

22nd May, 2019

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| <p>The National Stock Exchange of India Ltd. Listing Department Exchange Plaza, Bandra Kurla Complex, Bandra (East), <u>Mumbai – 400 051</u></p> <p>Company Symbol : ICIL</p> | <p>BSE Limited Department of Corporate Services Floor 25, Phiroze Jeejeebhoy Towers, Dalal Street, <u>Mumbai – 400 001</u></p> <p>Scrip Code No. : 521016</p> |
|---|---|

Subject: Press Release FY19

Please find enclosed herewith a copy of Press Release with respect to Audited Financial Results for the year ended 31st March, 2019.

Kindly take the above on record.

Thanking you,

Yours faithfully,

For Indo Count Industries Limited



Amruta Avasare
Company Secretary
ACS No.: 18844



Encl: A/a

INDO COUNT INDUSTRIES LIMITED

Head Office : 301, Arcadia, III Floor, Nariman Point, Mumbai - 400021 Maharashtra, India | T 91 22 4341 9500 | F 91 22 2282 3098

Marketing Office : 25, Yardhaman Industrial Complex, Gokul Nagar, Thane (W) - 400601 Maharashtra, India | T 91 22 4151 1800 | F 91 22 2172 0121

Home Textile Division : T3, Kagal - Hatkanangale Five Star, MIDC Ind. Area, Kolhapur - 416216 Maharashtra, India | T 91 231 662 7900 | F 91 231 662 7979

Spinning Division : D1, MIDC, Gokul Shirgaon, Kolhapur - 416234 Maharashtra, India | T 91 231 268 7400 | F 91 231 267 2161

Regd. Office : Office No. 1, Plot No.266, Village Alte, Kumbhoj Road, Taluka Hatkanangale, Dist. Kolhapur - 416109 Maharashtra, India | T 91 230 2463100 / 2461929

CIN L72200PN1988PLC068972 | E info@indocount.com | W www.indocount.com



INDO COUNT INDUSTRIES LIMITED

Corp office: 301, "ARCADIA" 3rd Floor, Nariman Point, Mumbai - 400 021 | Phone: 91-22-43419500 | icilinvestors@indocount.com | www.indocount.com

P R E S S R E L E A S E : 22nd May 2019, MUMBAI

INDO COUNT INDUSTRIES LTD FY19 RESULTS

Indo Count Industries Ltd. reported audited standalone results for the quarter and and year ended 31st March 2019 along with consolidated financial results for the year ended 31st March 2019.

MANAGEMENT PERSPECTIVE

Commenting on the results, Mr. Anil Kumar Jain, Executive Chairman, said, "The Indian Home Textile Industry continued to grow amidst challenging business environment led by currency volatility and higher input costs.

Despite testing times, we have been able to grow our volumes for the full year. Going ahead, we believe in sweating our existing capacities to witness growth and operating efficiencies."

Sales Volume

Sales volume for FY19 stood at 57.5 mn meters versus 54.3 mn metres in FY18 a growth of 6% on YoY basis.

Going ahead, for the current financial year we expect volumes to be in the range of 63 mn meters to 65 mn meters

Net Income (excluding Forex)

Consolidated Net Income (excluding Forex) for FY19 stood at Rs. 1,945 crores as against Rs. 1,867 crores for FY18 registering a growth of 4%.

Standalone Net Income for Q4FY19 stood at Rs. 402 crores as against Rs. 406 crores same period last year.

Normalized EBIDTA (excluding Forex)

Due to volatile exchange rates, the company booked forex loss in other expenses to the tune of Rs. 31 Crs for FY19 and Rs. 10 Crs for Q4FY19 on Standalone basis

Despite challenges around increased input costs and reduced government incentives, the Consolidated Normalized EBIDTA for FY19 registered a growth of 15% and stood at Rs. 197 crores versus Rs. 171 crores for FY18. The Normalized EBIDTA Margin was at 10.1% in FY19 versus 9.2% in FY18 registering a growth of 96bps on YoY basis.



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For Q4FY19 the Standalone Normalized EBITDA stood at Rs. 31 crores versus Rs. 42 crores for Q4FY18. The Normalized EBITDA Margin stood at 7.6% in Q4FY19.

Financial Highlights : P&L

| Particulars (Rs. In Crs) | Standalone | | | | | | Consolidated | | |
|-------------------------------------|-------------|--------------|-----------------|--------------|--------------|--------------|--------------|--------------|--------------|
| | Q4FY19 | Q4FY18 | YoY% | FY19 | FY18 | YoY% | FY19 | FY18 | YoY% |
| Total Income | 402 | 424 | | 1,823 | 1,808 | | 1,945 | 1,958 | |
| Less: Forex Gain/(loss) | - | 17 | | - | 91 | | - | 91 | |
| Net Income | 402 | 406 | (1.2%) | 1,823 | 1,718 | 6.1% | 1,945 | 1,867 | 4.1% |
| Cost of Material | 221 | 203 | | 972 | 952 | | 1,031 | 1,044 | |
| Power Cost | 18 | 20 | | 84 | 76 | | 94 | 85 | |
| Employee Expenses | 27 | 27 | | 121 | 110 | | 144 | 127 | |
| Other Expenses | 115 | 114 | | 485 | 405 | | 509 | 440 | |
| Total Expenses | 381 | 364 | | 1,662 | 1,543 | | 1,778 | 1,696 | |
| Less: Forex Loss | 10 | - | | 31 | - | | 31 | - | |
| Net Expenses | 371 | 364 | | 1,631 | 1,543 | | 1,748 | 1,696 | |
| NORMALIZED EBITDA | 31 | 42 | (27.7%) | 192 | 175 | 9.9% | 197 | 171 | 15.0% |
| NORMALIZED EBITDA MARGIN (%) | 7.6% | 10.4% | (280bps) | 10.5% | 10.2% | 36bps | 10.1% | 9.2% | 96bps |
| Reported EBITDA | 20 | 60 | | 161 | 265 | | 166 | 262 | |
| Reported EBITDA Margin (%) | 5.1% | 14.1% | | 8.8% | 14.7% | | 8.5% | 13.4% | |

Figures are rounded off wherever required

Consolidated Balance Sheet

| Particulars (Rs. In Crs) | FY19 | FY18 |
|---|------------|------------|
| Shareholders Equity (Excluding Minority) | 975 | 956 |
| Gross Debt | 314 | 371 |
| Net Debt | 281 | 346 |
| Net Debt:Equity | 0.3 | 0.4 |

Dividend

The Board has recommended Final Dividend of Rs. 0.60 per equity share i.e. (30%) of Rs. 2/- per share, subject to the approval of shareholders at ensuing Annual General Meeting.



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Update on the Capex

The Board has decided to postpone investment in additional weaving capacity for the Phase II of the capex plan. Thus the new capex of Rs. 200 Crs will not be incurred in the near future, barring the normal capex.

Domestic Business

We continue our efforts in promotion of our domestic brand and are witnessing a positive acceptance from the customers

Additional Business Highlights

Innovations & R&D: Our Company has tied up with the LEEDS University UK for R&D. We intend to bring path breaking innovations for our global customers.

Global Presence: We have further strengthened our sales efforts by making the Dubai Office fully functional which will help us to promote our products in the MENA region and other surrounding countries.



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A BRIEF INSIGHT INTO INDO COUNT INDUSTRIES LIMITED

CIN: L72200PN1988PLC068972

Indo Count Industries Ltd (ICIL), is one of India's largest Home Textile manufacturer. Mr. Anil Kumar Jain, Executive Chairman, has been ranked 10th amongst the India's Best Top 100 CEO's 2017 by Business Today. Under his leadership, 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 current capacity is 90 million meters.

The Company's product comprises the following: -

- Bed Sheets: Flat sheet with top Hem, fitted sheet, pillow cases and duvets
- Fashion Bedding: Comforters, bed in bag, quilts and coverlets, decorative pillows, etc.
- Utility Bedding: mattress pads, protectors, comforters filled with fibre
- Institutional Linen: Caters to hotels, hospitals and others

The Company has launched 4 Brands namely, Heirlooms of India, ATLAS, Morris & Co. and Purity Home in the Fashion Bedding segment. The company has also launched a utility bedding Brand by the name of "Whole Comfort" in the Global markets

ICIL is one of the largest manufacturers and exporter of bed linen from India; amongst the top three bed sheet suppliers in USA and Twelfth 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 region and Australia etc. The Company enjoys long-term relationships with large global marquee retailers.

KOHL's, a large retailer in USA has awarded our Company for "Best Collaboration in Design & Product development".

JC Penney, another large retailer in USA has awarded our Company with a "Platinum Certification Status" for Sheets & Fashion bedding category.

ICRA has reaffirmed the credit rating as ICRA AA- (Double A minus) with Outlook Negative for Company's Long-Term Bank Facilities and ICRA A1+ (A one plus) for Short Term Bank facilities. CARE has revised credit rating to CARE AA- (Double A minus), Outlook Negative for Company's Long-Term Bank Facilities and CARE A1+ for Short Term Bank Facilities.

Safe Harbor Statement

Statements in this document relating to future status, events, or circumstances, including but not limited to statements about plans and objectives, the progress and results of research and development, potential project characteristics, project potential and target dates for project related issues are forward-looking statements based on estimates and the anticipated effects of future events on current and developing circumstances. Such statements are subject to numerous risks and uncertainties and are not necessarily predictive of future results. Actual results may differ materially from those anticipated in the forward-looking statements. The company assumes no obligation to update forward-looking Statements to reflect actual results changed assumptions or other factors.

For further information, please contact:

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