



YOU WE CAN
Athletic



SUDITI INDUSTRIES LTD.

Q4-FY19/FY19 EARNINGS PRESENTATION

Executive Summary



Overview

- Suditi Industries limited ("SIL"), was incorporated in 1991 as a processing house to manufacture 100% cotton Knitted Fabrics and Polar Fleece Fabrics
- In a short span, the company established itself as a reputed quality manufacturer of hosiery fabrics and garments for many established brands
- The company is today a vertically integrated Textile and Apparel manufacturing house with processes like knitting, dyeing, printing, finishing, garmenting and also retailing of our own branded apparels and reputed licensed wear



Products and Business Mix

- **Retail Business**
 - **Licensed Brands** – FC Barcelona, Manchester City FC
 - **Own Brands** – Riot and Indianink
 - **Partnership Brands** – YouWeCan and NUSH
- **Fabric and Garments Business**



Key Marquee Clients

- **Retail:** EBO's and large format stores like Central, Shoppers Stop, Pantaloons, Lifestyle, & Walmart, and e-commerce presence on Jabong, Myntra, Amazon, Flipkart, Snapdeal, etc.
- **Fabrics:** Madura Group, Reliance, Creative Garments Pvt. Ltd, Gini & Jony Ltd, Choudhary Garments
- **Garments:** Future Group, Mandhana Industries Ltd, Myntra Designs Pvt. Ltd, Siyaram Silk Mill Ltd, Shoppers Stop, Raymond, Lee Cooper, Walmart, Burnt Umber

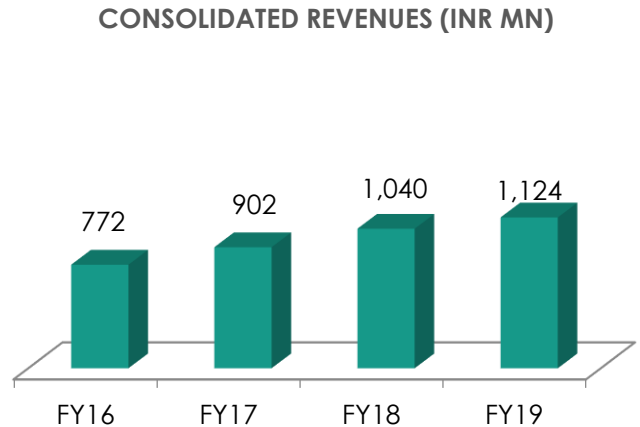
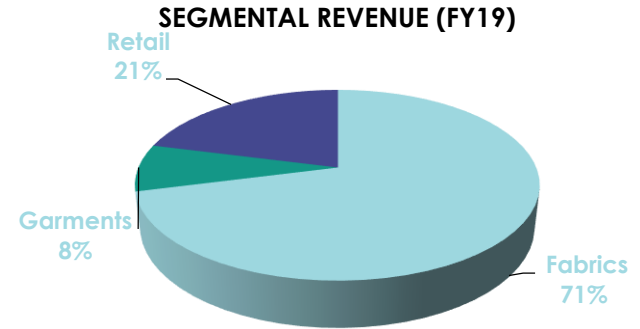


FY19 Financial Performance (Standalone)

- Total Income: **INR 1,116 Mn**
- EBITDA: **INR 107 Mn**
- Net Profit: **INR 39 Mn**

Company Overview

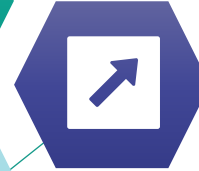
- SIL initially started as a fabrics processing plant, the company has gradually entered into different segments of fabric processing such as knitting, printing, finishing and garmenting.
- The company is **headquartered at Navi Mumbai, Maharashtra** and has manufacturing unit at Turbhe, Mumbai.
- SIL has state-of-the-art machines imported from Germany, USA, Greece, Switzerland, Taiwan etc. through which they cater to customers' specific needs.
- SIL ventured into licensing by acquiring **manufacturing rights for 2014 FIFA World Cup (Brazil)**.
- Encouraged by the response of FIFA world cup 2014 (Brazil) the company has now executed licensing agreement with reputed **international clubs like FC Barcelona and Manchester City FC** and also ventured licensing agreements with **YouWeCan** as well as a joint venture with **NUSH**.
- The company has a strong retail presence through 2 of its **key brands: Riot** and **Indianink**.
- **Riot** is an inspirational youth brand that offers quality fashion wear at economical prices. **Indianink** offers a vivid range of contemporary fashion and styled garments for women.
- It also launched a clothing brand **YWC** Fashion with cricketer Yuvraj Singh in 2016 and brand **NUSH** with celebrity actress Anushka Sharma in 2017.



Key Strengths

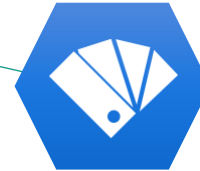
Experienced promoters & a strong management team

Established Players in Apparel Brand Licensing



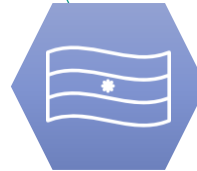
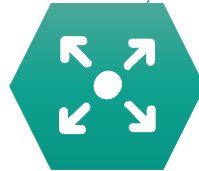
Vertically integrated - processing to garmenting

Strong Retail brands - Riot & Indian Ink



Diversified range of textile products

Reliable suppliers of Fabrics and Garments to Marquee Clients



Strong Pan India distribution network across platforms

Future Strategy

- **Increased focus on retail** business.
- Strategically identify & tie-up with **more licensed brands**.
- **Increasing footprint of our own and licensed brands** through distributor networks and other low-capex franchisee models.
- **Higher focus on e-commerce** platforms.
- Strategically leverage on companies own manufacturing facilities to **further reduce cost & improve margins**.

INFO

STRATEGY

Q4-FY19/FY19 Financial & Operational Highlights

Q4-FY19 Standalone Financial Performance:

Total Income* – INR 287 Mn

EBITDA- INR 24 Mn

EBITDA Margin- 8.36%

Net Profit- INR 4 Mn

PAT Margin- 1.39%

Diluted EPS- INR 0.16

FY19 Consolidated Financial Performance

Total Income* - INR 1,124 Mn

EBITDA- INR 108 Mn

EBITDA Margin- 9.60%

Net Profit- INR 39 Mn

PAT Margin- 2.93%

Diluted EPS- INR 1.93 per equity share

FY19 Standalone Financial Performance:

Total Income* – INR 1,116 Mn

EBITDA- INR 107 Mn

EBITDA Margin- 9.58%

Net Profit- INR 39 Mn

PAT Margin- 3.49%

Diluted EPS- 2.26 INR

Operational Highlights:

- Increased focus on profitability and reducing the working capital cycle
- In spite of slow growth of the economy, the company achieved 14% increase in sales and 18% growth in profit.

* - Includes Other Income

Quarterly Standalone Financial Performance (IND AS)

Particulars (INR Mn)	Q4 FY19	Q4 FY18	Y-o-Y	Q3 FY19	Q-o-Q
Total Income*	287	289	(0.7)%	257	11.7%
Total Expenses	263	266	(1.1)%	232	13.4%
EBITDA	24	23	4.3%	25	(4.0)%
EBITDA Margin (%)	8.36%	7.96%	40 Bps	9.73%	(137) Bps
Depreciation	5	4	25.0%	5	NA
Finance Cost	11	7	57.1%	8	37.5%
PBT	8	12	(33.3)%	12	(33.3)%
Tax	4	-	NA	2	100.0%
PAT	4	12	(66.7)%	10	(60.0)%
PAT Margin (%)	1.39%	4.15%	(276) Bps	3.89%	(250) Bps
Other Comprehensive Income (net of Tax)	(1)	(1)	NA	-	NA
Total Comprehensive income	3	11	(72.7)%	10	(70.0)%
Diluted EPS (INR)	0.16	0.64	(75.0)%	0.57	(71.9)%

* Includes Other Income

Standalone Financial Performance (IND AS)

Particulars (INR Mn)	FY19	FY18	YoY
Total Income*	1,116	980	13.9%
Total Expenses	1,009	887	13.8%
EBITDA	107	93	15.1%
EBITDA Margin (%)	9.58%	9.49%	9 Bps
Depreciation	18	15	20.0%
Finance Cost	32	29	10.3%
PBT	57	49	16.3%
Tax	18	15	20.0%
PAT	39	34	14.7%
PAT Margin (%)	3.49%	3.47%	2 Bps
Other Comprehensive Income (net of Tax)	(1)	-	NA
Total Comprehensive income	38	34	11.8%
Diluted EPS (INR)	2.26	1.91	18.3%

* - Includes Other Income

Standalone Income Statement (IND AS)

Particulars (INR Mn)	FY16*	FY17	FY18	FY19
Total Income#	683	819	980	1,116
Total Expenses	614	735	887	1,009
EBITDA	69	84	93	107
EBITDA Margin (%)	10.10%	10.26%	9.49%	9.58%
Depreciation	18	18	15	18
Finance Cost	30	29	29	32
PBT	21	37	49	57
Tax	6	16	15	18
PAT	15	21	34	39
PAT Margins (%)	1.82%	2.56%	3.47%	3.49%
Other Comprehensive Income (net of Tax)	-	-	-	(1)
Total Comprehensive income	15	21	34	38
Diluted EPS (INR)	0.87	1.26	1.91	2.26

#Includes other income

*The numbers reported originally under IGAAP for FY16 is revised to make it comparable with FY17 and FY18 figures which are reported under IND AS

Standalone Balance Sheet (IND AS)

Liabilities (INR Mn)	FY18	FY19	Assets (INR Mn)	FY18	FY19
Shareholder Funds			Fixed Assets		
Share Capital	168	170	Properties, Plant and Equipment	102	102
Other Equity	163	206	Intangible Assets	1	1
Total Shareholders Fund	331	376	Capital Work in Progress	17	4
			Intangible Assets under Development	2	2
Non Current Liabilities			Non-current investments		
Long Term Borrowings	41	44	Non-current investments	10	9
Other Long Term Liabilities	4	5	Deferred Tax Asset (net)	2	2
Provisions	4	4	Long term loans	86	83
Total Non Current Liabilities	49	54	Other non current assets	-	-
			Others	2	-
Current Liabilities			Total Non current assets	222	203
Short term Borrowings	230	333	Current Assets		
Trade Payables	141	214	Investments	-	-
Other Financial Liabilities	19	21	Inventories	302	299
Other Current Liabilities	19	24	Trade Receivables	234	436
Short-term provisions	1	1	Cash & Cash Equivalents	5	5
Current Tax Liability(Net)	-	-	Loans	-	1
Total Current Liabilities	411	593	Other current assets	27	59
			Current Tax assets (net)	-	19
			Total Current Assets	568	819
GRAND TOTAL - LIABILITES	790	1,022	GRAND TOTAL – ASSETS	790	1,022

Consolidated Income Statement (IND AS)

Particulars (INR Mn)	FY16*	FY17	FY18	FY19
Total Income#	772	902	1,040	1,124
Total Expenses	705	816	944	1,016
EBITDA	67	86	96	108
EBITDA Margin (%)	7.35%	9.53%	9.23%	9.60%
Depreciation	18	18	16	19
Finance Cost	30	31	33	38
PBT	19	37	47	51
Tax	6	16	15	18
Profit before share of profit/loss of Joint ventures/ Associates	13	21	32	33
<i>Profit/Loss of Joint Ventures/Associates</i>	-	-	(3)	-
PAT	13	21	29	33
PAT Margins (%)	1.43%	2.33%	2.79%	2.93%
Other Comprehensive Income (net of Tax)	-	-	-	-
Total Comprehensive income	13	21	29	33
Diluted EPS (INR)	0.77	1.26	1.61	1.93

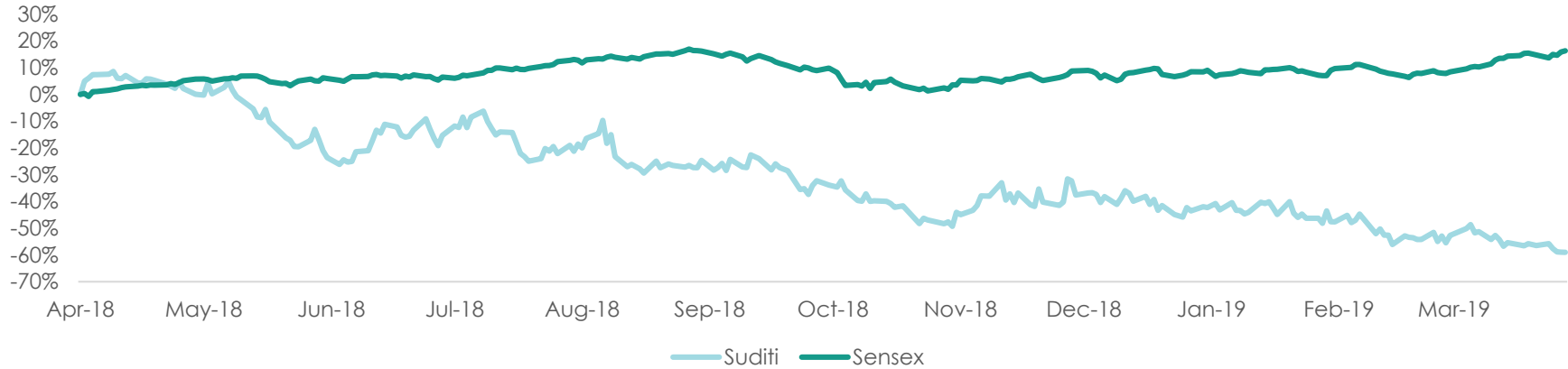
Includes other income

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Consolidated Balance Sheet (IND AS)

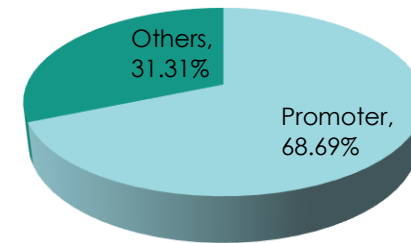
Liabilities (INR Mn)	FY18	FY19	Assets (INR Mn)	FY18	FY19
Shareholder Funds			Fixed Assets		
Share Capital	168	170	Properties, Plant and Equipment	104	103
Other Equity	155	193	Intangible Assets	1	1
Non- Controlling Interest	-	-	Capital Work in Progress	17	4
Total Shareholders Fund	323	363	Intangible Assets under Development	2	2
Non Current Liabilities			Non-current investments		
Long Term Borrowings	41	44	Non-current investments	-	-
Other non-current liabilities	26	20	Deferred Tax Asset (Net)	2	2
Provisions	5	5	Loans	88	85
Total Non Current Liabilities	72	69	Other non current assets	1	-
			Others	2	-
Current Liabilities			Total Non current assets	217	197
Short term Borrowings	292	385	Current Assets		
Trade Payables	211	225	Investments	-	-
Other Financial Liabilities	24	24	Inventories	371	351
Other Current Liabilities	23	28	Trade Receivables	326	483
Short-term Provisions	1	1	Cash & Cash Equivalents	5	6
Current Tax Liability (Net)	-	-	Loans	-	-
Total Current Liabilities	551	663	Other current assets	27	39
			Current tax assets (net)	-	19
			Total Current Assets	729	898
GRAND TOTAL - LIABILITES	946	1,095	GRAND TOTAL – ASSETS	946	1,095

Capital Market Data



Price Data (31 st March, 2019)	INR
Face Value	10
Market Price	25.95
52 Week H/L (INR)	71.25/25.95
Market Cap (INR Mn)	440.7
Equity Shares Outstanding (Mn)	16.98
1 Year Avg. trading Volume ('000)	4.29

Shareholding Pattern (31st March, 2019)



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