



Indo Count Industries Limited

FY 2014-15
Investor Presentation



Safe Harbor

This presentation and the accompanying slides (the “Presentation”), which have been prepared by Indo Count Industries Ltd (the “Company”), solely for information purposes and do not constitute any offer, recommendation or invitation to purchase or subscribe for any securities, and shall not form the basis or be relied on in connection with any contract or binding commitment whatsoever. No offering of securities of the Company will be made except by means of a statutory offering document containing detailed information about the Company.

This Presentation has been prepared by the Company based on information and data which the Company considers reliable, but the Company makes no representation or warranty, express or implied, whatsoever, and no reliance shall be placed on, the truth, accuracy, completeness, fairness and reasonableness of the contents of this Presentation. This Presentation may not be all inclusive and may not contain all of the information that you may consider material. Any liability in respect of the contents of, or any omission from, this Presentation is expressly excluded.

Certain matters discussed in this Presentation may contain statements regarding the Company’s market opportunity and business prospects that are individually and collectively forward-looking statements. Such forward-looking statements are not guarantees of future performance and are subject to known and unknown risks, uncertainties and assumptions that are difficult to predict. These risks and uncertainties include, but are not limited to, the performance of the Indian economy and of the economies of various international markets, the performance of the tire industry in India and world-wide, competition, the company’s ability to successfully implement its strategy, the Company’s future levels of growth and expansion, technological implementation, changes and advancements, changes in revenue, income or cash flows, the Company’s market preferences and its exposure to market risks, as well as other risks. The Company’s actual results, levels of activity, performance or achievements could differ materially and adversely from results expressed in or implied by this Presentation. The Company assumes no obligation to update any forward-looking information contained in this Presentation. Any forward-looking statements and projections made by third parties included in this Presentation are not adopted by the Company and the Company is not responsible for such third party statements and projections.



Company Overview



Company Overview



Company Brief

Established as a public limited company in 1991, Indo Count is one of the leading globally vertical integrated home textile manufacturing and exporting company



Vision

To be one of the leading players in the global home textile industry on strengths of technology, experience and innovations.



Mission

Indo Count is committed to provide all customers desired quality, services and value for money through our technological and organizational strengths.



Our Values



State-of-the-art
Machinery



Product
Innovations



Quality, Expertise,
Technology



Sustainability



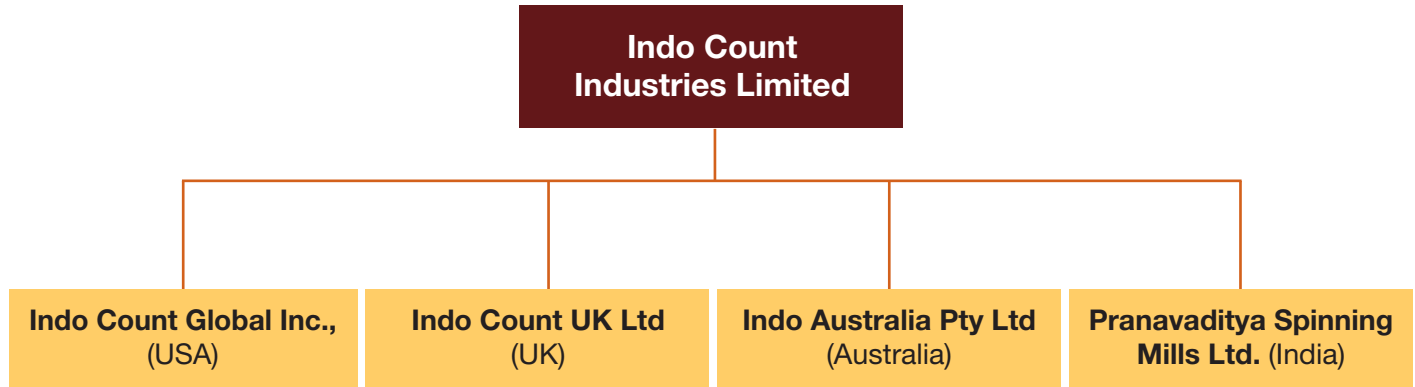
Committed
Services



Global Presence



Corporate Structure



Leadership Team

Mr. Anil Kumar Jain - Chairman & MD

- ✓ His Vision has made Indo Count one of the leading Home Textile Export Houses
- ✓ Widely recognized in the industry for his outstanding ability of turning business around
- ✓ He has more than 40 years of experience of which 25 years is in the Textile industry & is sought after for his global outlook

Mr. R. N. Gupta - Joint Managing Director

- ✓ B.Text degree from Mumbai University with more than 50 years experience in the Textile Industry
- ✓ Associated with the company from past 24 years
- ✓ Business Head of the Spinning segment of the Group

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 5 years and has good network for business development globally
- ✓ Initiate business strategies for the Company's overall growth

Mr. R. Sundaram - CFO & CS

- ✓ Over 30 years of experience in the field of Financial Management and Corporate Compliances
- ✓ With company from past 4 years & Responsible for the Group Financial Management & Compliances

Mr. Kamal Mitra - Director

- ✓ Bachelor Degree in Textile Engineering & having more than 35 years of experience in the Textile Industry
- ✓ Associated with the company from past 12 years
- ✓ Responsible for the entire manufacturing operations of the Spinning facilities of the Group

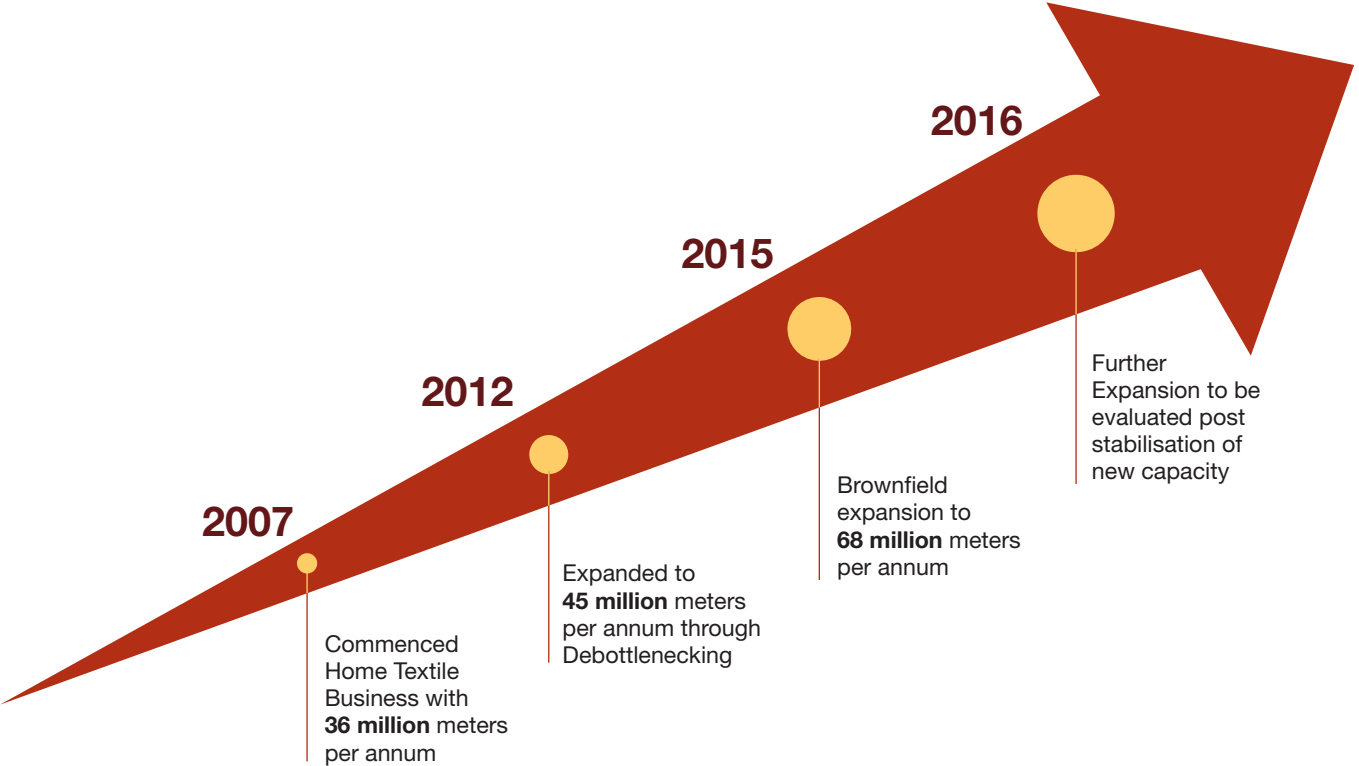
Mr. J. G. Arora - President Home Textile

- ✓ B. Tech in Textiles with over 39 years of experience in Textile Industry
- ✓ With the company from past 9 years as Business Head of the Home Textile segment of the Group
- ✓ Initiate strategies to improve efficiencies at the units

Mr. S. K. Mohanty - SVP (Operations)

- ✓ B. Tech in Textiles with more than 20 years of experience
- ✓ With the company from past 3 years and heads the entire operations of Home Textile Segment
- ✓ Responsible from end to end and B2C business of Home Textile

Sustaining Growth



Vertically Integrated Business Model



Global Presence



- Office- cum-Showroom & Distribution centers in U.S.A, U.K and Australia

- Clientele includes Top Global Retailers and Renowned International Brands

- Global Presence - United States, Canada, Brazil, France, Germany, Austria, Spain, UAE

- Expanded in new markets United Kingdom, Japan, Australia and Latin America

- Exporter to 49 Countries

INDIA



- Mumbai, Global Headquarters
- Manufacturing factories in Kolhapur, Maharashtra
- Top of Bed – Design Studio and Factory

USA



- Established in 2011
- New York - Showroom & Design Studio
- Charlotte, NC - 3 PL Warehouse (for retail and e-commerce).

ENGLAND



- Established in July 2014
- Manchester – Showroom, Design Studio & Warehouse

AUSTRALIA



- Established in July 2014
- Melbourne – Showroom, Design Studio & Warehouse



Key Differentiator



Key Differentiator



Asset Light
Business model



Proven track
record



Patent &
Trademarks



Certificate &
Compliances



E-Commerce



Key Differentiator

Asset Light Business Model

- Developed a strong network to efficiently source raw material locally
- Higher Asset Turnover Ratio
- Efficient Working Capital management
- Focus on high margin Home Textile business

ET 500 List – Rank within Textile Industry –FY14

1 ROCE
21.9%

2 Asset
Turnover
2.46x



Key Differentiator

State-of-the-Art Manufacturing facilities



Spinning

- Equipments from Global suppliers like Rieter (Switzerland), Schlafhorst (Germany), Volkmann Tfo (Germany), XORELLA & Uster (Switzerland), Mayer & Cie (Germany), LMW (India)



Home Textile

- Equipments source from leading Global Suppliers like Benninger (Switzerland), Tsudakoma (Japan), Monforts & OSTHOFF (Germany), Juki (Japan), Mathis (UK), Zimmer (Austria), Airoli (Italy)



Machines and Equipments from Globally reputed suppliers ensures Quality Products

Key Differentiator



Proven Track Record

- Emerged as one of the leading player in the Home Textile segment
- 3rd largest manufacturer and exporter of bed sheets from India
- 4th largest supplier of bed sheet into USA
- 13th largest global Home Textile supplier to USA



Key Differentiator

Patents / Trademarks



An opulent blend of few finest cotton in the world in order to get a superior yarn with exceptionally soft hand feel



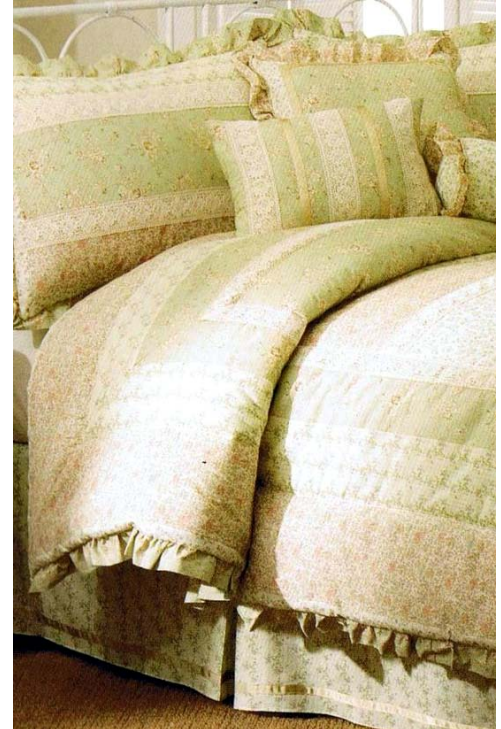
Balancing the temperature between the body and the bed is so as to provide a better sleep



Special stitch makes the sheet to stay on mattress and keeps it snug fitting in the corners



Unique hues of colors co-ordinating fashions seasons and trends across Home Textile categories



Certificate and Compliance

Certifications



Compliance



Key Differentiator

Brands

The *Complete*
Sheet

Touch Sense
SHEETS

EcoLITE
The light-weight Organic Sheet

Dura Shine

PREMIUM BLEND
SHEET

MICRO TOUCH

Dermalux
Therapeutic *Sheet*

smartcel™
sensitive





Product Portfolio



Comprehensive Product Portfolio

Existing Product Portfolio

Sheet Sets



Comprehensive Product Portfolio

Fashion Bedding

This range includes Comforters, Duvets, Shams, Bed Skirts, Quilts & Coverlets, Decorative pillows etc.



Comprehensive Product Portfolio

Institutional Linens

This range includes primarily white linen- Flat sheets, Pillow cases, Duvet covers and Shams



Comprehensive Product Portfolio

Utility Bedding

This range includes Basic white bedding-Mattress Pads / protectors, White filled comforters filled with poly fill fibre





Financial Overview



Profit & Loss (Standalone)

Particulars (Rs. in Crs)	Q4FY15	Q4FY 14	Change Y-o-Y	FY15	FY14	Change Y-o-Y
Total Revenue	456.68	352.14	29.7%	1679.95	1440.49	16.6%
Raw Material	237.89	204.03		933.71	889.06	
Manpower Cost	20.16	14.91		72.78	58.33	
Other Operating Expenses	111.54	85.11		372.19	313.23	
EBIDTA	87.10	48.09	81.1%	301.28	179.87	67.5%
EBIDTA Margin	19.1%	13.7%		17.9%	12.5%	
Depreciation	3.82	4.84		15.40	18.83	
Interest	16.60	15.97		62.54	48.98	
Exceptional item	25.74	0.00		25.74	0.00	
Tax	12.90	-1.88		58.56	7.13	
Net Profit	28.03	29.15		139.04	104.93	
Net Profit (Excl. Exceptional)	45.05	29.14	54.5%	162.34	104.93	54.7%
Net Profit Margin (Excl. Exceptional)	9.9%	8.3%		9.7%	7.3%	
Cash Profit	36.18	26.66	35.7%	171.57	108.46	58.2%
Earning Per Share (EPS)	7.50	8.20		37.18	29.54	
EPS excluding exceptional items	11.41	8.20	39.1%	41.12	29.54	39.2%

Balance Sheet (Standalone)

Particulars	As on	As on
Rs. in Crs	Mar-15	Mar-14
Shareholder's Fund	402.84	272.37
Share capital	41.98	37.98
Reserves & Surplus	360.86	232.04
Share Application & Warrant Money	0.00	2.35
Non-current liabilities	108.65	97.24
Long term borrowing	67.15	97.23
Deferred Tax Liabilities (Net)	40.12	0.00
Other long term liabilities	1.38	0.01
Current liabilities	641.90	571.31
Short term borrowing	223.86	268.63
Trade payables	181.69	189.19
Other current liabilities	168.15	86.72
Short term Provisions	68.20	26.76
Total Liabilities	1153.39	940.92

Particulars	As on	As on
Rs. in Crs	Mar-15	Mar-14
Non-current assets	403.76	351.15
Fixed assets (inc. CWIP)	374.76	317.88
Non-current Investments	18.80	18.80
Deferred Tax Assets (Net)	0.00	9.79
Long-term loans and advances	10.20	4.68
Current assets	749.63	589.76
Inventories	264.13	257.12
Trade receivables	208.04	166.92
Cash and bank balances	16.27	11.80
Short term loans and advances	125.43	75.23
Other current assets	135.76	78.69
Total Assets	1153.39	940.92

Financial Highlights (Consolidated)

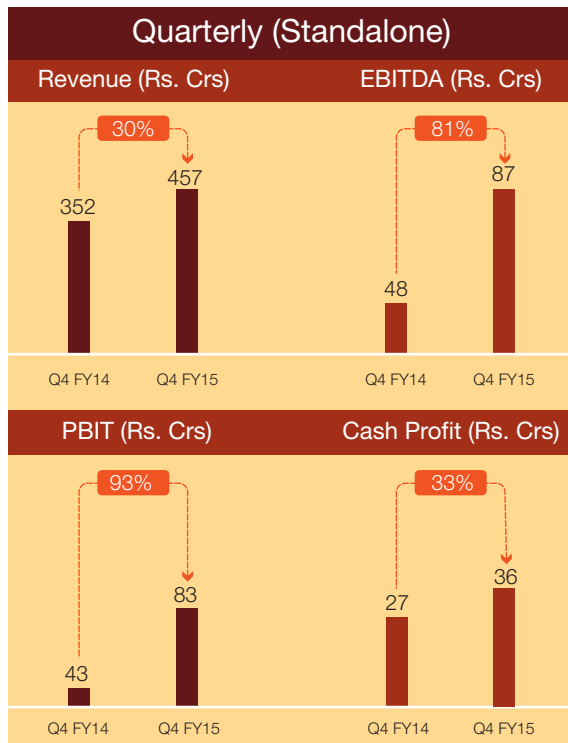
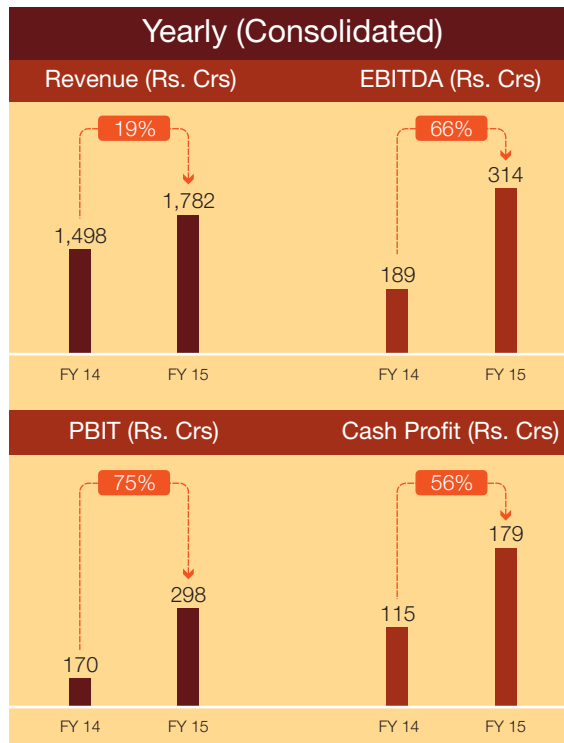
Particulars (Rs. in Crs)	FY15	FY14	FY13	FY12	FY11
Revenue	1716.89	1467.63	1186.77	779.71	709.17
Operating Income	64.91	30.27	30.32	27.42	24.04
Revenue incl. Operating Income	1781.80	1497.90	1217.09	807.13	733.21
Raw Material	946.59	890.31	736.60	538.23	477.83
Manpower Cost	79.88	64.48	53.48	40.87	35.21
Other Operating Expenses	441.67	354.02	306.96	165.01	147.89
EBITDA	313.66	189.10	120.05	63.03	72.27
EBITDA Margin	17.6%	12.6%	9.9%	7.8%	9.9%
Depreciation	15.96	19.56	18.48	18.60	19.56
Interest	65.03	49.89	49.80	35.19	30.64
Exceptional item	25.74	0	15.69	12.35	4.60
Tax	61.05	9.26	6.56	-0.80	6.81
Net Profit	145.88	110.39	29.52	-2.31	10.66
Net Profit (Excl. Exceptional)	161.44	110.39	29.52	-2.31	10.66
Net Profit Margin (Excl. Exceptional)	9.1%	7.4%	2.4%	-0.3%	1.5%
Cash Profit	179.02	114.87	49.00	15.24	37.02
Earning Per Share (EPS)	38.95	30.96	8.23	-0.61	3.03
EPS excluding exceptional items	42.89	30.96	8.23	-0.61	3.03

Balance Sheet (Consolidated)

Particulars	As on	As on
Rs. in Crs	Mar-15	Mar-14
Shareholder's Fund	423.88	291.67
Share capital	41.98	37.98
Reserves & Surplus	381.90	251.33
Share Application & Warrant Money	0.00	2.35
Minority Interest	5.67	5.45
Non-current liabilities	106.43	97.92
Long term borrowings	67.15	97.24
Deferred Tax Liabilities (Net)	37.05	0
Other long term liabilities	2.23	0.65
Current liabilities	705.93	615.86
Short term borrowings	276.98	298.55
Trade payables	187.70	199.80
Other current liabilities	170.41	89.16
Short term Provisions	70.84	28.35
Total Liabilities	1241.91	1010.87

Particulars	As on	As on
Rs. in Crs	Mar-15	Mar-14
Non-current assets	414.62	365.55
Fixed assets (inc. CWIP)	402.99	346.68
Non-current Investments	11.63	18.87
Deferred Tax Assets (Net)	0.00	13.13
Long-term loans and advances	11.63	5.74
Current assets	827.29	645.32
Inventories	383.03	345.68
Trade receivables	127.02	108.66
Cash and bank balances	50.81	31.32
Short term loans and advances	128.89	78.98
Other current assets	137.54	80.68
Total Assets	1241.91	1010.87

Performance Highlights



 Growth

Segment Break up

Textile - A Major Growth Segment

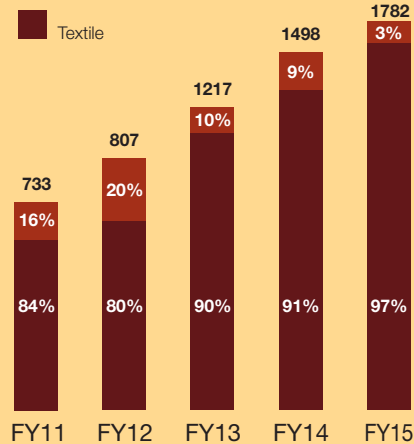
Rs. in Crs



Consumer Durables



Textile



Ratios

Particulars	FY 2015	FY 2014	FY 2013	FY 2012	FY 2011
Long Term Debt: Equity	0.16	0.33	0.69	0.98	1.08
Total Debt: Equity	0.81	1.36	1.86	1.78	1.76
Current Ratio	1.17	1.05	0.90	0.88	0.97
Asset Cover	6.00	3.57	2.66	2.11	1.86
Total Outstanding Liabilities: Net Worth	1.92	2.45	3.28	2.81	2.55
Interest Cover	4.58	3.40	2.04	1.26	1.72
Return on Equity (%)	34.4	37.8	15.1	-1.3	5.5
Return on Capital Employed (%)	24.0	16.8	12.1	6.5	7.6
Fixed Assets Turnover (x)	4.42	4.32	3.37	2.18	1.88
Total Assets Turnover (x)	1.43	1.48	1.45	1.18	1.06
Working Capital / Cash Conversion	17	33	17	11	19
Cash Earning per share (₹)	40.99	36.62	13.53	4.59	8.52

Annexure



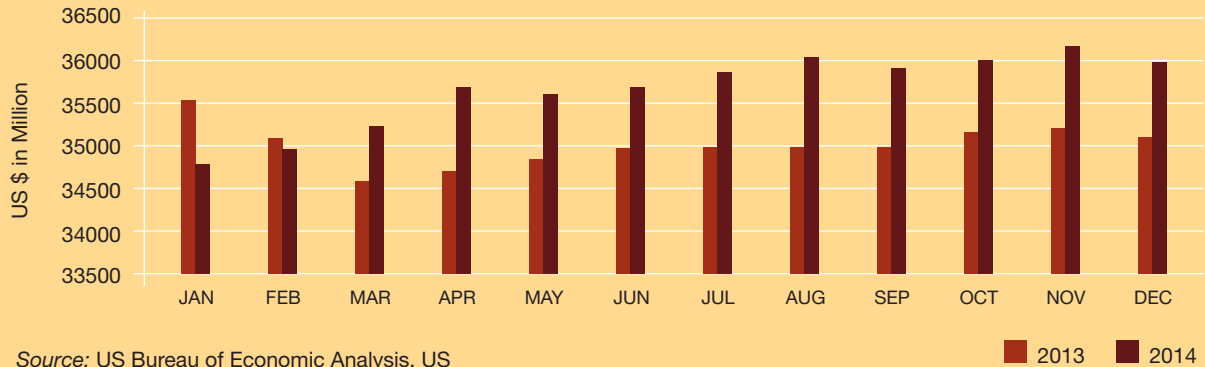


Industry Overview



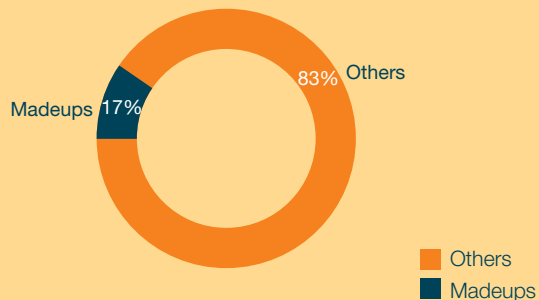
Industry Overview

US household Linen Consumption Expenditure Trend



Textile Sector Imports by United States

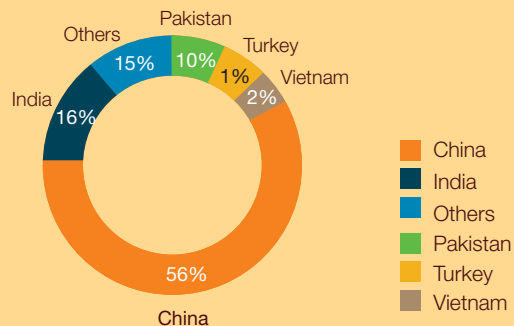
Total Imports - \$107 bn



As on year ending – November 2014

Made Ups Imports - \$18 bn

Top 5 Made Ups Exporting Countries to US account for 85% of the Market (\$ bn)



“Made-ups”- an article manufactured and/or stitched from any type of cloth, other than a garment

Source: <http://otexa.trade.gov/MsrcTRY.htm>

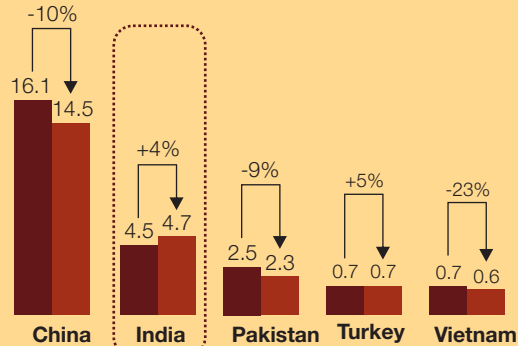
Industry Overview

Growth in 'Made Ups' Imports to United States

World (\$ bn)



Top 5 Made Ups Exporting Countries to US account for 85% of the Market (\$ bn)





THANK YOU

For further information, please contact:

Company :

Indo Count Industries Ltd

CIN: L72200PN1988PLC068972

Mr. K.R. Lalpuria—Executive Director
kklalpuria@indocount.com

Mr. R. Sundaram-CFO & CS
rsundaram@indocount.com

www.indocount.com

Investor Relations Advisors :
Strategic Growth Advisors Pvt. Ltd.

CIN: U74140MH2010PTC204285

Ms. Neha Shroff/ Ms. Ruchi Rudra
sneha@sgapl.net / rruchi@sgapl.net

www.sgapl.net