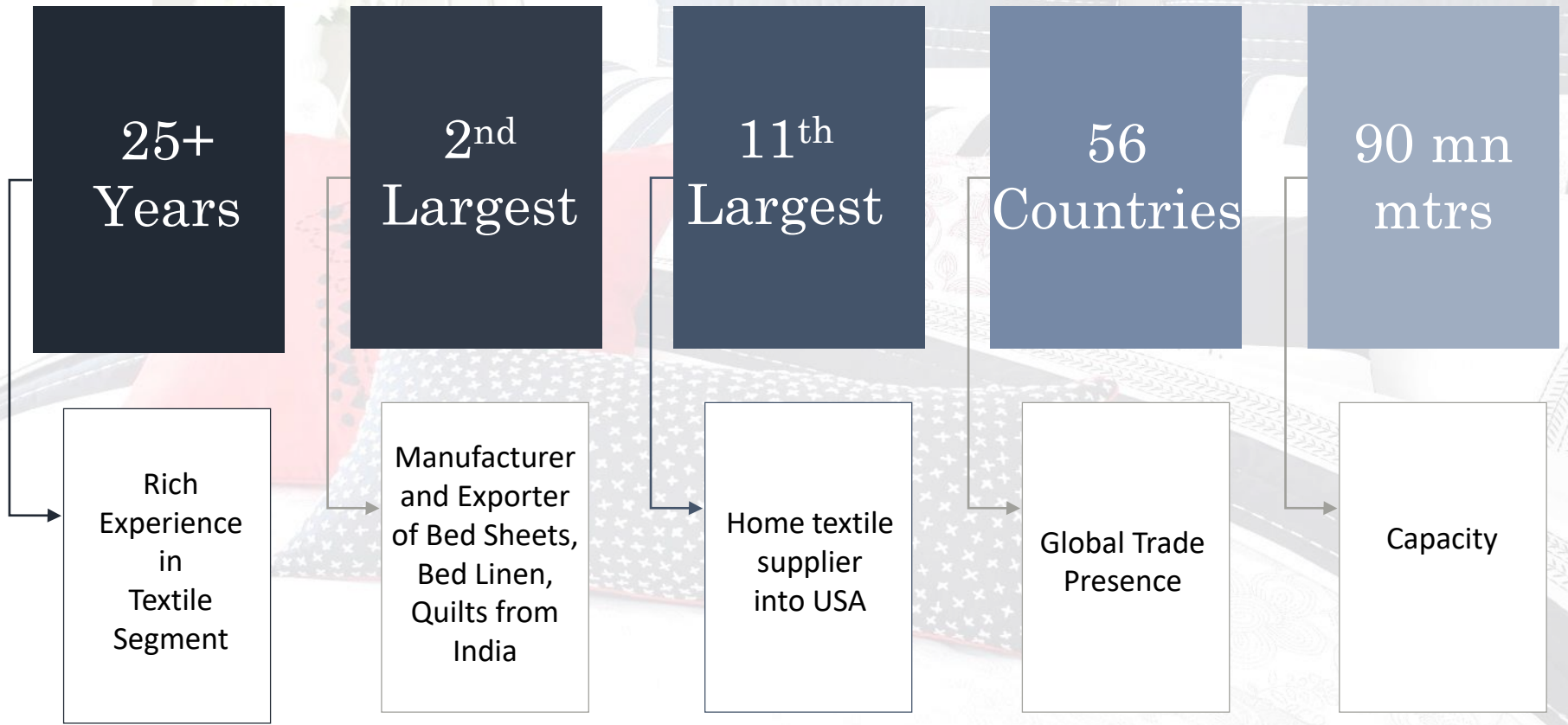


* On TTM basis



Business Highlights

Indo Count: At Glance



Business Highlights: Two-Pronged Strategy



Increased Product Offerings

- Well established Global Home Textiles Manufacturer
- “One Stop Shop for Bedding”
- Expanded product offerings from ‘Sheet Set’ to Fashion, Utility & Institutional Bedding



Geographic Expansion

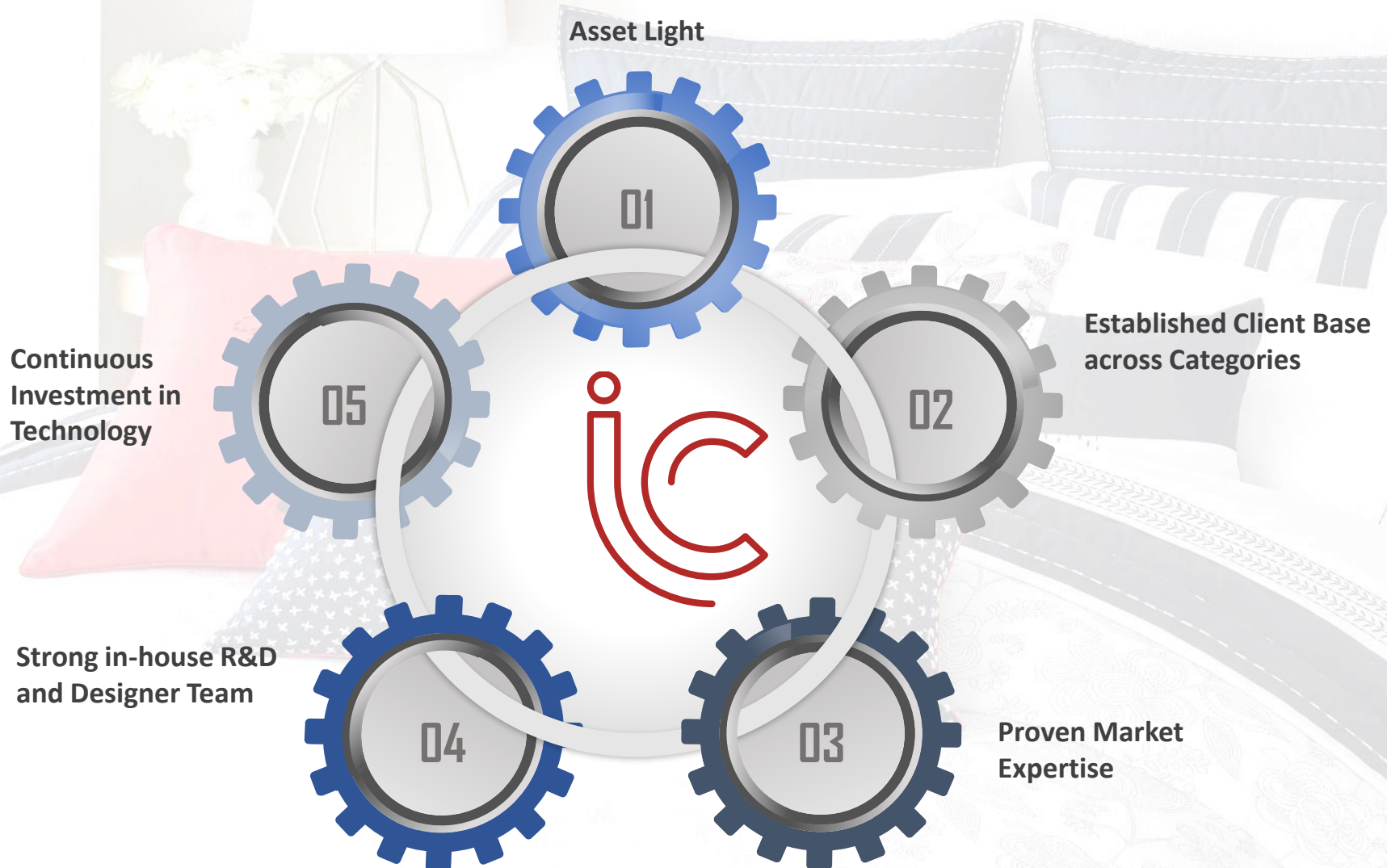
- Currently exporting to 56 countries
- Efforts on continuous basis to expand the Global footprint by entering newer geographies
- ‘Make in India & Sell in India’ ventured into the growing Indian Home Textiles space through our domestic offering





The Indo Count Approach

Advantage Indo Count



Own Lifestyle Brands



Licensed Lifestyle Brands

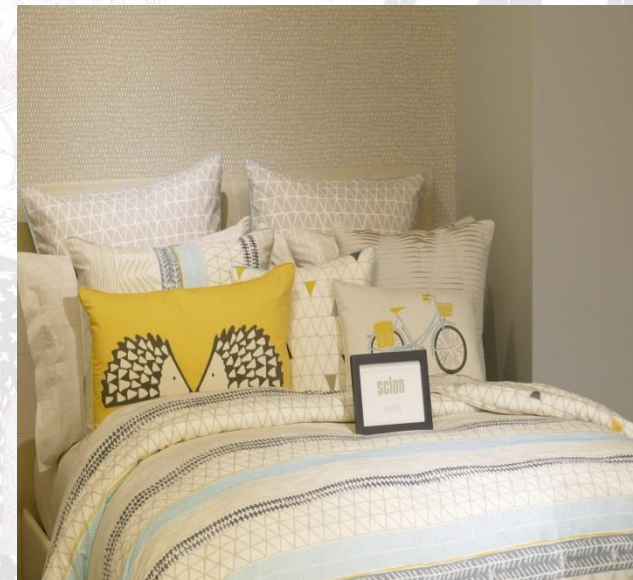


Sanderson

HARLEQUIN

scion

For over 150 years, Sanderson's renowned expertise for offering classic, inspirational products like quilts, duvet covers, cushions, and bedspreads has been based on documents from its extensive archive. Sanderson is known for its lasting quality, classic style and contemporary English design.



Brand in India



*Presence across 20 states and sold across 148 cities with 310 stores in India
Online foray to reach to the vast customer base - www.boutiquelivingindia.com*

Global Presence



India

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



U.S.A.

- Showroom and design studio in New York
- Warehouse for distribution at Charlotte



U.K.

- Showroom, design studio and warehouse in Manchester



AUSTRALIA

- Showroom, design studio in Melbourne

Exporting to 56 countries and counting...

'Focussed Market' Approach



** Actual photographs of the HGH Exhibition on 4th-6th July 2017*

Technology advancement for Customized Offerings

Building Brand Portfolio

Enhanced Product Mix with High Value Products

Increasing Target Market

Domestic Brand Development

Global Presence & 'Customer First' Approach

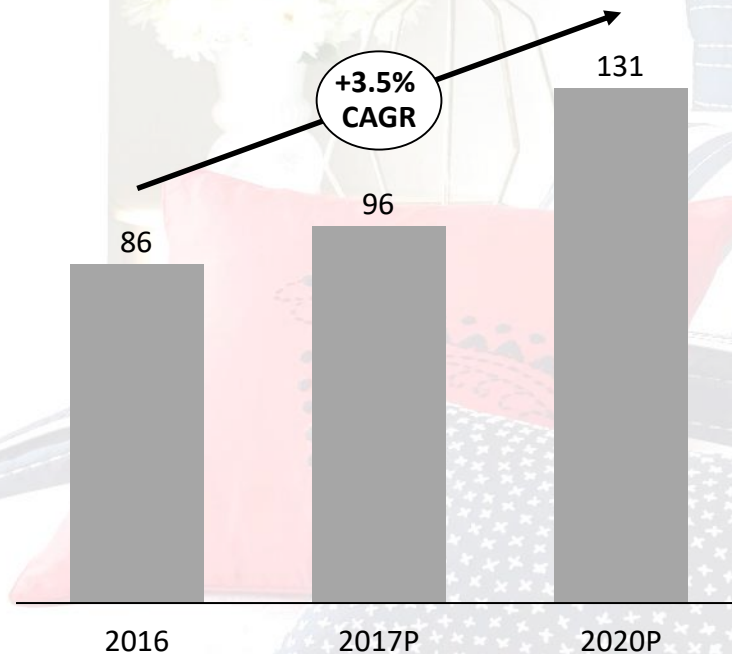
... strengthening Brand Positioning



Industry Perspective

Global Home Textile Market

In USD Bn



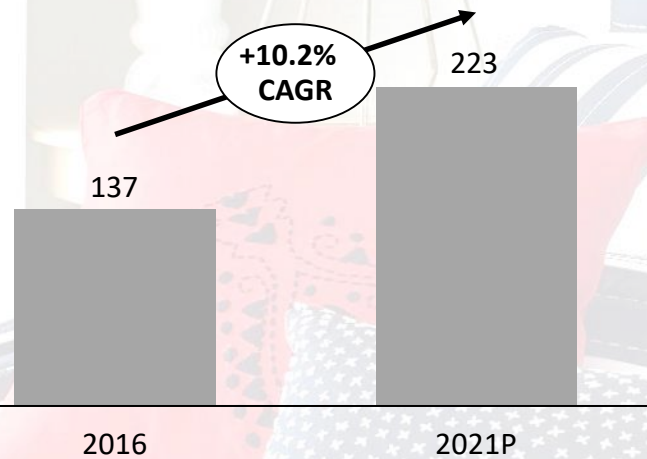
- Global Home Textile Market is expected to grow at CAGR of 3.5% from 2016 to 2020
- Indian products has gained a significant market share in global home textiles in the past few years. Accounts for 7% of global home textiles trade
- China's slowdown giving an opportunity of growth to the Indian Players

Further Strengthening our Position in the US Market with gaining market share

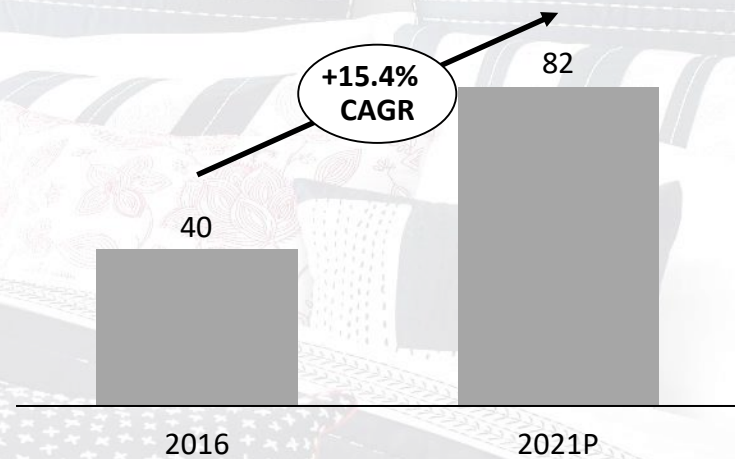
Domestic Textile and Apparel Industry

In USD Bn

Domestic Textile and Apparel Industry



Total Textile and Apparel Industry Export

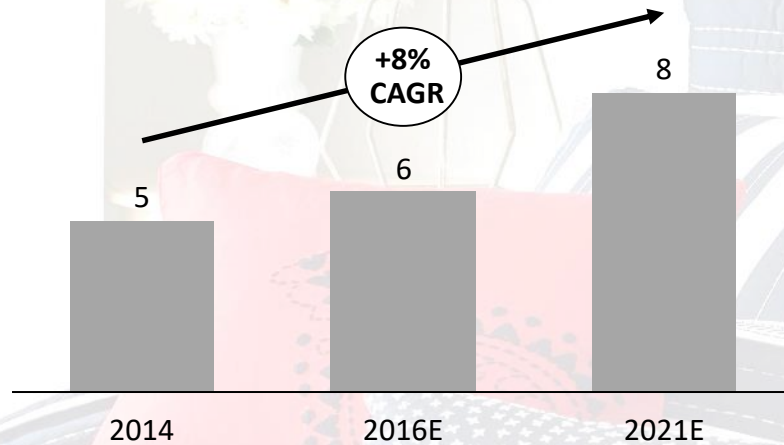


- India is the third largest exporter of textiles in the world
- Over the past few years, Indian products have gained an increased market share in the global home textiles and accounts for 7% of global home textiles trade

Domestic Home Textile Market

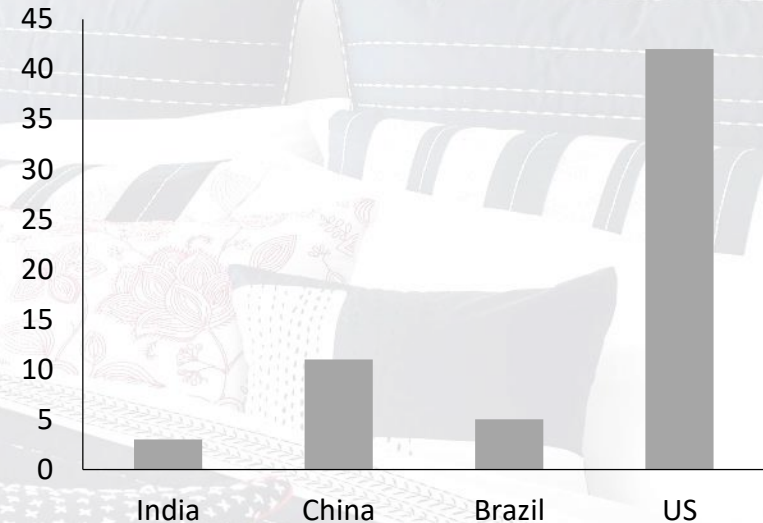
In USD Bn

Domestic Home Textile Market



- Domestic Home Textile Market is expected to grow at a CAGR of 8%
- Bed Linen is expected to grow at CAGR of 8% from Rs. 8,965 Crs 2011 to Rs. 19,350 Crs in 2021

Market Size of Home Textiles



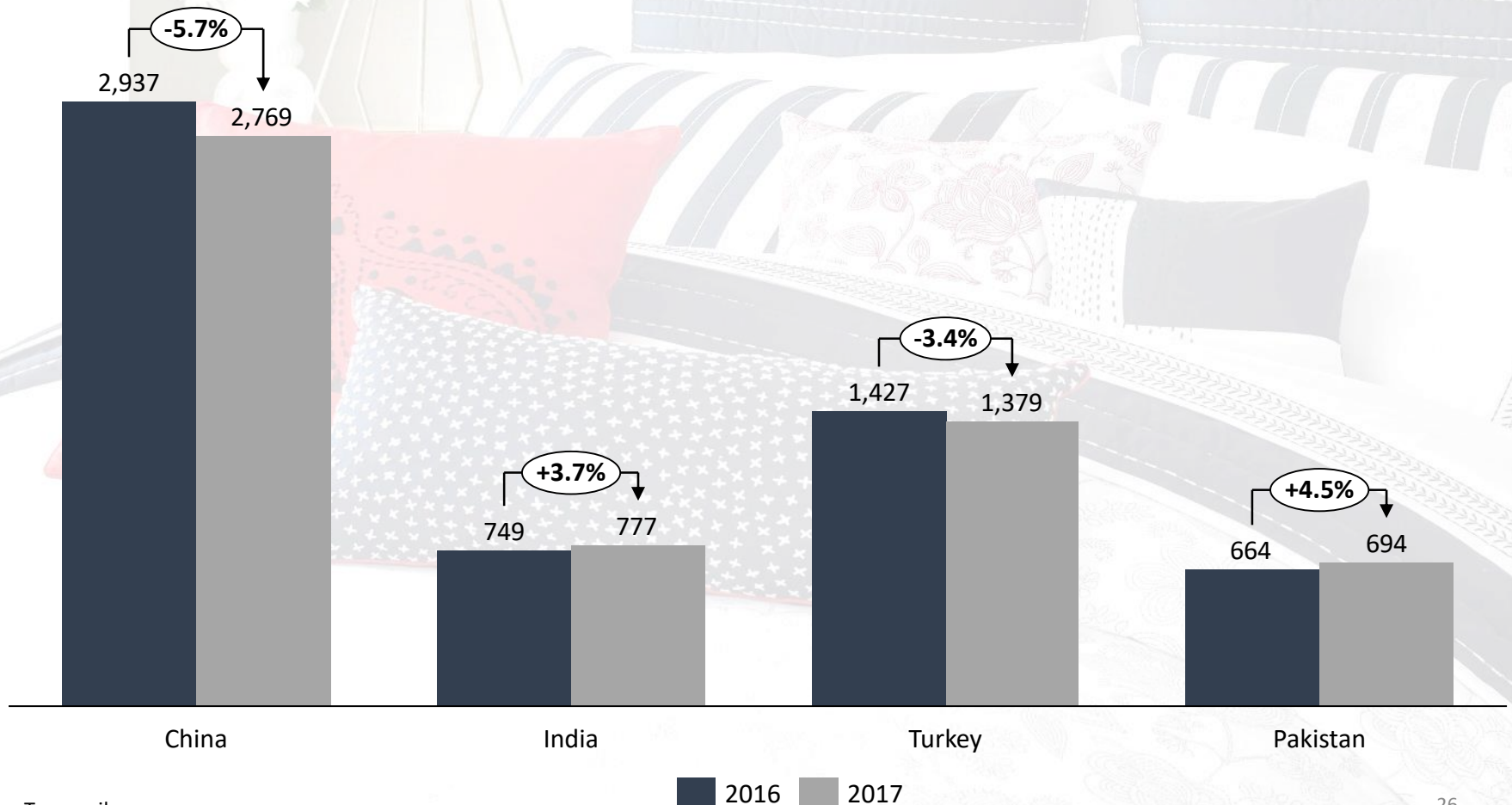
- Annual per capita consumption of home textiles is about US\$3 (About Rs 150) in India compared to world average of US \$23 (About Rs 1200)
- Underpenetrated Market- Opportunity of growth

Increasing Focus on Domestic market to Capitalize the growth opportunities

EU Import of Textile

In USD Mn

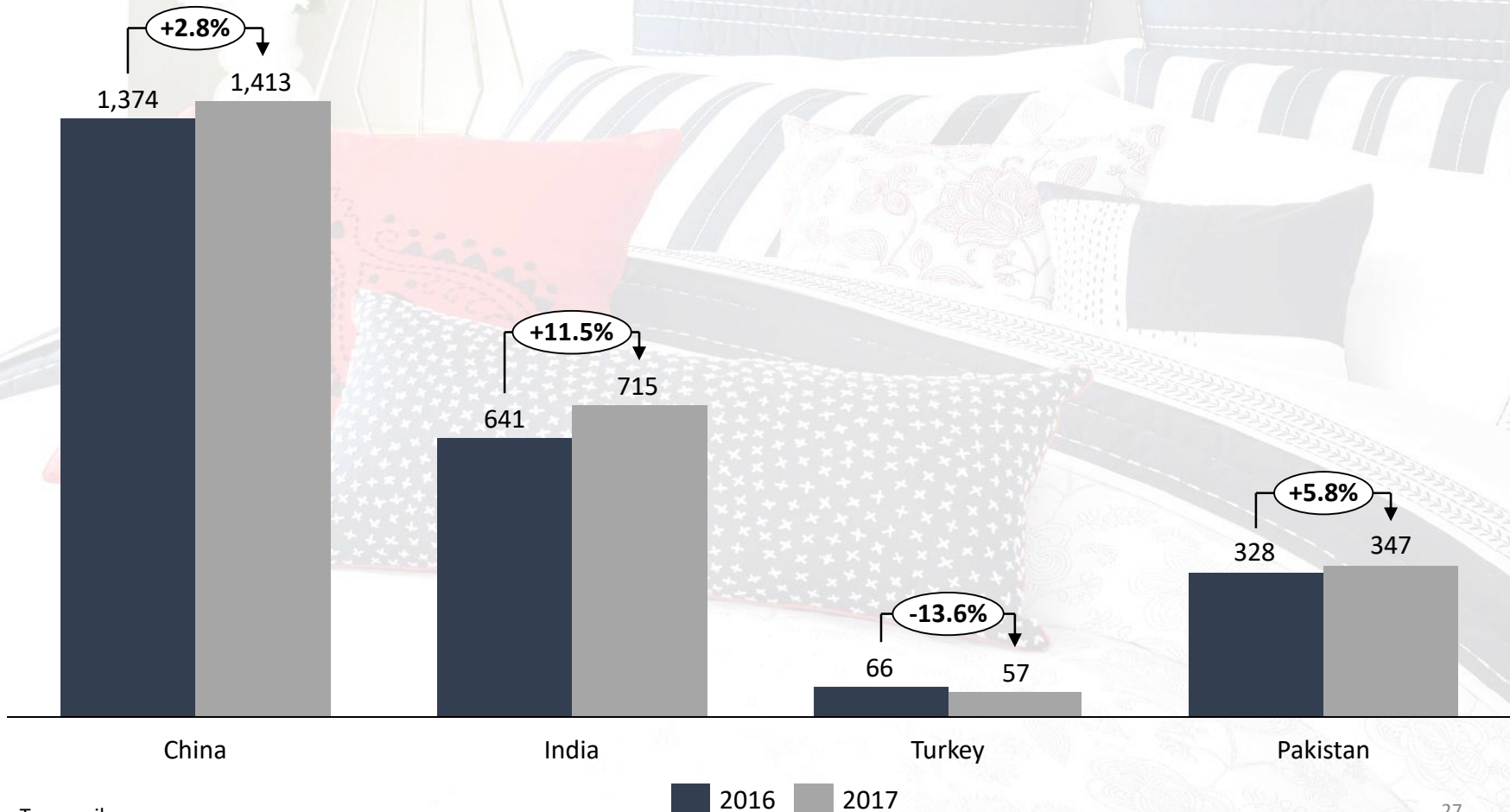
India is the second fastest growing country in EU region inspite of no FTA Agreement



US Import of Cotton Textile

In USD Mn

India's share in the largest 'Single Country' market – USA has been growing consistently



Domestic Cotton Outlook



**Cotton Prices
expected to be
Stable**

**Increase in
Domestic
Consumption by
5% in FY18**

**Increase in
Production-
acreage to increase
10%-15% to near
120 million
hectares in FY18**

Our Future Agenda

- **Efficient Utilization of All Resources**
- **Increase Global Market Presence**
- **Promote Domestic Brand Pan India**
- **Judicious Capital Allocation**

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, Executive Chairman, who has been awarded as one of the India's Best Top 100 CEO's 2016, the Company has focused on some of the world's finest fashion, institutional and utility bedding & sheets 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 company's capacity currently stands at 90 million meters.

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

ICRA has recently reaffirmed its credit rating as "ICRA AA-" for Company's Long Term Bank Facilities and "ICRA A1+" for Short term bank facilities. ICRA has further upgraded the outlook to Positive from Stable.

Our existing credit rating 2016-17 with CARE stands as "CARE AA-" for Company's Long Term Bank Facilities and "CARE A1+" for Short term bank facilities with Stable outlook.

Investor Contact

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