

DOLLAR INDUSTRIES LIMITED
ONE OF INDIA'S FASTEST
GROWING LIFESTYLE
INNERWEAR COMPANY



Corporate Presentation 2017-18





Disclaimer

This presentation is strictly confidential and may not be copied, published, distributed or transmitted. The information in this presentation is being provided by Dollar Industries Limited (also referred to as the 'Company').

This presentation and its contents are strictly confidential to the recipient and should not be further distributed, re-transmitted, published or reproduced, in whole or in part, or disclosed by recipients directly or indirectly to any other person or press, for any purposes.

This presentation contains forward-looking statements based on the currently held beliefs and assumptions of the management of the Company, which are expressed in good faith and, in their opinion, reasonable. Forward-looking statements involve known and unknown risks, uncertainties and other factors, which may cause the actual results, financial condition, performance, or achievements of the Company or industry results, to differ materially from the results, financial condition, performance or achievements expressed or implied by such forward-looking statements.



Contents

04 Big message	06 Dollar brand offerings	08 Dollar presence	11 Manufacturing operations	12 Milestones
14 Dollar competencies	15 Macro-economic trends	18 Strength of the Dollar brand	20 Dollar branding KPIs	22 Dollar's four P's of marketing
25 Dollar's portals for visibility	27 Our quarterly numbers	30 Revenue break-up	32 Team Dollar	35 Corporate social responsibility



Big message of this presentation



	<p>Growing incomes</p>
	<p>Preference for contemporary innerwear and outerwear</p>
	<p>Dollar attractively positioned (capacity, brands, portfolio and Balance Sheet)</p>



Background

- Established in 1972 as a small family-run body-wear company having more than 4 decades of experience
- Over the years, through its premium range of clothing, focus on product cost and quality, Dollar evolved into one of India's best known lifestyle innerwear brand
- Dollar is now an internationally-recognised Indian knitwear and innerwear brand
- It is India's first innerwear Company with a fully backward integrated manufacturing unit, equipped with state of the art machinery
- Dollar enjoys a pan-India presence with 850+ distributors and 80,000+ MBOs
- Dollar has a presence in 20 countries across the globe
- Promoter and promoter group Company supported by competent professionals having vast experience in body-wear sector

Portfolio

Dollar has an extensive product portfolio for men, women and kids in class, class for mass and mass segment which include:

Innerwear	Casual wear	Lounge wear	Thermal wear	Kids' wear
-----------	-------------	-------------	--------------	------------

Class	Class for Mass	Mass
Present through Pepe Jeans Innerwear Fashion Pvt Ltd, a Joint Venture Company and Force NXT	Force Go Wear, Missy, Ultra Thermals, Champion, Bigboss	Lehar RKG Comfort Commando

Achievements

Dollar was bestowed with 'One Star Export House' certification by DGFT, Department of Commerce, Ministry of Commerce and Industry, Government of India in the year 2010.



Dollar brand offerings



- Segment: Class
- Products: Vests, briefs, trunks and T-shirts
- Target audience: Men (20-40 years of age)
- Aspires people with high and comfortable disposable income
- USPs: International quality, global fashionable products
- Tagline: Inner fashion
- Team headed by – Mr. Gaurav Gupta, Vice President



- Segment: Class for mass
- Products: Vests, briefs and trunks
- Target audience: Men (30-60 years of age)
- Targets urban population with a considerable income & value for money products
- USPs: Affordable, fashionable, comfortable and sporty
- Tagline: Fit Hai Boss
- Team headed by – Mr. Vinod Kumar Gupta and Mr. Binay Kumar Gupta, Managing Directors and Mr. Krishan Kumar Gupta, Whole Time Director



- Segment: Class for mass
- Products: Camisoles, panties, leggings and lounge-wear
- Target audience: Women and girls (18-45 years of age)
- Mainly targets average income trend followers
- USPs: Comfortable fits and product variety (sizes and colors), quality product in an affordable price
- Tagline: Carry on Missy
- Team headed by – Mr. Ankit Gupta, Vice President



Dollar brand offerings



- Segment: Class for mass
- Products: V neck with trousers, long short camisoles
- Target audience: Men, women and kids
- Considerable income group and value for money
- USPs: Ultra-light, comfortable, stylish, winter-wear
- Tagline: Hot Hai Boss
- Team headed by – Mr. Vinod Kumar Gupta and Mr. Binay Kumar Gupta, Managing Directors and Mr. Krishan Kumar Gupta and Mr. Bajrang Kumar Gupta, Whole Time Directors



- Segment: Class for mass
- Products: T-shirts, bermudas and trousers
- Target audience: Kids
- Value for money
- USPs: Affordable, sporty and primarily caters to suburban and rural customers
- Team headed by – Mr. Gaurav Gupta, Vice President



- Segment: Class for mass
- Products: T-shirts (round neck and collared), vests (innerwear and sports vests), briefs, boxers, bermudas, capris and track-pants
- Target audience: Men
- Targets those who are trend followers and yet a generation of growing economy
- USPs: Affordable, comfortable and caters to the mass market
- Team headed by – Mr. Vinod Kumar Gupta and Mr. Binay Kumar Gupta, Managing Directors and Mr. Krishan Kumar Gupta, Whole Time Director

* Our products are within the price range of ₹50 to ₹650

* Products available at organised and retail MBO. However Force NXT has an exclusive distribution channel



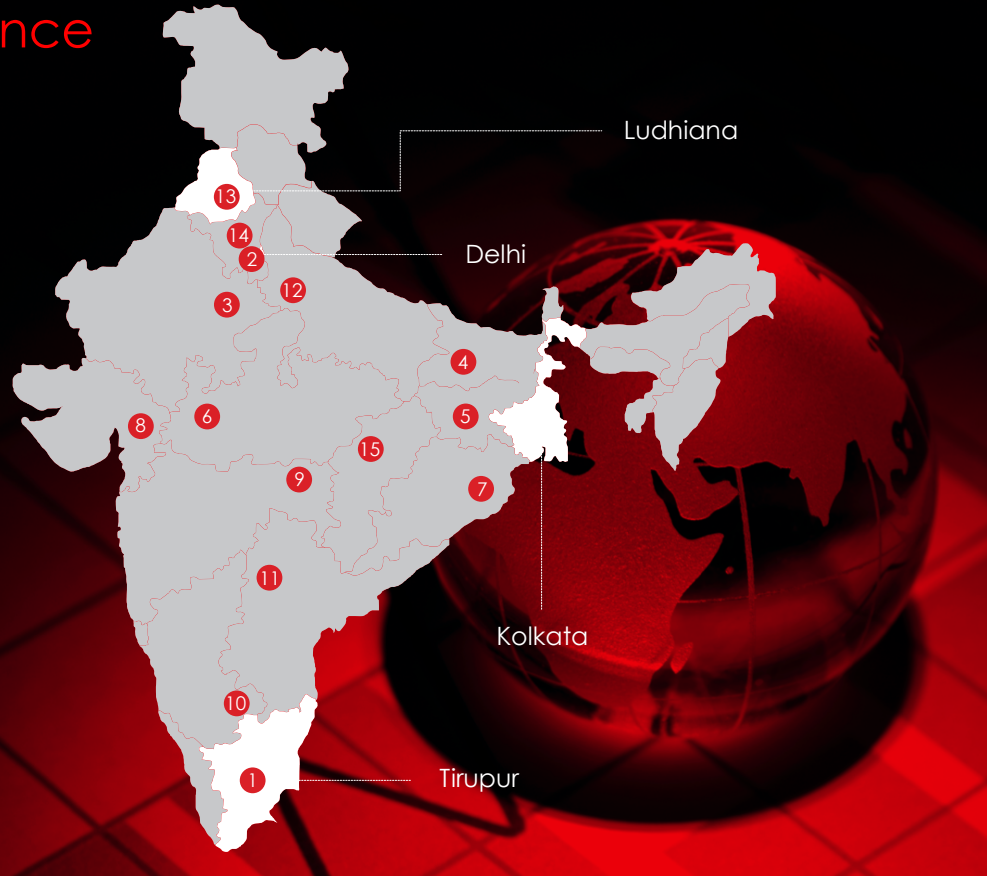
Domestic Presence

Headquartered in
Kolkata

Manufacturing facilities
in Kolkata, Tirupur, Delhi
and Ludhiana

BRANCH OFFICES

1)Tirupur 2)Delhi,
3)Jaipur, 4)Patna,
5)Ranchi,6)Indore,
7)Cuttack, 8)Vadodara,
9)Nagpur, 10)Bangalore,
11)Hyderabad, 12)Agra,
13)Ludhiana, 14)Rohtak
and 15)Raipur

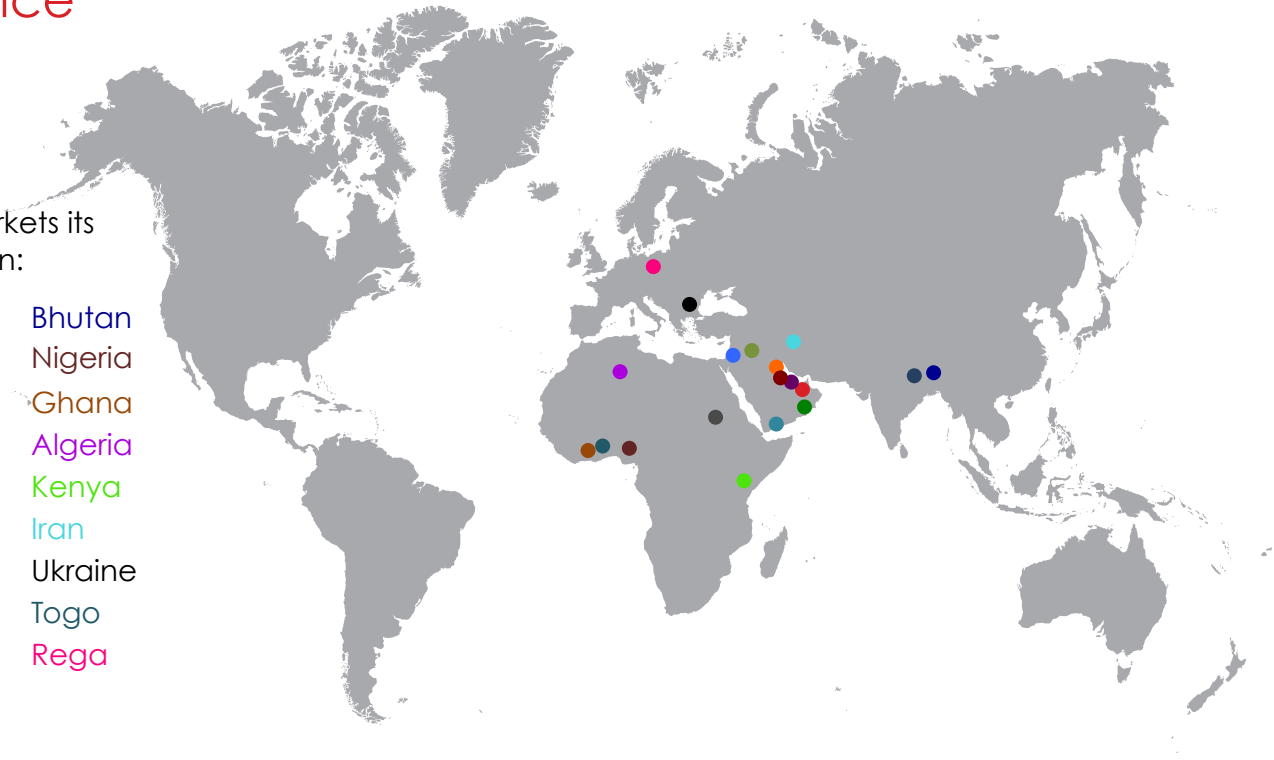




International Presence

Dollar markets its products in:

UAE	Bhutan
Oman	Nigeria
Jordan	Ghana
Qatar	Algeria
Kuwait	Kenya
Bahrain	Iran
Yemen	Ukraine
Iraq	Togo
Nepal	Rega
Sudan	



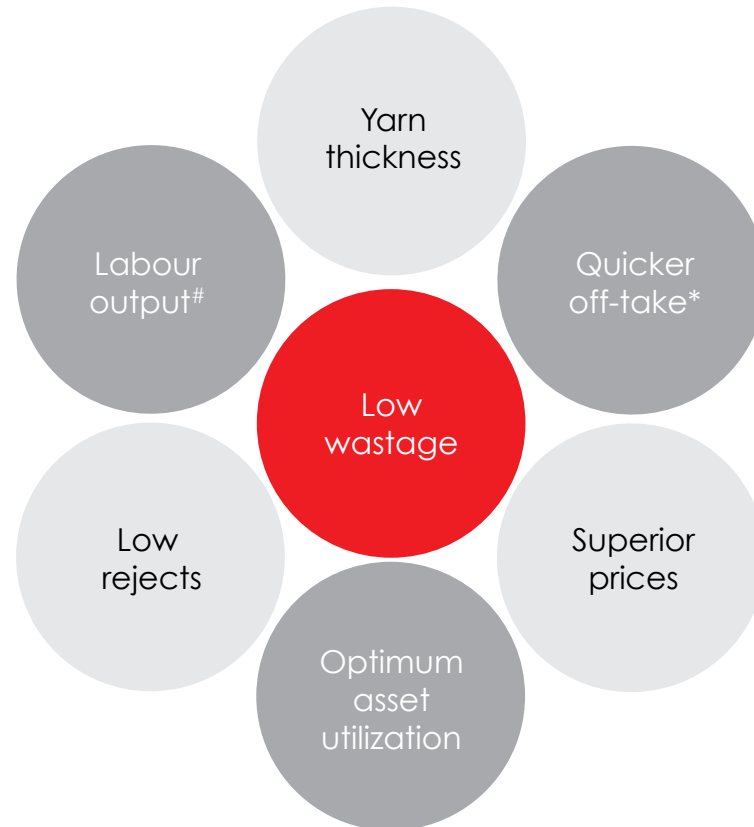
Dollar initiated its exports to Ukraine, Saudi Arabia and African countries in FY 2017-18



Dollar's assets and value chain

The Company's sensible investments in manufacturing assets distinguish its products from its peers.

Dollar's young asset quality has helped it to reap multiple benefits.



* Aggressively working on optimising off-take

Management working on training and welfare of manpower for increased labour satisfaction



Manufacturing operations

Spinning

- The Company manufactures 100% cotton combed quality yarn in different count ranges
- Raw material is sourced from India and abroad
- The raw material used is fine quality fibre with lowest possible contamination
- Spinning machines: Blow and carding machine equipped with vital (foreign material detector) attachment - from Trutzschler and Trumac
- Ne 20s to 40s single yarn is produced with an average monthly output of 400 tonnes

Knitting

- Dollar's knitted fabric range includes a wide variety of fabrics such as single jersey, pique and fleece
- Knitting machines: Machines from Mayer and CIE, Terrort, Smart and Unitex
- In-built monthly capacity of 300 tonnes and sourcing of 300 tonnes

Dyeing and Bleaching

- The Company's processing division is complete with latest automation and lab equipment
- Dyeing and Bleaching using eco-friendly dyes and chemicals is a part of processing

- Processing machines: Machines from Sclavos, MCS, Bianco, Strahm, Corino and Fongs
- Installed capacity of monthly 400 tonnes

Production capacity

- Dollar's Elastic production capacity is 10 Lakh metres per month
- It also has a cutting capacity of 3 Lakh pieces per day

Other operations include

- Cotton procurement
- Research and development
- Stitching
- Packing



Milestones

1972-73

- Started as Bhawani Textiles under the leadership of Shri. Dindayal Gupta

1994-95

- Dollar began exports

2005-06

- Roped in Salman Khan as the Brand Ambassador of Dollar Club
- Received the National Award in the 'Best Brand' and 'Excellence in Men's Innerwear' categories by Clothing Manufacturing Association of India (CMAI)

2007-08

- Rebranded as Dollar Industries Limited
- Bestowed the National Award in the 'Excellence in Men's Innerwear' category by Clothing Manufacturing Association of India (CMAI)

2008-09

- Bestowed the National Award in the 'Excellence in Men's Innerwear' and 'Best Brand' categories by Clothing Manufacturing Association of India (CMAI)



Milestones

2009-10

- Roped in Akshay Kumar as the brand ambassador of Dollar Bigboss

2014-15

- Widened its presence across 26 Indian States

2015-16

- Established >75,000 MBOs across India
- Emerged as the highest-selling Indian innerwear brand in Middle East
- Carved out a 15% share of the branded innerwear market
- Brands Force NXT and Missy were introduced

2016-17

- Entered the MRT and e-commerce segments
- Secured 2% of overall revenues from Force NXT within a year of its launch
- Widened its Missy and Bigboss Dollar range

2017-18

- Shares listed at NSE on 21 April 2017
- PEPE Jeans and Dollar Joint Venture in August 2017



Dollar competencies



Customer satisfaction

Wide range of choice

Enriched industry experience

Highly experienced and professional manpower

Internationally accepted quality

Modern technology facilities

Stringent quality check on all products

Capacious warehouse and packing facilities

Superior logistics support*

* Company's focus area for improvement



Macro-economic trends

<p>GST offers more efficient tax regime for tax players giving an edge to the organised sector over the unorganised sector</p>	<p>Increasing disposable incomes; brand-conscious, aspiration-driven and quality-focused Indian middle class</p>	<p>Buyers shopping preference shifting from MBOs to organised channels (wider range of brands, price points and designs)</p>
<p>Innerwear purchase extending beyond price</p>	<p>Youth experimenting with broader variety of colours and cuts; innerwear graduated from 'necessity' to 'fashion product'</p>	<p>Increased export volumes following focused marketing campaigns</p>



Dollar's positioning



- The Company is working on a strategic road map in order to achieve the 'Brand' objective. It has planned a marketing strategy to reach customers across India and achieve set objective
- The implementation of the GST has catalysed the growth of organised players like Dollar
- Extensive investments in strategic brand-building exercises have affected the Company positively
- Top-notch backward integration capabilities and efficient distribution channels have ensured qualitative consistency and seamless raw material supply across its facilities
- The rise of e-tail and modern retail formats has increased the popularity of Dollar's products among consumers
- Digital marketing is one of the key areas where the Company is a trend setter in this category
- The Company's international presence has also lent a boost to its brand equity
- The Company's marketing team has been aggressively marketing and promoting its products across India. Dollar has its presence in all states across India and is present in more than 84,000+ MBOs

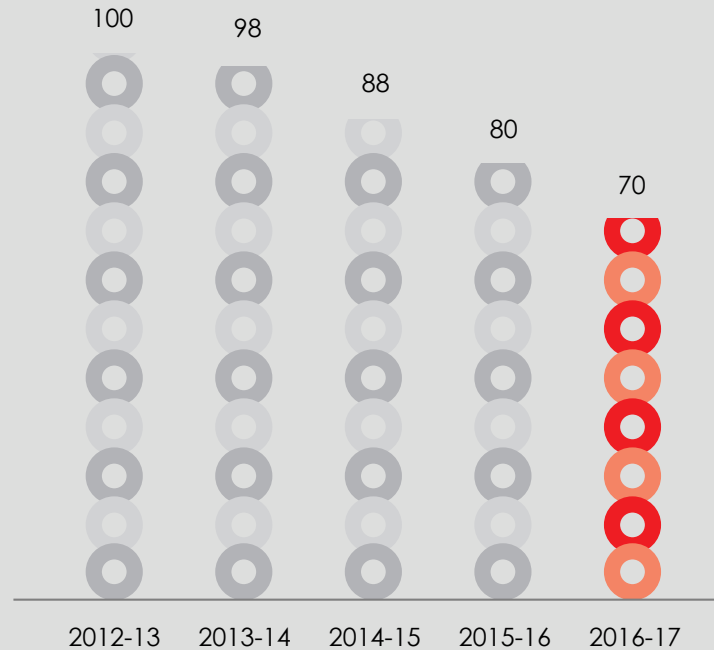


Dollar's asset-lightness

70%
of sales
generated
from
outsourcing

Captive
production
increased from
0% of sales
2012-13 to 30%
in 2016-17

Percentage of sales from outsourcing





Strength of the Dollar brand

1

Dollar follows a customer centric approach in today's volatile smart age

2

Dollar comes up with innovative branding and marketing techniques to carve a distinctive niche for itself

3

Dollar's brands have been positioned around the tagline of 'affordable premium'

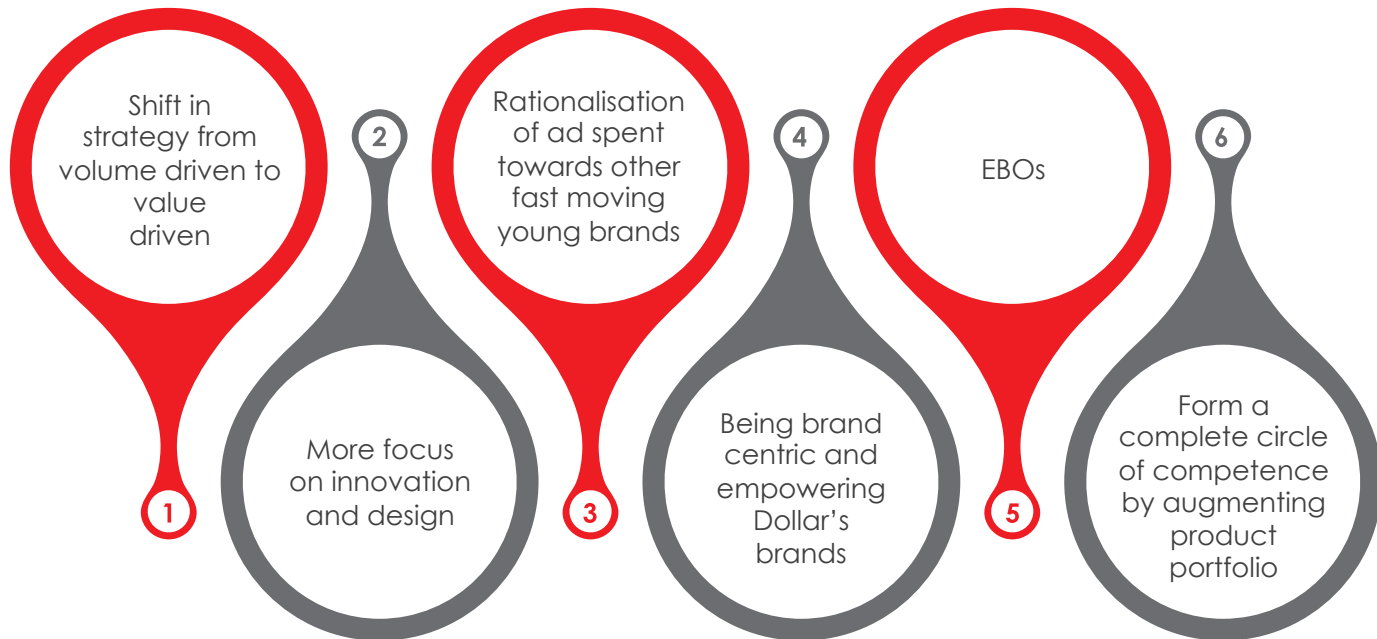
4

Dollar's fabric quality, styling and packaging has made its consumers feel their graduation to a superior lifestyle

This planned branding strategy has resulted in an increase in the Company's net worth from ₹88.58 crore in 2012-13 to ₹180.92 crore in 2016-17.



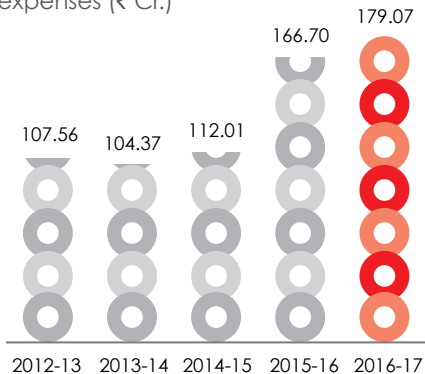
Dollar brand development: Management strategy



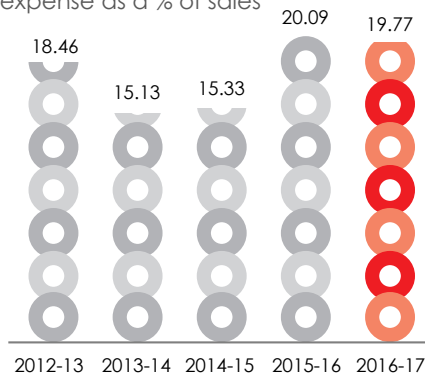


Dollar's branding KPIs

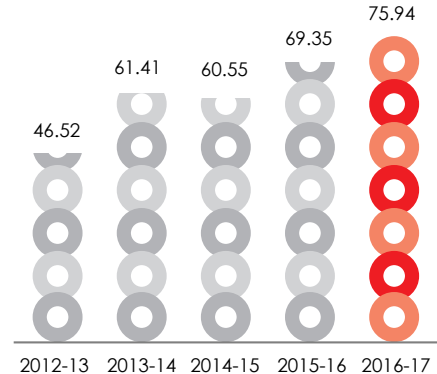
Advertising and marketing expenses (₹ Cr.)



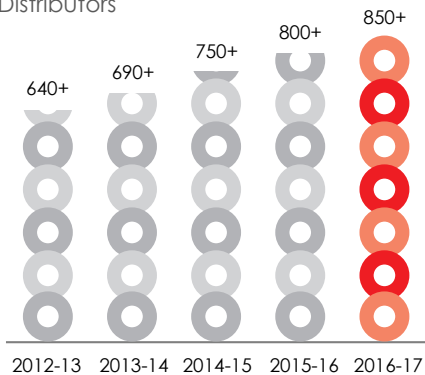
Advertising and marketing expense as a % of sales



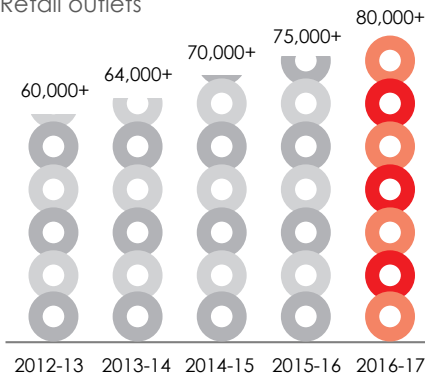
Exports (₹ Cr)



Distributors



Retail outlets



* Currently in H1 FY 2017-18 retail outlets are 870+ and distributors are 84,000+



Our engagement milestones

- Dollar Bigboss 2016 TVC: Over 4 Million+ (40 Lakh) True Views
- Dollar Youtube channel: Over 9 Million (90 Lakh) True Views
- Dollar's engagement on social media platforms: Over 25 Lakh people
- Dollar's reach in 2016-17 pan India: Over 40 Million (4 Crore)
- Average content engagement: Over 700+ people
- Average daily engagement: Over 3,000 people
- Total Fans/Likes & Followers for brands under Dollar: Over 10 Lakhs
- Ranking in terms of using latest technology and trends: Leading brand
- Participation in various contests in 2017: 25,000
- People engaged in Dollar's festival 'Try It Frame App': Over 60,000
- Growth in online sales in the last three years:
 - 500% for FY 2015-16
 - 120% for FY 2016-17
 - 450% for FY 2017-18 (data till September 2017)



Dollar's Four P's of marketing

Product

- Portfolio width drives dealer effectiveness, visibility and off-take
- Strategic presence in emerging product categories

Dollar's approach

- Extended into growing segments (outwear for both men and women).
- Increase product portfolio from innerwear to outerwear
- Products for all age groups, demographic and psychographic segments which involves marketing in a focused manner by dividing the market into segments based upon customer traits.

Price

- Margins influenced by product pricing
- Most innerwear brands address the 'mass' segment

- Recent traction towards the premium end

Dollar's approach

- Defined pricing strategy for each segment
- Price differentiation not only in quality but also on brand positioning
- Inspiring for all age groups, from commodity buyers to brand owners



Dollar's Four P's of marketing

Place

- Product acceptance dependent on distribution efficiency
 - Growing online retail channels
- Success largely about providing the right item at the right place and right time
 - Growing preference for MBOs, EBOs and LFSs
- Dollar's approach*
- Providing products across new retail channels.
 - Planned marketing and distribution strategy to reach customers and achieve set objective.

Promotion

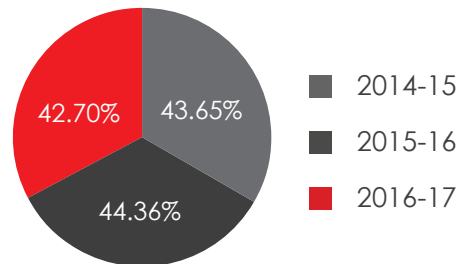
- Growing competition increased marketing and promotion costs
 - Maximum impact through television spending
- Positioned prudently across media for enhanced visibility
- Dollar's approach*
- An icon to our target group, Akshay Kumar who has been endorsing Dollar brand for the last 8 years has been further tied up for the next 3 years
 - Enduring appeal; contemporary brand
 - Brand communication strategy is developed to connect to the target group with high brand recall.
 - Connected with the youth; superior visibility and off-take



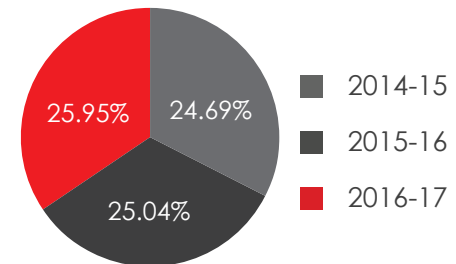
Dollar's distribution network

- Dollar has developed a robust distribution network across India and also exports its products to 19 countries
- Dollar products enjoy superior visibility across rural and metro India
- Dollar's relationships with wholesalers and retailers enhanced logistical efficiency and revenue accretion
- Dollar is venturing into new retail formats (LFSs, e-commerce portals and EBOs)

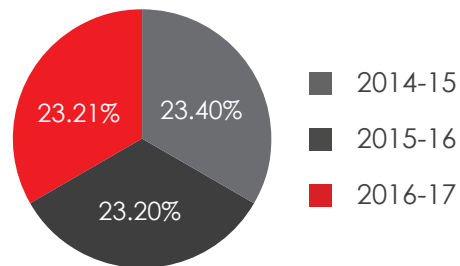
3 years geographical sales break up in %



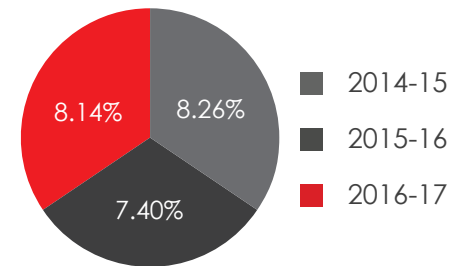
North



East



West



South



Dollar's portals for visibility

E-commerce



Dollar Shoppe



LFS





Dollar's Joint Venture partner - PEPE Jeans Europe B.V



- The company has a 50-50 joint venture partnership under the name PEPE Jeans Innerfashion Pvt. Ltd. with PEPE Jeans Europe B.V
- The joint venture is a 10 year exclusive perpetual agreement with PJ Hungary KFT with a renewal clause
- The Board would comprise of one Independent Director and four other directors two nominated by Dollar and two by PEPE each
- This partnership requires a capital influx of ₹200 crore with Dollar and PEPE to invest ₹36 crore each over a period of 4 years and the rest to be funded by banks as working capital loan
- Products would be marketed under 'PEPE Jeans London' brand
- The purpose to enter into this strategic alliance was to increase the sales and distribution of innerwear and loungewear which includes gym wear, track suits and sleepwear
- The joint venture would undertake business in the territories of India, Sri Lanka, Bhutan, Nepal and Bangladesh



Our quarterly numbers, 2017-18

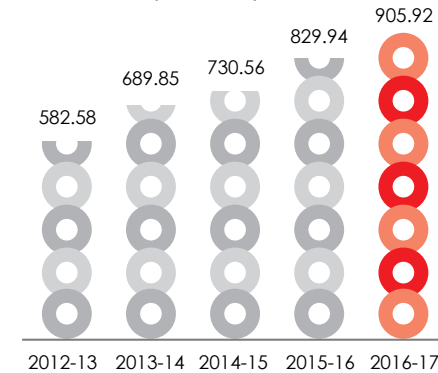
<p>Revenues (₹ Crore)</p> <p>Q2 FY17-18 – 213.69 Q1 FY17-18 – 239.57 FY16-17 – 822.92</p>	<p>EBITDA (₹ Crore)</p> <p>Q2 FY17-18 – 30.05 Q1 FY17-18 – 25.92 FY16-17 – 101.31</p>	<p>PAT (₹ Crore)</p> <p>Q2 FY17-18 – 14.87 Q1 FY17-18 – 12.50 FY16-17 – 43.46</p>
<p>Equity capital (₹ Crore)</p> <p>Q2 FY17-18 – 10.84 Q1 FY17-18 – 10.84 FY16-17 – 10.84</p>	<p>EPS# (₹)</p> <p>Q2 FY17-18 – 2.74 Q1 FY17-18 – 2.31 FY16-17 – 8.02</p>	<p>Finance Cost (₹ Crore)</p> <p>Q2 FY17-18 – 4.60 Q1 FY17-18 – 4.59 FY16-17 – 19.78</p>
<p>Depreciation (₹ Crore)</p> <p>Q2 FY17-18 – 2.96 Q1 FY17-18 – 2.93 FY16-17 – 14.77</p>	<p>* The above numbers have been reported under Ind AS Accounting Standards. # Pursuant to the approval of the shareholders of the company on 8th August 2017, the Company has sub-divided one share having face value of ₹10/- each fully paid up into five shares having face value of ₹2/- each. Accordingly EPS for all the reported period have been restated considering the aforesaid subdivision of shares.</p>	



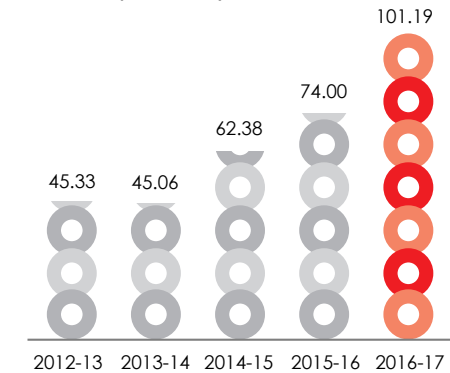
Financial performance, 2016-17



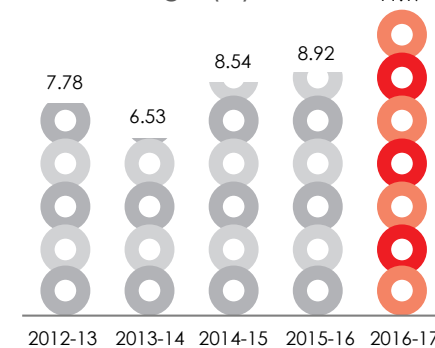
Revenues (₹ crore)



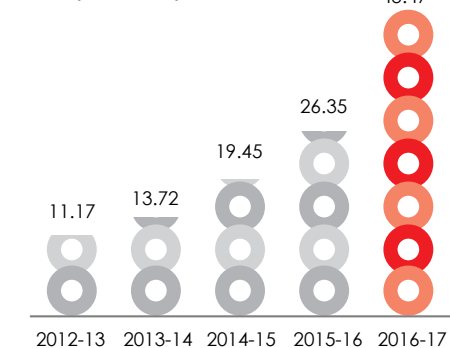
EBITDA (₹ crore)



EBITDA margin (%)



PAT (₹ crore)

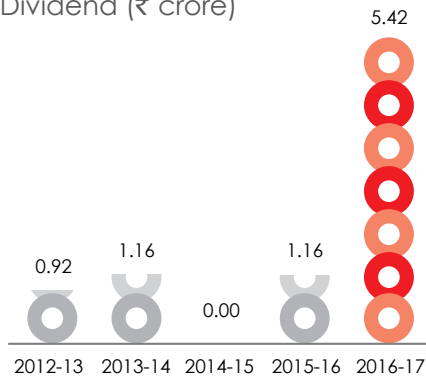


* The above numbers have been reported under IGAAP

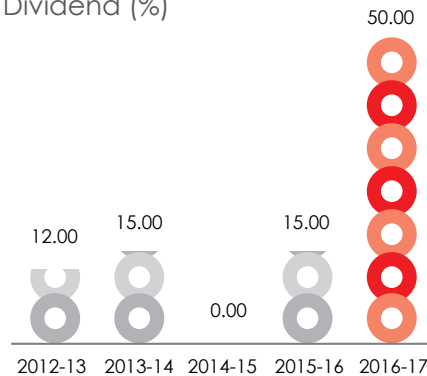


Financial performance, 2016-17 (continued)

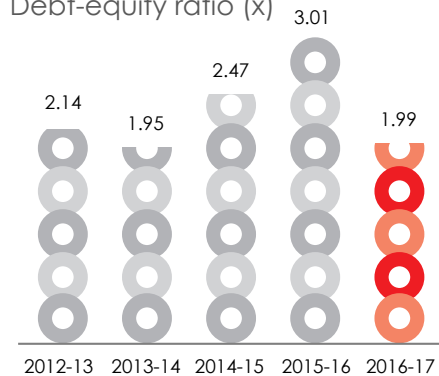
Dividend (₹ crore)



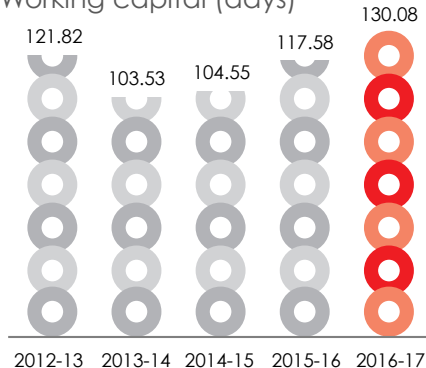
Dividend (%)



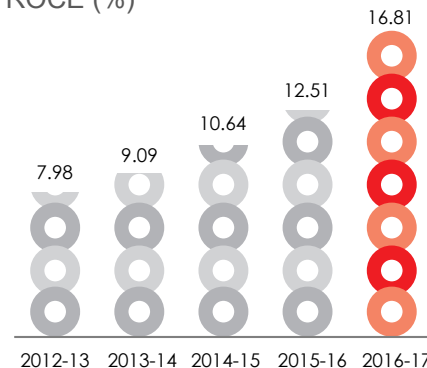
Debt-equity ratio (x)



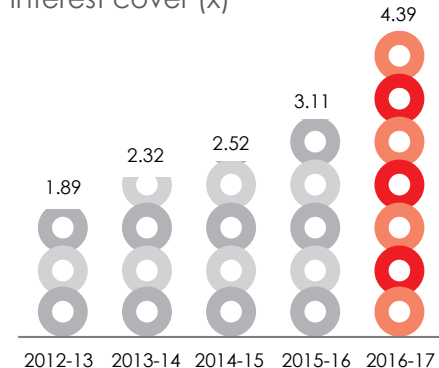
Working capital (days)



ROCE (%)



Interest cover (x)

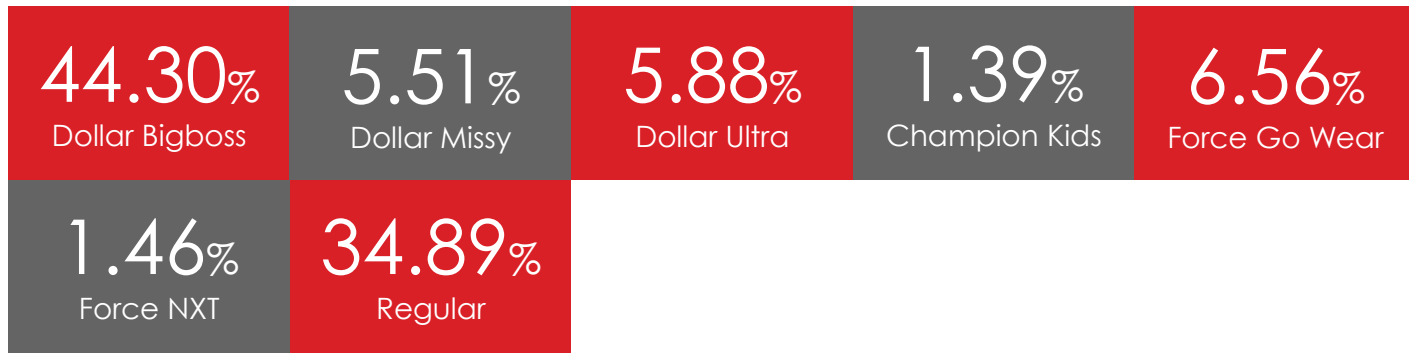


* The above numbers have been reported under IGAAP



Revenue break-up

Brand



Product segment





The market is growing rapidly...

- Increasing disposable incomes; improved lifestyles
- Changing social dynamics; increased purchasing power
- Evolution from 'necessity' to 'fashion product'
- Global competitiveness; increased exports





Team Dollar



- At Dollar we believe not only in technology, but people are also an important business upgrade
- The Company's professional team consists of qualified, skillful and agile employees who can quickly adapt to changing technologies and market requirements
- Working at Dollar is not just a 'job' but an experience. Its work culture is friendly that embraces diversity and provides numerous growth opportunities
- The Company has a total of 578 employees



The Dollar management team



Shri. Dindayal Gupta
(Chairman and
Founder)

Has more than four decades of experience in the body-wear business. His vision and efforts have led the Company to achieve its present status and name in national and international markets. He looks after policy & management planning of the Company



Mr. Vinod Kumar
Gupta
(Managing Director)

Qualification: Member of the Institute of Chartered Accountants of India (ICAI) and the Institute of Company Secretaries of India (ICSI)

He has about three decades of experience in the field of finance, marketing and administration. Presently he is looking after overall management of the Company



Mr. Binay Kumar
Gupta
(Managing Director)

Qualification: Bachelor of Commerce

He has more than two decades of experience and looks after procurement of raw materials, production aspects, marketing and export of the products of the Company



Mr. Krishan Kumar
Gupta
(Whole-time Director)

Qualification: Bachelor of Science (B.Sc)

He has more than two decades of experience in the manufacturing activities. Presently he looks after production, quality management and development of newer products of the Company



Mr. Bajrang Kumar
Gupta
(Whole-time Director)

Qualification: Bachelor of Technology (IIT-BHU)

He has about two decades of experience in his field and presently he looks after the technical aspect of production, quality control, purchase management, etc



The Dollar management team-Independent Directors

Mr. Binay Kumar Agarwal	Qualification: Chartered Accountant He has gained his expertise in specific functional areas of Finance, Accounts, Audit and Taxation.
Mr. Pawan Kumar Agarwal	Qualification : Commerce Graduate A renowned Businessman.
Mr. Rajesh Kumar Bubna	Qualification: Chartered Accountant and Company Secretary He is a practising Tax Consultant and advisor.
Mrs. Deepika Rakesh Agarwal	Qualification: Commerce Graduate She has expertise in the areas of business management.
Mr. Rakesh Biyani	Qualification: B.Com and completed his advanced management program from Harvard Business School. He has an expertise in specific functional areas of Category Management, Supply Chain & Logistics Management, Retail Stores Operations and Information Technology.
Mr. Sunil Mitra	Qualification : Retired I.A.S Officer. He has an experience of 36 years in varied administrative fields in the Central government and the Government of West Bengal and expertise in specific functional areas of Governance and Public Finance Management.



Corporate social responsibility



- Built water huts in different regions of Kolkata and Bhubaneswar
- Organized awareness programs on the environment, health and sanitation for underprivileged children
- Supported local schools in organizing events such as cricket, football tournaments, wrestling, rock climbing and various other

- sports festivals
- In association with SEED, Dollar organized an awareness program with the children of Lodha Community in Sagar Island.
- Established Gurukul for free education to children.
- Built a Gashala to give protection to more than 800 cows

- Sponsored 'Kolkata Marathon', Cyclothon
- Supplied bags and writing materials to underprivileged children at NGOs
- Organised blood donation and health check up camps
- Free beds made available to patients in hospitals

Thank you

Shashi Agarwal
(Chief Financial Officer)
shashi.agarwal@dollarglobal.in