

Date: 6<sup>th</sup> November, 2023

To  
The Listing Department  
National Stock Exchange of India Limited  
Exchange Plaza, Plot No. C/1, G Block  
Bandra-Kurla Complex  
Bandra(E)  
Mumbai-400051  
NSE Symbol: IRISDOREME

**Sub: Outcome of the Board Meeting dated 6<sup>th</sup> November, 2023**  
**Ref: Disclosure under regulation 33 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015**

Dear Sir / Madam,

With reference to the above, this is to inform you that the Board of Directors at their meeting held today i.e., 6<sup>th</sup> November, 2023 had considered and approved the Unaudited Financial Results for the quarter and half year ended 30<sup>th</sup> September, 2023.

In this regard, enclosed please find herewith the followings:

- a) Unaudited Financial Results of the Company for the quarter and half year ended 30<sup>th</sup> September, 2023 along with Limited Review Report.
- b) Press release about the above financial results.
- c) Investor Presentation.

The meeting commenced at 4:00 p.m. and concluded at 5:20 p.m.

Kindly take the same on your records.

Thanking You.

Yours faithfully,  
For Iris Clothings Limited

**SANTOSH** Digitally signed  
by SANTOSH  
LADHA  
**H LADHA** Date: 2023.11.06  
17:23:33 +05'30'

**Santosh Ladha**  
**Managing Director**  
**(DIN: 03585561)**

*Encl: As above*

## Iris Clothings Limited

103/24/1, Foreshore Road, Howrah 711 102, India  
+91 33 2637 3856 / 2640 4674 | info@irisclothings.in  
CIN: L18109WB2011PLC166895



**AMK & ASSOCIATES**  
*Chartered Accountants*

Stesalit Tower, Room No: 303 3rd floor,  
E 2-3, Block EP & GP Sector-V, Salt Lake,  
Kolkata- 700091  
Ph- 91 (33) 40630462, 40697147

Sunshine Tower, 7th Floor, Unit No.: 716,  
Senapati Bapat Marg, Dadar (West)  
Mumbai- 400013  
Ph- 91 (22) 24322838

**Limited Review Report**

**To**  
**The Board of Directors**  
**IRIS Clothings Limited**

**1.** We have reviewed the accompanying statement of unaudited financial results of IRIS Clothings Limited for the quarter and half year ended 30<sup>th</sup> September 2023 being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.

**2.** This statement is the responsibility of the Company's Management and has been approved by the Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued there under and other accounting principles generally accepted in India. Our responsibility is to issue a report on these financial statements based on our review.

**3.** We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity", issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the financial statements are free of material misstatement. A review is limited primarily to inquiries of company personnel and an analytical procedure applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.

**4.** Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying statement of unaudited financial results prepared in accordance with applicable accounting standards and other recognized accounting practices and policies has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 including the manner in which it is to be disclosed, or that it contains any material misstatement.

For AMK & Associates  
Chartered Accountants  
FRN: 327817E

*Manish Kumar Agarwal*

Manish Kumar Agarwal  
Partner  
M.No. 064475

**UDIN: 23064475B44EMG5841**

Kolkata  
06 November 2023



**IRIS CLOTHINGS LIMITED**Registered Office : 103/24/1, FORESHORE ROAD, HOWRAH - 711 102  
CIN : L18109WB2011PLC166895

Statement of Unaudited Financial Results For The Quarter and Half Year Ended 30th September, 2023

(Rupees in lakhs)

Sl No	PARTICULARS	QUARTER ENDED			HALF YEAR ENDED		YEAR ENDED
		30-Sep-23	30-Jun-23	30-Sep-22	30-Sep-23	30-Sep-22	31-Mar-23
		(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
1	Revenue						
	(a) Revenue from Operations	3,215.85	2,416.43	3,176.30	5,632.28	5,505.43	11,300.14
	(b) Other income	2.71	2.07	3.15	4.78	5.07	10.68
	<b>Total Income</b>	<b>3,218.56</b>	<b>2,418.50</b>	<b>3,179.45</b>	<b>5,637.06</b>	<b>5,510.50</b>	<b>11,310.82</b>
2	Expenses						
	Cost of materials consumed	1,453.80	1,116.73	1,655.53	2,570.53	3,154.63	5,236.66
	Purchases of Stock-in-Trade	432.46	367.22	453.85	799.68	908.57	1,966.37
	Changes in inventories of finished goods, Stock-in-Trade and work-in-progress	(356.38)	(474.93)	(322.21)	(831.31)	(1,093.32)	(1,028.77)
	Employee benefit expense	536.35	463.94	448.67	1,000.29	862.72	1,825.73
	Finance costs	102.50	82.52	71.36	185.02	132.39	299.81
	Depreciation and amortization expense	148.32	140.12	132.31	288.44	262.90	530.27
	Other expenses	396.70	310.15	267.56	706.85	576.62	1,360.28
	<b>Total expenses</b>	<b>2,713.75</b>	<b>2,005.75</b>	<b>2,707.06</b>	<b>4,719.51</b>	<b>4,804.50</b>	<b>10,190.35</b>
3	Profit before Exceptional Items and Tax (1 - 2)	504.80	412.75	472.39	917.55	706.00	1,120.47
4	Exceptional Items	-	-	-	-	-	-
5	Profit Before Tax (3 - 4)	504.80	412.75	472.39	917.55	706.00	1,120.47
6	Tax Expense	138.96	104.56	123.54	243.52	182.19	294.58
7	Profit for the year (5-6)	365.84	308.19	348.85	674.03	523.82	825.89
8	Other Comprehensive Income (net of tax)	-	-	-	-	(7.00)	-
9	Total Comprehensive Income for the year (7+8)	365.84	308.19	348.85	674.03	516.82	825.89
10	Paid-up equity share capital (Face Value of the Share Rs.2/-	1,631.41	1,631.41	1,631.41	1,631.41	1,631.41	1,631.41
11	Earnings per share (of Rs. 2/- each) :						
	(a) Basic	0.45	0.38	0.43	0.83	0.64	1.01
	(b) Diluted	0.45	0.38	0.43	0.83	0.64	1.01

**Notes:**

1	The above results have been reviewed by the Audit Committee and approved by the Board of Directors at their Meetings held on 06th November, 2023
2	The above results have been reviewed by the Statutory Auditors as required under the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015.
3	The financial results of the Company has been prepared in accordance with the Indian Accounting Standards (Ind AS) notified by the Ministry of Corporate Affairs under the Companies (Indian Accounting Standard) Rules, 2015.
4	The Company operates only on a single segments which predominantly are manufacturing and trading of garments as envisaged in Ind AS 108- Segment Reporting notified under Companies (Indian Accounting Standards) Rules 2015.
5	During the quarter ended 30 September 2023, the Company on 11 August 2023 ("Record Date") subdivided existing Equity Shares of the Company from 1 (One) Equity Share having face value of Rs. 10/- (Rupees Ten only) each fully paid-up, into 5 (Five) Equity Shares having face value of Rs. 2/- (Rupees Two only) each fully paid-up. Accordingly earning per share of comparative periods presented has been re-calculated based on number of shares outstanding in respective periods as increased by sub-division of shares.
6	Figures for the previous periods have been regrouped wherever necessary.

For and on behalf of the Board of Directors

IRIS CLOTHINGS LIMITED

Managing Director

(Santosh Ladha, Managing Director)

DIN - 03585561

Place : Howrah  
Date: 06.11.2023



IRIS CLOTHINGS LIMITED  
Registered Office : 103/24/1, FORESHORE ROAD, HOWRAH - 711 102  
CIN : L18109WB2011PLC166895  
Statement of Assets and Liabilities as at 30th September, 2023

(Rupees in lakhs)

Particulars	As at	As at
	30.09.2023	31.03.2023
	Unaudited	Audited
<b>ASSETS :</b>		
<b>Non-current Assets</b>		
Property, Plant & Equipment	2,087.73	2,184.72
Right of Use Assets	697.48	503.81
Other Intangible Assets	2.96	2.45
Financial Assets		
Loans	117.70	110.03
Deferred Tax Assets (Net)	101.77	85.29
	<b>3,007.65</b>	<b>2,886.30</b>
<b>Current Assets</b>		
Inventories	5,356.45	4,492.04
Financial Assets		
Trade receivables	3,932.72	3,125.22
Cash & cash equivalents	3.12	1.78
Other Bank balances	208.90	145.43
Loans	4.92	4.23
Current Tax Assets (Net)	(68.65)	51.26
Other Current Assets	255.32	224.62
	<b>9,692.78</b>	<b>8,044.58</b>
<b>TOTAL ASSETS</b>	<b>12,700.43</b>	<b>10,930.88</b>
<b>EQUITY AND LIABILITIES:</b>		
<b>Equity</b>		
Equity Share capital	1,631.41	1,631.41
Other Equity	4,744.59	4,063.56
	<b>6,376.01</b>	<b>5,694.97</b>
<b>Non-current Liabilities :</b>		
Financial Liabilities		
Lease Liabilities	764.49	582.56
	<b>764.49</b>	<b>582.56</b>
<b>Current Liabilities</b>		
Borrowings	3,409.05	2,848.28
Lease Liabilities	99.89	79.06
Trade Payables		
(A) total outstanding dues of micro enterprises and small enterprises;	122.61	30.37
(B) total outstanding dues of creditors other than micro enterprises and small enterprises	1,863.79	1,641.87
Other financial liabilities	4.03	4.28
Other current liabilities	60.56	49.49
Current Tax Liabilities (net)	-	-
	<b>5,559.94</b>	<b>4,653.35</b>
	-	-
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>12,700.43</b>	<b>10,930.88</b>

For and on behalf of the Board of Directors

IRIS CLOTHINGS LIMITED

(Santosh Ladha, Managing Director)

DIN - 03585561

Place : Howrah  
Date: 06.11.2023





IRIS CLOTHINGS LIMITED  
Registered Office : 103/24/1, FORESHORE ROAD, HOWRAH - 711 102  
CIN : L18109WB2011PLC166895

Statement of Cash Flow for the Half Year Ended 30th September, 2023

(Rupees in lakhs)

PARTICULARS	Year ended 30-09-2023	Year ended 30-09-2022
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net Profit before Tax and Extra-ordinary Items	917.55	706.00
Adjustments for:		
-Depreciation	288.44	262.90
-Sundry Balances Written Off	-	0.03
-Loss on Sale of PPE	-	0.23
-Finance Cost	185.02	97.25
-Lease Rent	(78.12)	35.13
-OCI Defined Benefit Scheme	-	(7.00)
-Interest Income	(4.78)	(4.55)
<b>Operating Profit Before Working Capital Changes</b>	<b>1,308.12</b>	<b>1,089.99</b>
Adjustments for:		
-Trade Payables	325.01	830.03
-Trade and other Receivables	(846.60)	(243.46)
-Inventories	(864.41)	(1,312.79)
<b>Cash Generated from Operations :</b>	<b>(77.88)</b>	<b>363.77</b>
-Direct Taxes Paid	(133.09)	(224.68)
<b>Net Cash generated from Operating Activities</b>	<b>(210.97)</b>	<b>139.09</b>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of Property, Plant and Equipments (Net)	(138.36)	(13.06)
Term Deposit other than cash equivalents	(63.47)	(3.53)
Interest Received	4.78	4.55
	<b>(197.05)</b>	<b>(12.05)</b>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		
Proceeds from Short Term Borrowings	560.77	(30.89)
Interest Paid	(151.43)	(97.25)
	<b>409.34</b>	<b>(128.14)</b>
<b>Net Increase/(Decrease) in Cash and Cash Equivalents</b>	<b>1.33</b>	<b>(1.09)</b>
Opening Cash and Cash Equivalents	1.79	5.70
Closing Cash and Cash Equivalents	3.12	4.61

For and on behalf of the Board of Directors

IRIS CLOTHINGS LIMITED

Managing Director

(Santosh Ladha, Managing Director)

DIN - 03585561

Place : Howrah  
Date: 06.11.2023



## Iris Clothings announced its Q2 & H1 FY2024 Results

**Q2 FY24 Revenue at Rs. 322 Million; up 33% QoQ**

**Q2 FY24 EBITDA margin at 24%**

**Howrah, India, November 06, 2023** - Iris Clothings Limited (NSE: IRISDOREME), a readymade garment company engaged in designing, manufacturing, branding, and selling garments for kids wear, announced their financial results for the **Second quarter and Half year ended September 30, 2023**.

**Commenting on the Company's performance Mr. Santosh Ladha, Managing Director of the Company said** *"I am pleased to share that we inaugurated our first Exclusive Brand Outlet (EBO) in the quarter gone by, followed by another store last month. As per our expansion strategy, that was shared a few months ago, we consider EBOs to be the third leg of expansion. Both these stores are doing extremely well and have received a significant boost due to the ongoing festive season. We have three more EBOs in pipeline that will be inaugurated in West Bengal in the coming quarters.*

*Our Disney designed apparels are receiving good traction as well. Along with this, we continue to see infant wear gaining traction and expect this vertical to contribute 15-20% in FY24.*

*We continued to expand our footprint and onboarded seven new distributors, strengthening our presence in Maharashtra and West Bengal, alongside entering Nagaland.*

*Our revenues increased marginally, driven by volume uptick but offset by impact on price. We expect strong performance in H2 FY24 driven by strong demand and improvement in average sale price through product enhancements on various levels."*

### Financial Highlights

- Total Income was ₹322 Million; up 1% YoY & 33% QoQ
  - Driven by volume uptick, partially offset by low selling price as we passed on the benefit of reduced raw material prices
- EBITDA margin stood at 24%; up 221 bps YoY & down 280 bps QoQ
  - Due to increased employee expenses; additional hiring to kick start the operations of EBOs and to ramp up production
- PAT margin stood at 11%; up 40 bps YoY & down 138 bps QoQ
  - Due to increased finance cost as we took on additional debt to finance our working capital
  - Began building summer wear inventory a month prior than usual, as we expect to see robust demand in Q4FY24

*(in Rs. Million, unless otherwise mentioned)*

Particulars	Q2FY24	Q2FY23	YoY (%)	Q1FY24	QoQ (%)	H1FY24	H1FY23	YoY (%)
<b>Total Income</b>	321.9	317.9	1.2%	241.9	33.1%	563.7	551.1	2.3%
<b>EBITDA</b>	75.6	67.6	11.8%	63.5	18.9%	139.1	110.1	26.3%
<b>EBITDA margin (%)</b>	23.5%	21.3%	221.4 bps	26.3%	(279.5) bps	24.7%	20.0%	469.1 bps
<b>PAT</b>	36.6	34.9	4.9%	30.8	18.7%	67.4	52.4	28.7%
<b>PAT margin (%)</b>	11.4%	11.0%	39.5 bps	12.7%	(137.6) bps	12.0%	9.5%	245.1 bps

## About Iris Clothings Limited

Iris Clothings Limited is a fast-growing readymade garment company that is primarily engaged in designing, manufacturing, branding and selling garments for kids wear under its brand name DOREME in India. The Company delivers a broad range of affordable and good quality apparels for infants, toddlers, and children in their pre-teens, serving both their indoor and outdoor requirements. It has been in operations for over 17 years and continues to add new product lines by employing the best-in-class technology across its value chain. For more information view [www.irisclothings.in](http://www.irisclothings.in) and [www.doreme.in](http://www.doreme.in).

If you have any questions or require further information, please feel free to contact:

### IR Team at Iris Clothings Limited

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 Iris Clothings Limited  
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 E: [vikash.verma1@in.ey.com](mailto:vikash.verma1@in.ey.com)

### Registered Office

103/24/1,  
 Foreshore Road,  
 Howrah - 711 102

**Disclaimer:**

*Certain statements in this document that are not historical facts are forward looking statements. Such forward-looking statements are subject to certain risks and uncertainties like government actions, local, political or economic developments, technological risks, and many other factors that could cause actual results to differ materially from those contemplated by the relevant forward-looking statements. The Company will not be in any way responsible for any action taken based on such statements and undertakes no obligation to publicly update these forward-looking statements to reflect subsequent events or circumstances.*

# Investor Presentation

Q2 & H1 FY 2024



Iris Clothings Limited



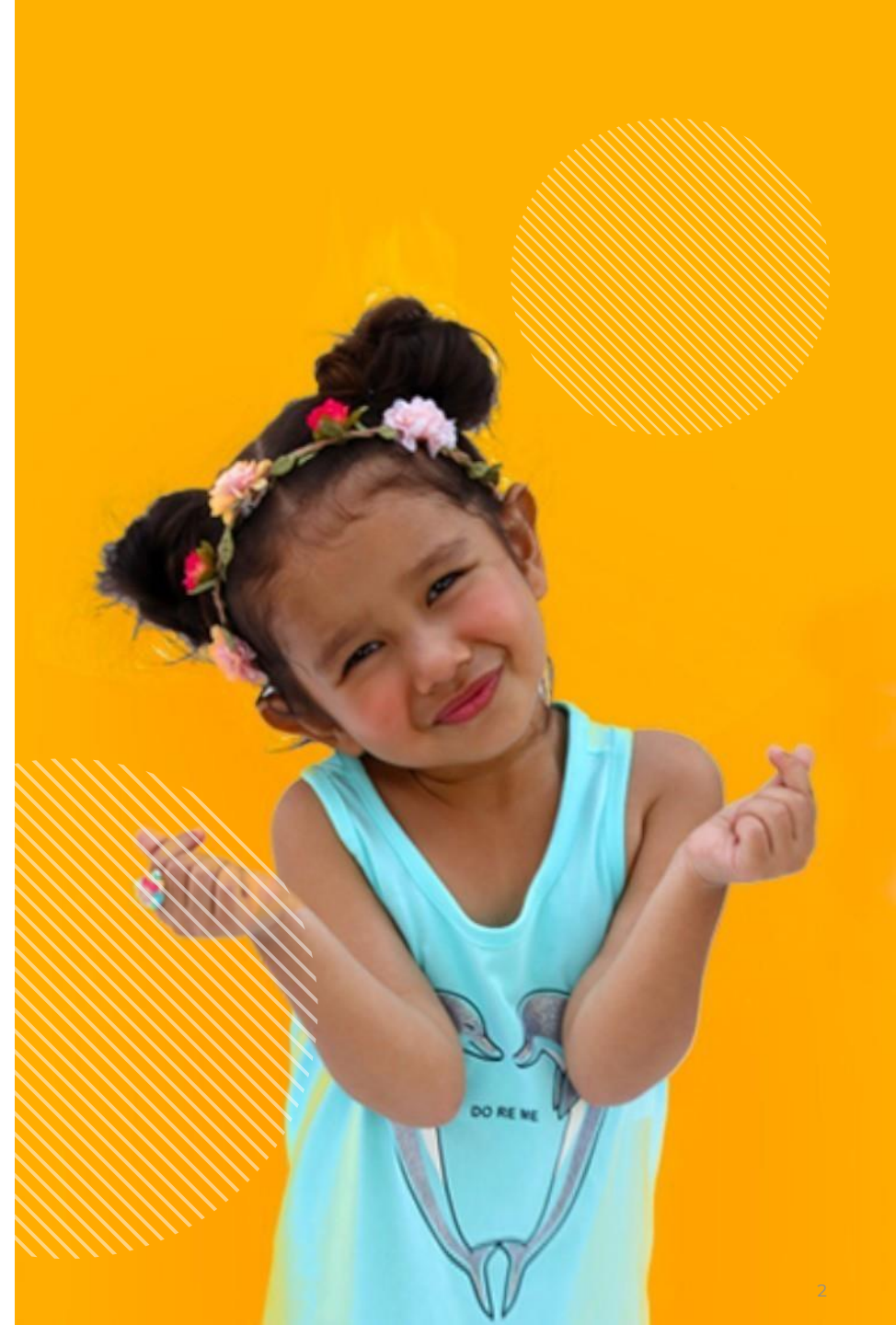
# Investor Presentation

Q2 & H1 FY 2024

## Financial Highlights & Business Updates



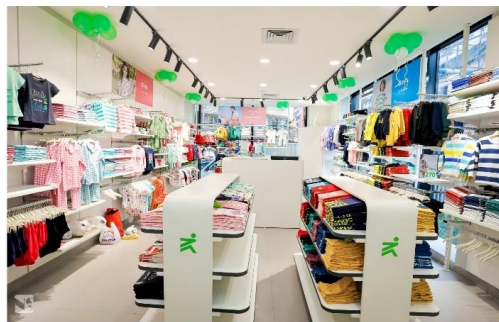
**Iris Clothings Limited**



# Q2 FY24 Highlights

## Business Update & Future Plans

- Inaugurated the first Exclusive Brand Outlet (EBO) in September 2023 in Howrah near Kolkata; festive season acted as a boost
- Performance of EBO has been as per expectations
- Three more EBOs are in pipeline; looking at locations in West Bengal for now
- Added 7 new distributors during the quarter; entered Nagaland and expanded our presence in Maharashtra and West Bengal.
- Seeing strong traction in infant wear; expected to contribute 15-20% in FY24
- Received good response for Disney designed apparels



## Financial Update & Outlook

- Total Income was ₹322 Million; up 1% YoY & 33% QoQ
  - Driven by volume uptick, partially offset by low selling price as we passed on the benefit of reduced raw material prices
  - Expect H2FY24 to be better; growth will be volume driven combined with improvement in average sale price through product enhancements
- EBITDA margin stood at 24%; up 221 bps YoY & down 280 bps QoQ
  - Due to increased employee expenses; additional hiring to kick start the operations of EBOs and to ramp up production
- PAT margin stood at 11%; up 40 bps YoY & down 138 bps QoQ
  - Due to increased finance cost as we took on additional debt to finance our working capital
  - Began building summer wear inventory a month prior than usual, as we expect to see robust demand in Q4FY24
  - Finance cost to reduce FY25 onwards

# P&L Statement

Particulars (in ₹ Mn)	Q2FY24	Q2FY23	YoY (%)	Q1FY24	QoQ (%)	H1FY24	H1FY23	YoY (%)
<b>Total Income</b>	321.9	317.9	1.2%	241.9	33.1%	563.7	551.1	2.3%
<b>Expenses</b>	246.3	250.3	(1.6%)	178.3	38.1%	424.6	440.9	(3.7%)
<b>EBITDA</b>	75.6	67.6	11.8%	63.5	18.9%	139.1	110.1	26.3%
<b>EBITDA Margin (%)</b>	23.5%	21.3%	221.4 bps	26.3%	(279.5) bps	24.7%	20.0%	469.1 bps
<b>D&amp;A</b>	14.8	13.2	12.1%	14.0	5.9%	28.8	26.3	9.7%
<b>EBIT</b>	60.7	54.4	11.7%	49.5	22.6%	110.3	83.8	31.5%
<b>Finance cost</b>	10.3	7.1	43.6%	8.3	24.2%	18.5	13.2	39.8%
<b>PBT</b>	50.5	47.2	6.9%	41.3	22.3%	91.8	70.6	30.0%
<b>PAT</b>	36.6	34.9	4.9%	30.8	18.7%	67.4	52.4	28.7%
<b>PAT Margin (%)</b>	11.4%	11.0%	39.5 bps	12.7%	(137.6) bps	12.0%	9.5%	245.1 bps

# Expansion Strategy



1

Established Offline Presence

Built a pan India presence through

**150+**

Distributors

**10k+**

Retailers



2

Direct Online Portal

Launched own D2C Ecommerce website



[www.doreme.in](http://www.doreme.in)



3

Exclusive Brand Outlets

Inaugurated two own stores in Kolkata with three more in pipeline to enhance brand recall



# Developments in Disney

Nov-22

Signed licensing agreements with UTV Software Communications (“Disney”) to design apparels using Disney & Marvel movie characters.

Jan-23

Conducted a successful sample launch of Disney designed apparels.

Apr-23

Dispatched our first batch of orders of T-shirts designed with Mickey characters of the Disney universe to Rajasthan, Maharashtra, Gujarat, Delhi, among others.

May-23

Facility at Uluberia was licensed by Facility and Merchandise Authorization (FAMA) to manufacture and distribute products bearing the intellectual property of Disney.

Jul-23

Launched and dispatched winter wear apparels designed with Mickey and friends’ characters across India.

# Investor Presentation

Q2 & H1 FY 2024

## About the Company



**Iris Clothings Limited**



# Company Overview



We are a **fast-growing kids' apparel company** that is engaged in **designing, manufacturing, branding and selling garments**. Our sustained pursuit of design and innovation has made us a **preferred fashionable kids' brand**.

## Presence in Ecommerce platforms



[www.doreme.in](http://www.doreme.in)

We have been growing our presence online by increasing e-commerce listings and launching our own D2C platform.

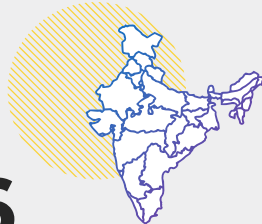


1

Brand

26

States  
of presence



9

Units  
Manufacturing (7)  
Dispatch (2)



155

Distributors



25,000

Pieces  
manufactured/day



1,458

Employees



# Product Portfolio

Iris' brand DOREME offers a wide range of apparels for infants, toddlers, and junior boys and girls that suit both their indoor and outdoor requirements.



- Tops
- T-Shirt
- Trousers
- Shorts
- Dresses
- Loungewear
- Accessories
- Sweatshirts
- Hoodies
- Polyfil suits
- Padded suits
- Nightwear

## Currently

- Established DOREME as a reputable and trusted brand.
- Has solidified its position in the kids segment mainly through its top-notch quality and design.
- Expanded its product portfolio by launching a dedicated infant wear vertical (0-5 years) in December 2021, the accessories line of the same vertical in June 2022 and sportswear in December 2022.
- Enhanced their collection by signing a licensing agreement with UTV Software Communication Pvt Ltd. (“Disney”) to be able to launch apparels designed with Disney and Marvel movie characters under DOREME brand.

## Future Outlook

- Iris aims to sharpen its existing product mix under the brand DOREME to meet the rising demand for their products.
- Expanding its product offerings to provide greater choice to customers. Foraying into the kids’ undergarments space in FY24.
- Plan to launch Disney designed apparels for every product starting with T-shirts, bottom wear and nightwear in a phased manner.

# Disney x DOREME Summer Collection



# History



Launched DOREME brand for Kids Wear

2004



Commenced business as a proprietorship firm 'M/s Iris Clothings'

2005

2012



Incorporation of IRIS CLOTHINGS PVT LTD as a private limited concern.

2016



Started sale of products through online e-commerce channels such as 'FirstCry'



Acquired land at Pachla, Howrah, West Bengal – a major step towards increasing manufacturing capabilities.



Crossed the ₹50 crores turnover milestone

2018



Listed as an SME under NSE



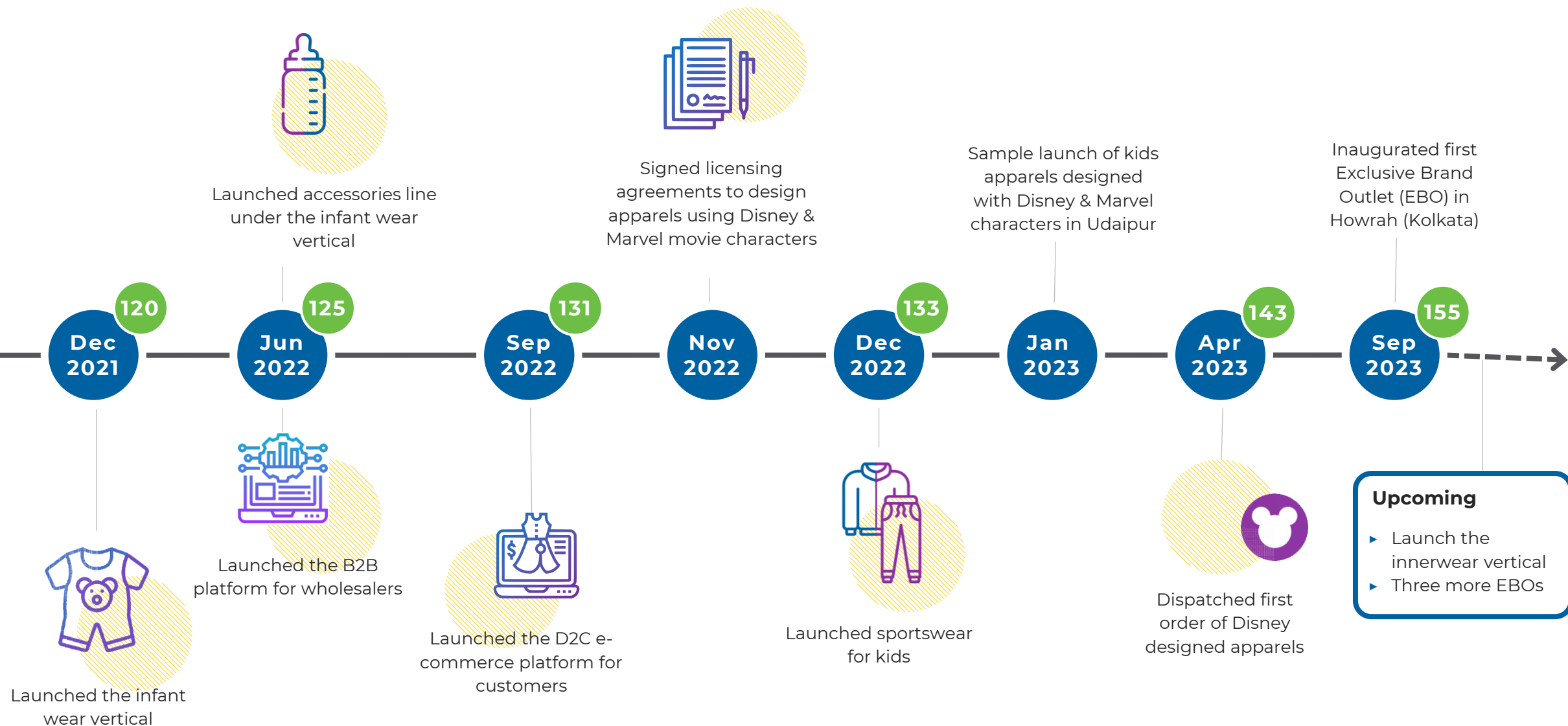
Migrated from SME portal of NSE to Main Board of NSE

2020



Deepened our penetration by entering new Tier II & III cities

# Expanding on all Fronts



**We expanded our product portfolio, grew the distribution base and transformed digitally over the past months. Going forward, our focus towards building the DOREME brand will pave the path of growth.**

No. of Distributors

# Investor Presentation

Q2 & H1 FY 2024

## Market Opportunity

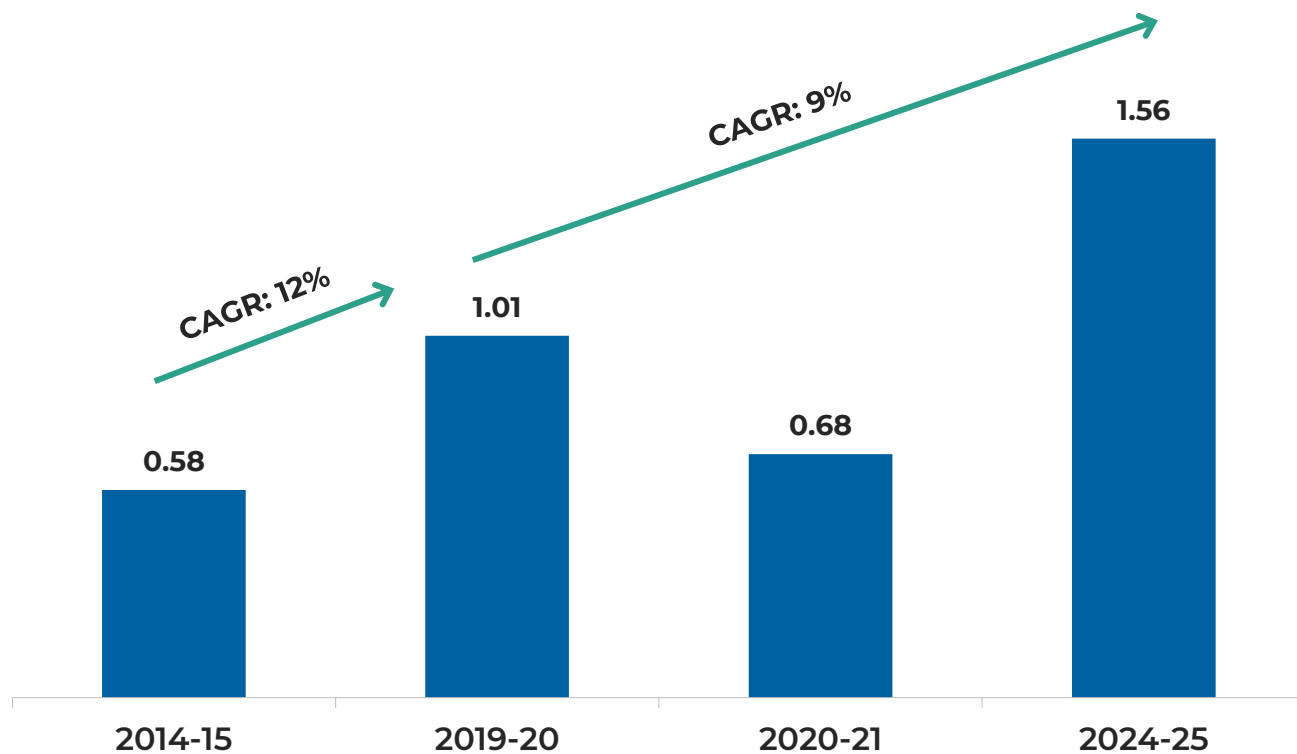


**Iris Clothings Limited**



# Indian Kids Apparel Industry

## Market size of Kids Apparel in India (₹ Tn)



Source: Statista



~**26%** Indians are below the age of 14 years making a large customer base to cater to



Kids wear registered a **200%** growth despite a **4%** drop in overall online fashion order volumes in FY2021



**Significantly High** replacement cycle within children's clothing as kids outgrow their clothes faster



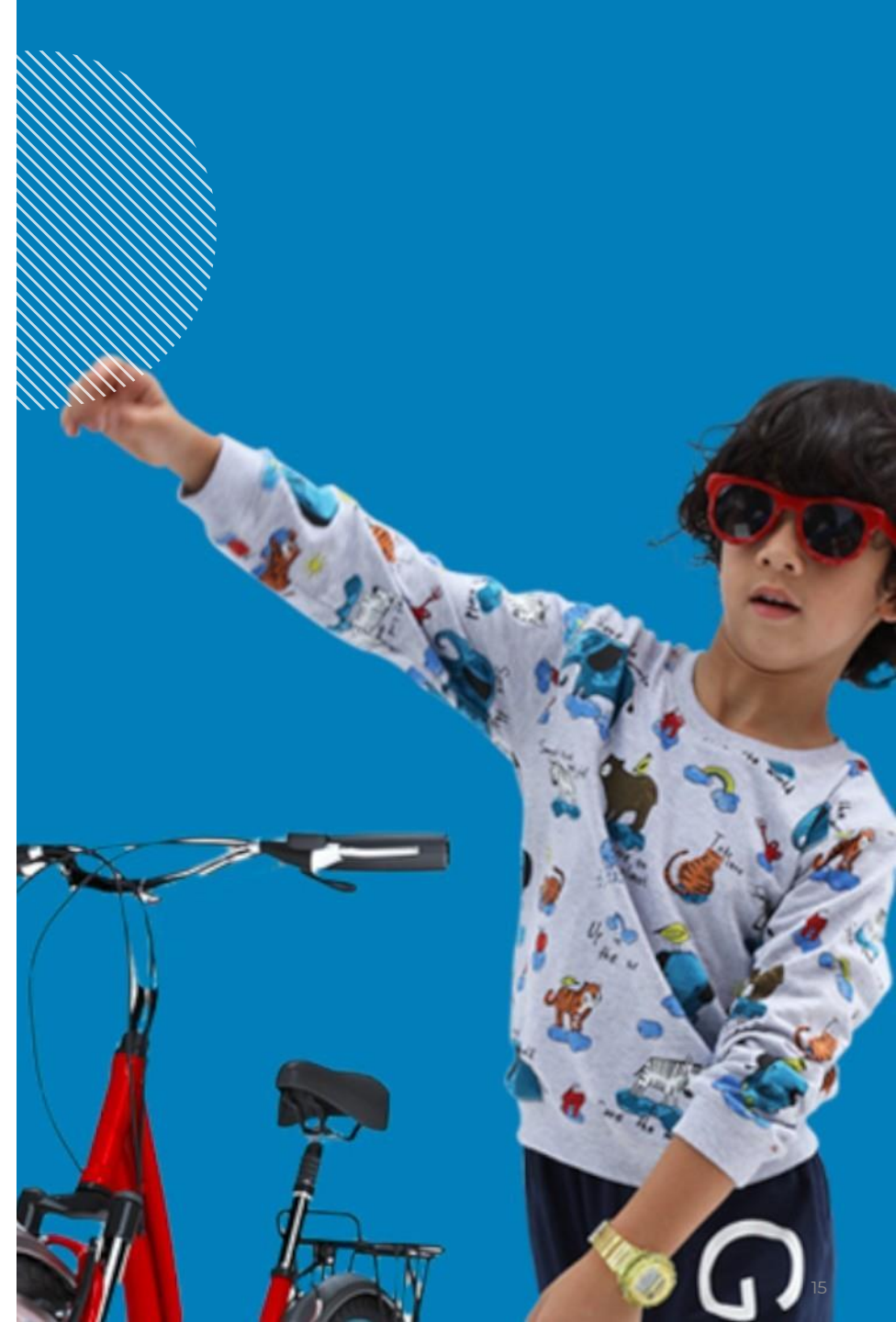
**Increasing** personal disposable income and **growing** working population are key growth drivers

The market is expected to reach ₹1.6 Trillion by 2024-25.

# Investor Presentation

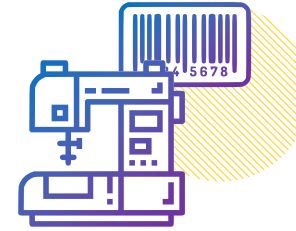
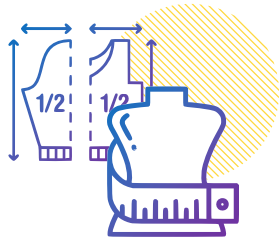
Q2 & H1 FY 2024

## Our Value System



# Integrated Operations

Iris has a complete in-house integrated infrastructure right from design conceptualisation to manufacturing to branding and selling of finished goods to wholesaler.



Conceptualization of  
Design & Development

1

Raw Material  
Procurement

2

Manufacturing &  
Branding<sup>+</sup>

3

Sold to  
Wholesalers

4

Therefore, a manufacturing infrastructure that is strongly backward integrated enables us to have better control over quality and be cost-efficient.

<sup>+</sup>Cutting, Printing & Embroidery, Stitching, Mending & Checking, Ironing and Box Packaging

# Manufacturing Prowess

**Manufacturing excellence has been one of our biggest strengths.**

Moreover, our state-of-the-art facilities help us increase our capabilities multifold, achieve economies of scale and provide locational synergies.



**Foreshore Road,  
Howrah**

- Has 4 units for stitching and finishing with fully automated stitching machines from Japan and from a renowned indigenous brand
- 1 unit for dispatch



**Pachla,  
Howrah**

- Set up its first fully modernized stitching and finishing unit with online processes
- Locational advantage in terms of skilled labour and raw material availability



**Uluberia,  
Howrah**

- Consolidates all the manufacturing activities in a single location
- Installed fully automated cutting machinery from Italy and printing machinery from US and Poland
- Fully modernized stitching and finishing unit with online processes

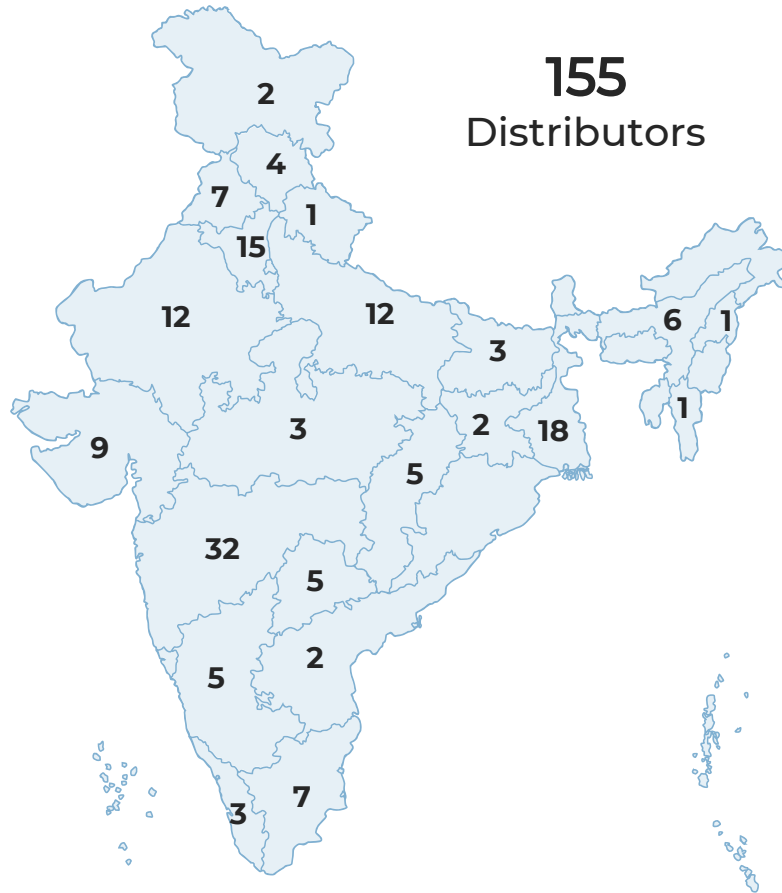


**Srijan Industrial Park,  
Bombay Road**

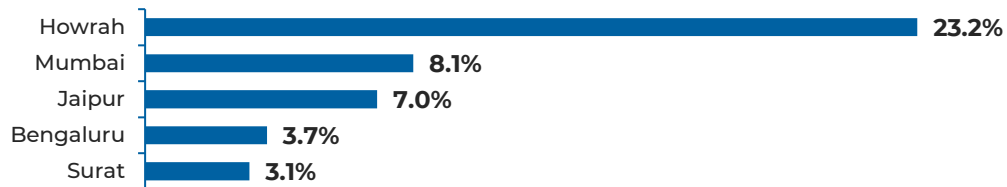
- Set up its third fully modernized stitching & finishing unit with online processes
- 1 unit for dispatch

**Total Installed Capacity: 33,000 pieces/day**

# Wide Network



## % Contribution to Revenue (H1FY24)



## Business Update

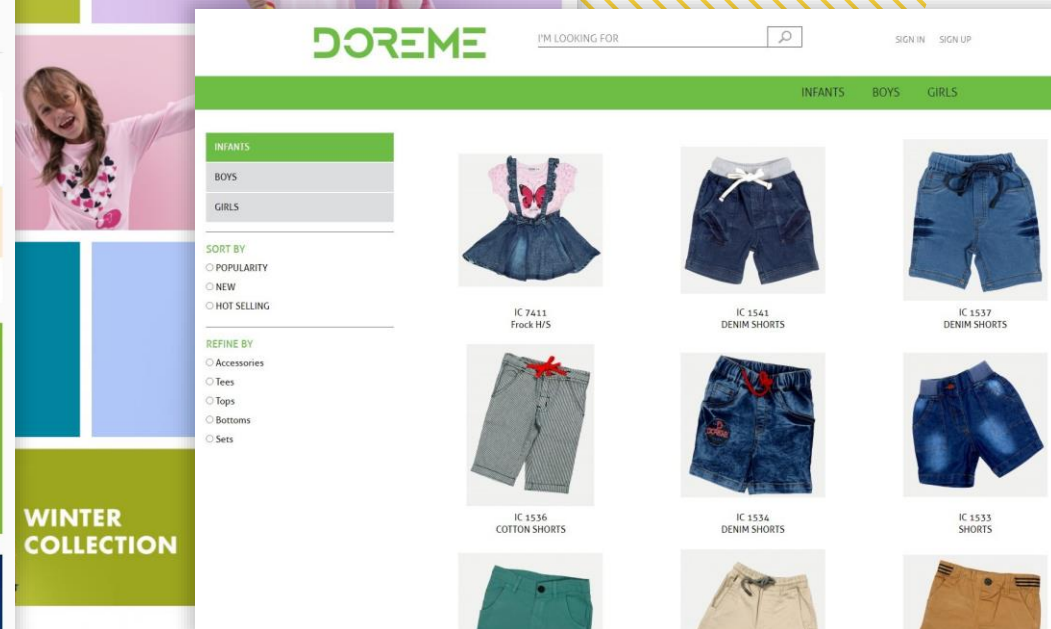
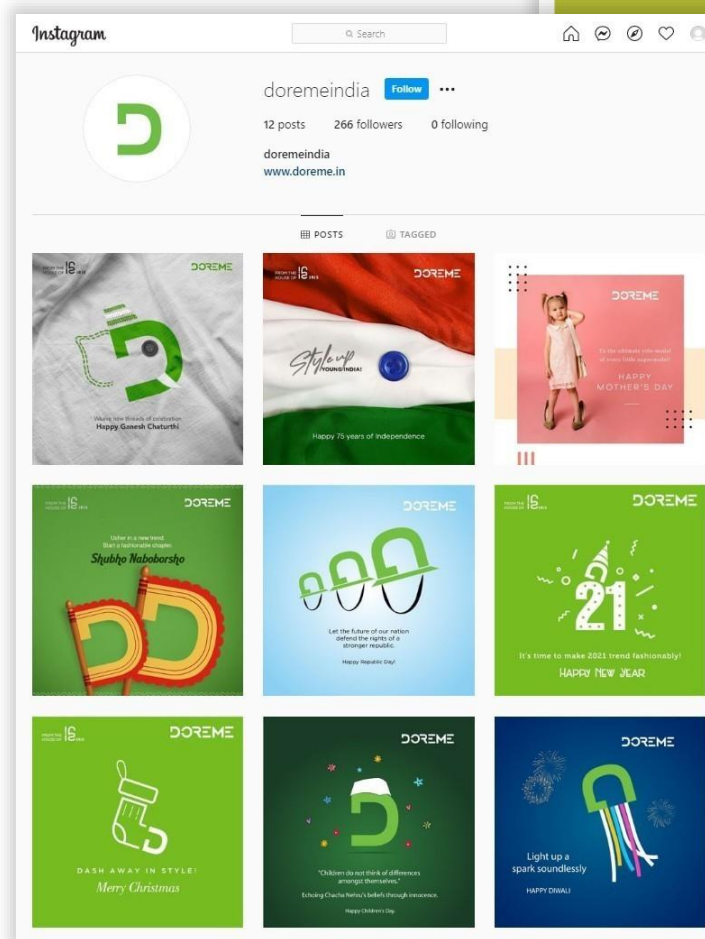
- Has an online presence in FirstCry and through its own D2C platform [www.doreme.in](http://www.doreme.in).
- Continuously expanding the distribution network by conducting conferences and participating in exhibitions to increase brand visibility
- Commenced exports to Portugal, Nepal, Zambia and Saudi Arabia apart from Africa, KSA and UAE under DOREME
- To boost our product reach, we have been focusing on expanding our presence in Tier II & III cities
- Developed a B2B platform for wholesalers to have real time access to inventory

## Future Outlook

- Plan to add distributors in newer geographies and pan India, to deepen market penetration and expand reach to markets with higher potential demand.
- Continue to host partner engagement programmes to drive their stickiness and boost morale.
- Focus on growing our B2B platform by reducing inefficiencies in the process and by onboarding more distributors
- Channel our offline customer base to our D2C platform allowing them to shop from our complete product range.

# Enhancing Brand Visibility

- Iris plans to enhance its digital marketing and branding initiatives to better mirror the customers' fast-changing needs.
- The Company has been undertaking various activities to enhance its brand recall and customer connect on social media channels. This would eventually drive traffic to its exclusive online platform.



# Relationship with Suppliers



Strong and trust-based relationships is of paramount importance since we source fabrics and other accessories for garment manufacturing from leading domestic suppliers. This facilitates effective inventory management, continuous supply of quality raw materials at competitive costs and on-time delivery of our products.



*"I have been associated with IRIS Clothings as a distributor for the past 12 years. During this long association, I have developed a strong trust in the company due to the quality of its products and its vision. I am also very impressed by its work ethics and the level of efficiency. I wish IRIS Clothings all the very best and look forward to enjoying this good bond that we share in the future too."*

## **ROHIT KHURANA**

Khurana Clothing's Pvt. Ltd.  
Jaipur



*"IRIS Clothings is reliable and a professional company. It is an amazing experience to work with them."*

## **ANKUR CHADA**

Chadha Trading Co.  
Ambala



*"IRIS Clothings is a great company with an experienced staff and knowledge in the apparel business. They have made the most amazing and unique apparels for infants, toddlers, boys and girls."*

## **DINESH PAREKH**

Nihareeka Marketing  
Guwahati



*"Our association with DOREME is since its inception. We have the privilege to introduce their quality products in Maharashtra and since then our journey of growth has been phenomenal for both of us. We congratulate them and wish them many more successful years of togetherness."*

## **HEMANT & PANKAJ PAREKH**

Pamposh Marketing  
Mumbai

# Sustainability

## Environmental

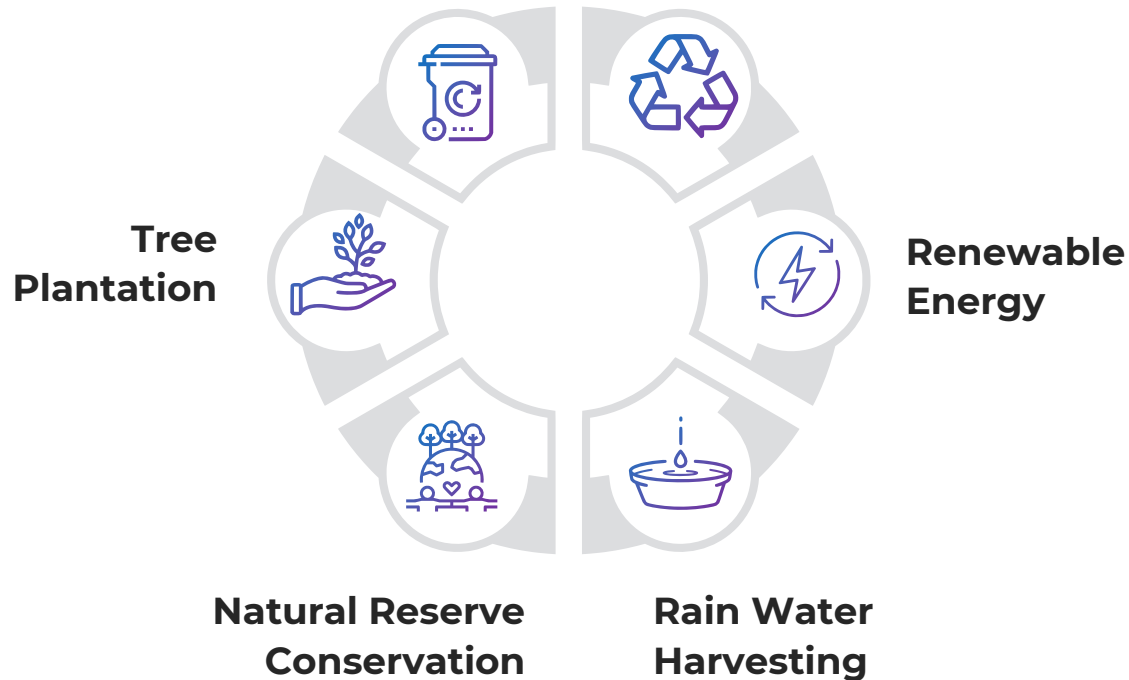
Iris follows a strict ecological policy that comprises of 6 features

### Waste Reduction

Iris made an improvement in its fabric quality, which resulted in significant reduction of fabric wastage.

### Recycling

Iris uses printing materials that is eco-friendly, recyclable and devoid of lead.



## Social



No Child Labour



Provided clothes to 2000+ underprivileged children



Providing sanitary pads to women workers so their working potential is not compromised

# Investor Presentation

Q2 & H1 FY 2024

## Annual Highlights



**Iris Clothings Limited**



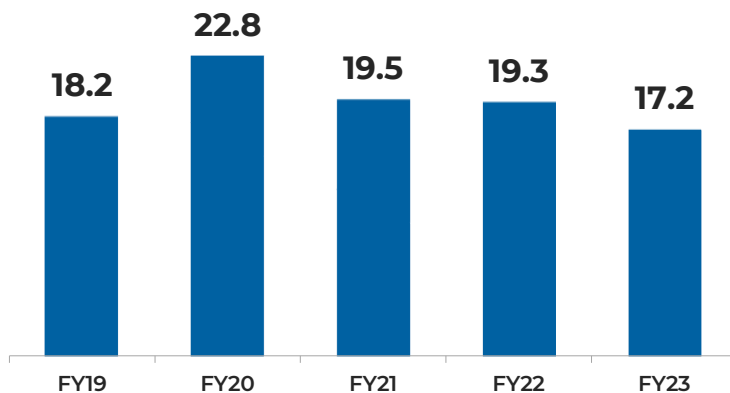
# Balance Sheet

(in ₹ Mn)

Particulars	FY 2021	FY 2022	FY 2023
<b>Total non-current assets</b>	<b>325</b>	<b>329</b>	<b>289</b>
Inventories	253	337	449
Trade Receivables	149	237	313
Cash & cash equivalents (incl. bank balances)	15	14	15
<b>Total Current Assets</b>	<b>434</b>	<b>609</b>	<b>804</b>
<b>Total Assets</b>	<b>759</b>	<b>938</b>	<b>1,093</b>
<b>Equity</b>	<b>388</b>	<b>487</b>	<b>569</b>
Lease Liabilities	68	66	52
<b>Total Non-current Liabilities</b>	<b>68</b>	<b>66</b>	<b>52</b>
Short-term Borrowings	203	255	285
Trade Payables	84	108	167
<b>Total Current Liabilities</b>	<b>303</b>	<b>385</b>	<b>471</b>
<b>Total Equity &amp; Liabilities</b>	<b>759</b>	<b>938</b>	<b>1,093</b>

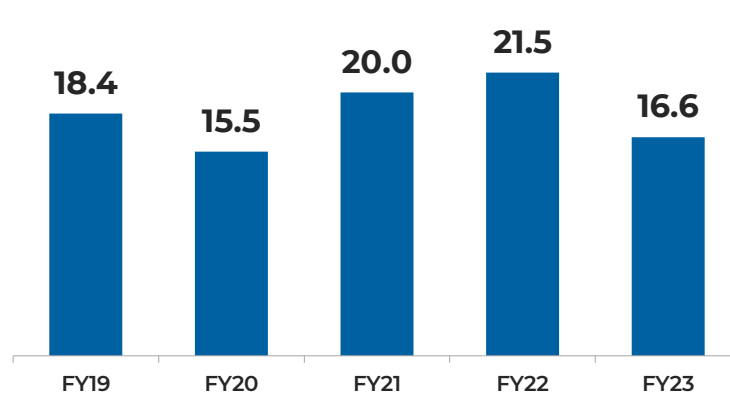
# Ratio Analysis

## EBITDA Margin (in %)

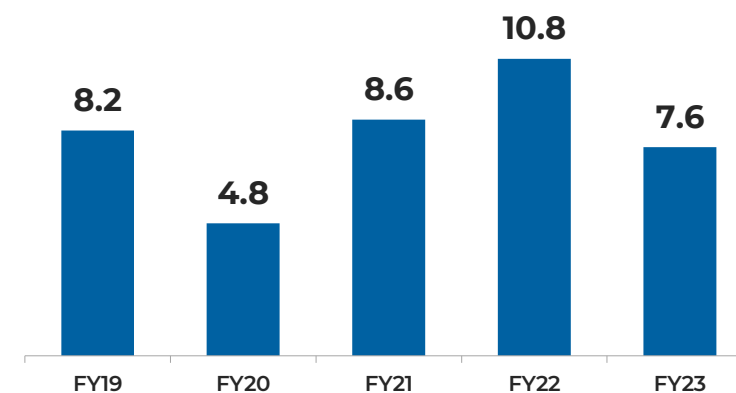


Decrease in the ratio has been due to significant increase in raw material costs.

## Return on Capital Employed (in %)

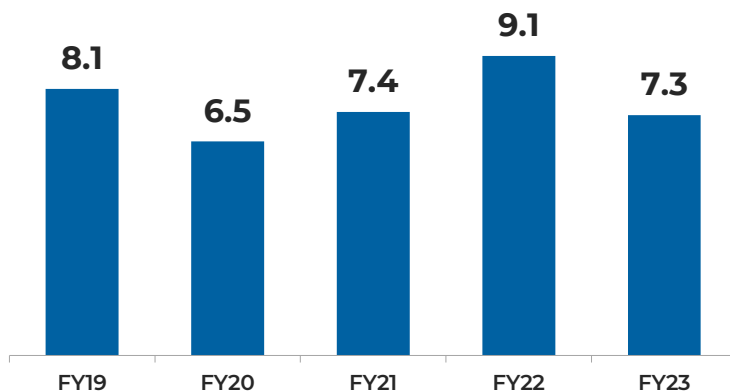


## Return on Assets (in %)

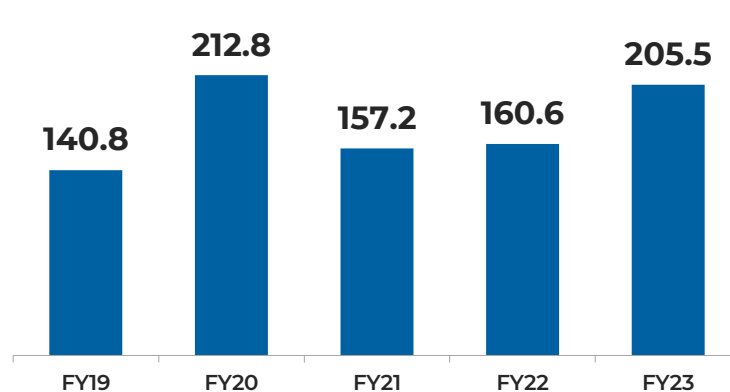


Drop in returns was due to low top line growth and high raw material prices.

## PAT Margin (in %)

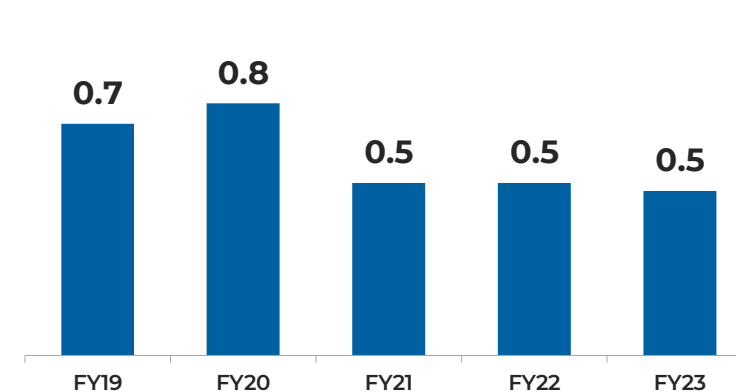


## Working Capital Days (in days)



High working capital days in FY23 was due to high days inventory outstanding owing to unsold stock for summer wear that will go out in the next quarter.

## Debt-to-Equity (in x)



Debt requirements have moderated since FY21.

# Investor Presentation

Q2 & H1 FY 2024

## Investment Rationale



**Iris Clothings Limited**



# Our Differentiating Factors

Continuous **investments to expand** manufacturing capabilities coupled with high return on capital employed indicating **efficient use** of that capital

Catering to a **large customer segment** of ~365 million



With ~15 years of **experience**, promoters have **a strong expertise** in the industry

**Established** long standing **relationships** with suppliers

**Fully integrated** and automated operations allows Iris to maintain quality

**IS**  
Iris Clothings Limited

# Safe Harbour Statement

This presentation has been prepared by and is the sole responsibility of Iris Clothings Limited (the “Company”).

This presentation does not constitute any offer, recommendation or invitation to purchase or subscribe for any securities. This presentation has been prepared by the Company based on the data and information which the Company considers reliable, but the Company makes no representation or warranty, express or implied, whatsoever 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 relevant. Any liability in respect of the contents of, or any omission from, this presentation is expressly excluded.

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# Thank You

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