

Investor Presentation

Dollar Industries Ltd.

Earning call Q4FY20

Date :30th June,2020

Executive Summary



Operational Summary

- The Company made the soft launch of its **New Brand Architecture** towards the end of January, 2020 and was the first one to e-launch the New Brand Logo and Architecture through the digital platform.
- The Company started the initiative of **calling the retailers** for orders instead of sending the TSO to the field physically. This has helped the Company to serve its retailers and at the same time maintain the safety of its employees.
- The Company adapted **Work from Home** strategy for its employees during the lockdown period.
- The Company also added Masks and PPE Kits in April under **Dollar Protect**.
- The Company experienced a surge on **online** sales during the lockdown period.
- The JVCo. is focusing on the **product enhancement** and rolled out areas for operations
- During **Covid-19** pandemic the Company extended help to people affected by the pandemic

the new identity



DOLLAR

WEAR THE CHANGE

creating five categories

 **DOLLAR**

 **DOLLAR**
MAN

 **DOLLAR**
WOMAN

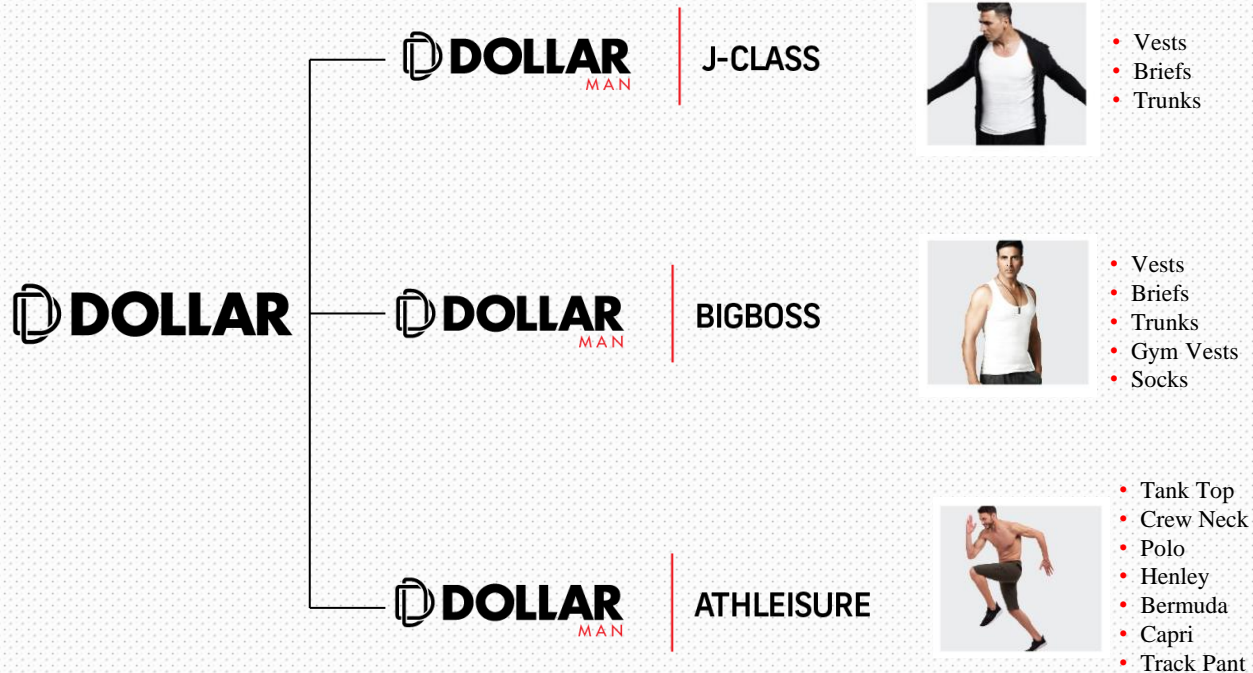
 **DOLLAR**
JUNIOR

 **DOLLAR**
ALWAYS

 **DOLLAR**
THERMALS



definitely male



definitely feminine

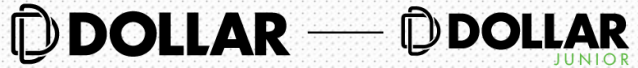
 **DOLLAR** —  **DOLLAR**
WOMAN

MISSY



- Legwear
- Casual Wear
- Camisoles
- Panties
- Socks

gen tomorrow



CHAMPION



- T-Shirts
- Bermudas
- Trousers
- Socks

fit quality. hit prices



LEHAR



- Vests
- Briefs
- Trunks
- Panties
- Socks

hot styles

 **DOLLAR**

 **DOLLAR**
THERMALS

ULTRA



- Thermal V-Necks
- Thermal Trousers
- Long Camisoles
- Short Camisoles
- Socks

 **DOLLAR**
THERMALS

WINTERCARE



- Thermal V-Necks
- Thermal Trousers
- Long Camisoles
- Short Camisoles
- Socks

what happens to the sub brands

? **Comfort**
? **Bravery**
? **Egyptian**
? **Commando**
? **Club**
? **Kids Care**

? **Interlock Vest (White & Grey)**
? **Bloomer**
? **Kidos**
? **Tie & Dye Bermuda**



merges with new architecture

Comfort

Bravery

Egyptian

Commando



LEHAR

Financial Summary



- The Total **Revenue** for **Q4FY2020** stood at **Rs. 240.89 crs** and for **FY20** **Rs. 974.03 crs**.
- The **EBIDTA** for the quarter is **Rs. 24.22 crs i.e. 10%** , **FY20** stood at **Rs. 109.29 crs i.e. 11%** and the **EBITDA** for **Q419** stood at **Rs.35.10 Crs. i.e 12 %** , **FY19** stood at **Rs.137.87 Crs i.e 13 %**.
- The **PBT** for **Q4FY2020** stood at **Rs. 16.84 crs i.e. 7%** , **FY20** stood at **Rs. 79.79 crs i.e. 8%** and the **PBT** for **Q419** stood at **Rs.27.53 Crs. i.e 9 %** , **FY19** stood at **Rs.111.03 Crs i.e 11 %**.
- The **PAT** for **Q4FY2020** stood at **Rs. 12.31 crs i.e. 5%** , **FY20** stood at **Rs. 56.79 crs i.e. 6%** and the **PAT** for **Q419** stood at **Rs.22.70 Crs i.e 8 %** , **FY19** stood at **Rs.75.86 Crs i.e 7 %**.
- **Loss** contributed by **JVCo** for **Q4FY2020** was **Rs. 1.13 crs** , **FY20** **Rs. 2.11 crs**

| (Rs. Lacs) | Q4 19-20 | Q4 18-19 | Growth % | FY 19-20 | FY 18-19 | Growth % |
|---------------|-------------|-------------|----------|-------------|---------------|----------|
| Total Revenue | ₹ 24,089.58 | ₹ 29,850.12 | -19.30% | ₹ 97,403.15 | ₹ 1,03,096.48 | -5.52% |
| EBIDTA | ₹ 2,421.84 | ₹ 3,510.66 | -31.01% | ₹ 10,929.16 | ₹ 13,787.04 | -20.73% |
| PBT | ₹ 1,683.51 | ₹ 2,753.95 | -38.87% | ₹ 7,978.89 | ₹ 11,103.53 | -28.14% |
| PAT | ₹ 1,231.10 | ₹ 2,270.78 | -45.79% | ₹ 5,889.52 | ₹ 7,586.91 | -22.37% |

Financial Performance

Statement of Audited Standalone Financial Results for the three months ended and year ended March 31, 2020

| SN | Particulars | Three months ended | | | Year ended | |
|------|---|--|---------------------------|-------------------------|-------------------------|-------------------------|
| | | 31-03-2020 (Audited) (Refer Note No. 7) | 31-12-2019 (Unaudited) | 31-03-2019 (Audited) | 31-03-2020 (Audited) | 31-03-2019 (Audited) |
| I | Revenue from operations | 23,766.57 | 25,480.64 | 29,779.68 | 96,931.95 | 1,02,875.52 |
| II | Other income | 323.01 | 62.20 | 70.44 | 471.20 | 220.96 |
| III | Total income (I+II) | 24,089.58 | 25,542.84 | 29,850.12 | 97,403.15 | 1,03,096.48 |
| IV | Expenses | | | | | |
| | Cost of materials consumed | 10,511.57 | 9,189.63 | 11,216.11 | 42,447.65 | 47,461.14 |
| | Changes in inventories of finished goods, work-in-progress and stock-in-trade | 1,265.63 | 2,204.03 | 2,806.58 | 2,399.05 | (4,107.42) |
| | Employee benefits expense | 1,193.54 | 1,031.29 | 918.28 | 4,206.91 | 3,362.58 |
| | Finance costs | 368.07 | 368.61 | 489.20 | 1,529.03 | 1,573.94 |
| | Depreciation and amortization expense | 370.26 | 363.05 | 267.51 | 1,421.24 | 1,109.57 |
| | Sub-contract expenses | 5,157.24 | 4,053.80 | 5,573.46 | 18,558.03 | 21,107.20 |
| | Other expenses | 3,539.76 | 5,670.09 | 5,825.16 | 18,862.35 | 21,485.93 |
| | Total expenses (IV) | 22,406.07 | 22,880.50 | 27,096.30 | 89,424.26 | 91,992.94 |
| V | Profit before tax (III-IV) | 1,683.51 | 2,662.34 | 2,753.82 | 7,978.89 | 11,103.54 |
| VI | Tax expenses | | | | | |
| | (1) Current tax | 483.73 | 708.34 | 608.59 | 2,154.07 | 3,645.73 |
| | (2) Deferred tax | (132.13) | (3.96) | (110.73) | (120.56) | (67.61) |
| | Total tax expenses (1+2) | 351.60 | 704.38 | 497.86 | 2,033.51 | 3,578.12 |
| VII | Profit for the period (V-VI) | 1,331.91 | 1,957.96 | 2,255.96 | 5,945.38 | 7,525.42 |
| VIII | Other comprehensive income (net of tax) | (100.81) | - | 14.69 | (55.86) | 61.50 |
| IX | Total Comprehensive income for the period (VII+VIII) | 1,231.10 | 1,957.96 | 2,270.65 | 5,889.52 | 7,586.92 |
| X | Paid-up equity share capital (of ` 2/- each) | 1,134.32 | 1,134.32 | 1,134.32 | 1,134.32 | 1,134.32 |
| XI | Other equity | - | - | - | 45,360.23 | 40,634.87 |
| XII | Earnings per equity share (of ` 2/- each) | | | | | |
| | (1) Basic (`) | 2.35 | 3.45 | 3.98 | 10.48 | 13.27 |
| | (2) Diluted (`) | 2.35 | 3.45 | 3.98 | 10.48 | 13.27 |

Financial Performance



Rs. In Lakhs

| Particulars | 31-03-2020 | 31-03-2019 |
|---------------------------------------|------------------|------------------|
| ASSETS | | |
| NON-CURRENT ASSETS | | |
| a) Property, plant and equipment | 6,888.66 | 7,009.27 |
| b) Capital work-in-progress | 1,405.47 | 202.59 |
| c) Other intangible assets | 4.12 | 10.89 |
| d) Rights of use assets | 539.64 | - |
| e) Investment in joint venture | 1,000.00 | 700.00 |
| f) Financial assets | | |
| i) Investments | 62.04 | 85.28 |
| ii) Loans | 71.99 | 55.07 |
| iii) Other financial assets | 262.29 | 68.00 |
| g) Other assets | 55.83 | 15.73 |
| h) Non-current tax assets (net) | 461.35 | 285.18 |
| i) Deferred tax assets (net) | 131.41 | - |
| | 10,882.80 | 8,432.01 |
| CURRENT ASSETS | | |
| a) Inventories | 30,496.54 | 32,456.71 |
| b) Financial assets | | |
| i) Trade receivables | 36,009.26 | 34,761.76 |
| ii) Cash and cash equivalents | 589.00 | 2,073.47 |
| iii) Bank balances (other than above) | 29.99 | 79.91 |
| iv) Loans | 34.29 | 22.25 |
| v) Other financial assets | 153.08 | 142.74 |
| c) Other assets | 4,187.94 | 3,028.83 |
| | 71,500.10 | 72,565.67 |
| TOTAL ASSETS | 82,382.90 | 80,997.68 |

Financial Performance



Rs. In Lakhs

| Particulars | 31-03-2020 | 31-03-2019 |
|-------------------------------------|------------------|------------------|
| EQUITY AND LIABILITIES | | |
| EQUITY | | |
| a) Equity share capital | 1,134.32 | 1,134.32 |
| b) Other equity | 45,360.23 | 40,634.87 |
| TOTAL EQUITY | 46,494.55 | 41,769.19 |
| LIABILITIES | | |
| NON-CURRENT LIABILITIES | | |
| a) Financial liabilities | | |
| i) Borrowings | 331.07 | 349.30 |
| ii) Lease liabilities | 541.10 | - |
| b) Provisions | 397.06 | 208.90 |
| c) Deferred tax liabilities (net) | - | 7.93 |
| d) Other liabilities | - | - |
| | 1,269.23 | 566.13 |
| CURRENT LIABILITIES | | |
| a) Financial liabilities | | |
| i) Borrowings | 20,498.96 | 20,767.13 |
| ii) Trade payables - MSME | 11.95 | 10.60 |
| iii) Trade payables | 12,022.42 | 14,737.93 |
| iv) Other financial liabilities | 1,788.25 | 2,636.47 |
| b) Other liabilities | 290.05 | 377.40 |
| c) Provisions | 7.49 | 1.81 |
| d) Current tax liabilities (net) | - | 131.02 |
| | 34,619.12 | 38,662.36 |
| TOTAL LIABILITIES | 35,888.35 | 39,228.49 |
| TOTAL EQUITY AND LIABILITIES | 82,382.90 | 80,997.68 |

Cash Flow

(in Lakhs)

Cash Flow Statement for the year ended March 31, 2020

| Particulars | As at 31-03-2020 | As at 31-03-2019 |
|---|------------------|------------------|
| Cash flow from Operating Activities | | |
| Profit before tax | 7,978.89 | 11,103.54 |
| Adjustments for : | | |
| Depreciation and amortisation | 1,421.24 | 1,109.57 |
| Provision for doubtful debts | 135.10 | 62.72 |
| Receivables written off | 30.67 | (100.25) |
| Provisions and liabilities written back | (88.58) | 54.57 |
| (Profit)/Loss on sale of property, plant and equipment (net) | (0.96) | 0.15 |
| Deferred revenue | (2.93) | (8.84) |
| Unrealised foreign exchange fluctuations | 10.44 | (74.02) |
| Interest income | (8.21) | (20.14) |
| Provision for gratuity | 121.41 | 77.89 |
| Finance costs | 1,529.03 | 1,573.94 |
| Operating profit before working capital changes | 11,126.10 | 13,779.13 |
| Adjustments for : | | |
| (Increase)/ Decrease in trade receivables | (1,423.71) | (7,553.53) |
| (Increase)/ Decrease in inventories | 1,960.17 | (4,167.16) |
| (Increase)/ Decrease in loans, financial assets and other assets | (1,382.88) | (945.89) |
| Increase/ (Decrease) in trade payables | (2,625.58) | 3,476.85 |
| Increase/ (Decrease) in financial liabilities and other liabilities | 93.74 | (53.00) |
| Cash generated from Operating Activities | 7,747.84 | 4,536.40 |
| Income Tax paid (net of refund) | (2,461.24) | (4,452.66) |
| A. Net cash generated/(used in) from Operating Activities | 5,286.60 | 83.74 |

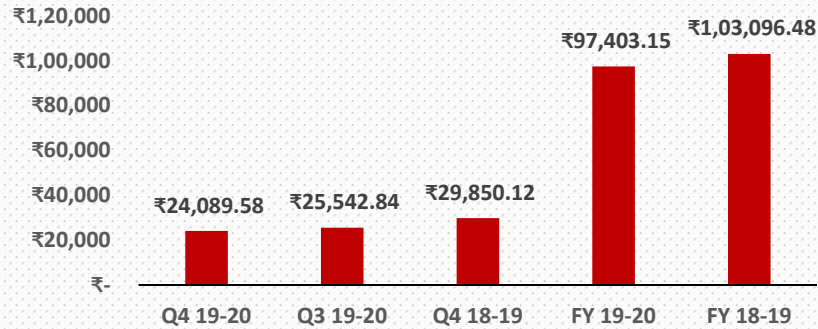
Cash Flow

Cash Flow Statement for the year ended March 31, 2020

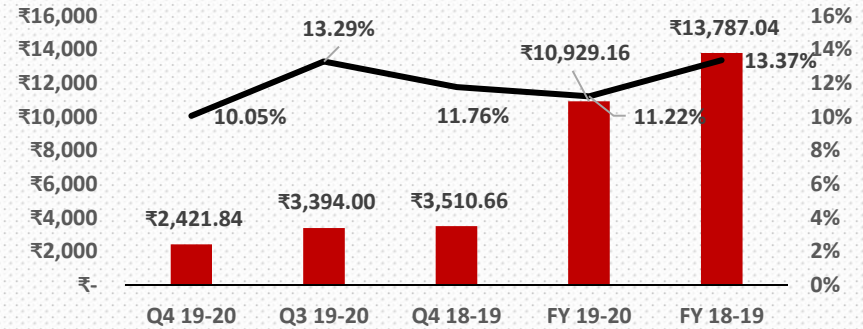
| Particulars | As at 31-03-2020 | As at 31-03-2019 |
|--|-------------------|-------------------|
| Cash flow from Investing Activities | | |
| Purchase of Property, plant and equipment including Capital WIP | (2,245.45) | (1,272.10) |
| Purchase of intangible assets | - | (13.52) |
| Sale of Property, plant and equipment | 2.25 | 6.85 |
| Investment in Joint Venture | (300.00) | (400.00) |
| Purchase of investments in others | (21.76) | (10.00) |
| Sale of Investments | 45.00 | - |
| Interest received | 8.21 | 105.16 |
| B. Net cash generated/(used in) Investing Activities | (2,511.75) | (1,583.61) |
| Cash flow from Financing Activities | | |
| Proceeds from long term borrowings | - | 299.96 |
| Repayments of long term borrowings | (1,066.04) | (4,448.85) |
| (Repayments)/Proceeds from short term borrowings (net) | (268.17) | 8,466.60 |
| Repayments of lease liabilities | (254.97) | - |
| Dividend paid | (964.18) | (907.45) |
| Tax on dividend paid | (199.98) | (184.74) |
| Interest paid | (1,505.98) | (1,587.89) |
| C. Net cash generated/(used in) in Financing Activities | (4,259.32) | 1,637.63 |
| D. Net Increase/(Decrease) in Cash and Cash Equivalents (A+B+C) | (1,484.47) | 137.76 |
| Opening Cash and Cash Equivalents | 2,073.47 | 1,935.71 |
| Closing Cash and Cash Equivalents | 589.00 | 2,073.47 |

Financials

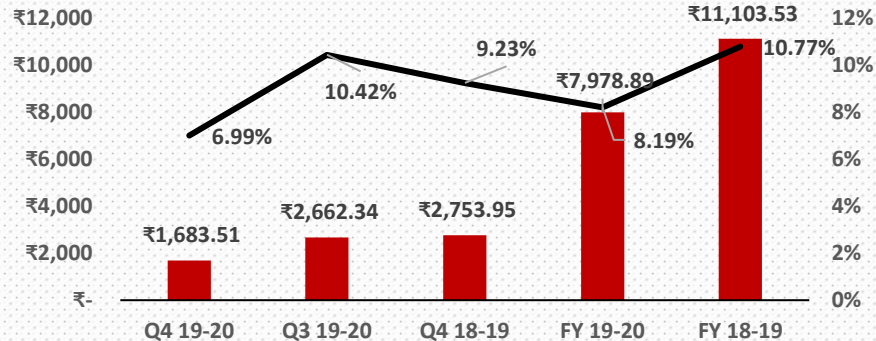
TOTAL REVENUE (Rs.Lacs)



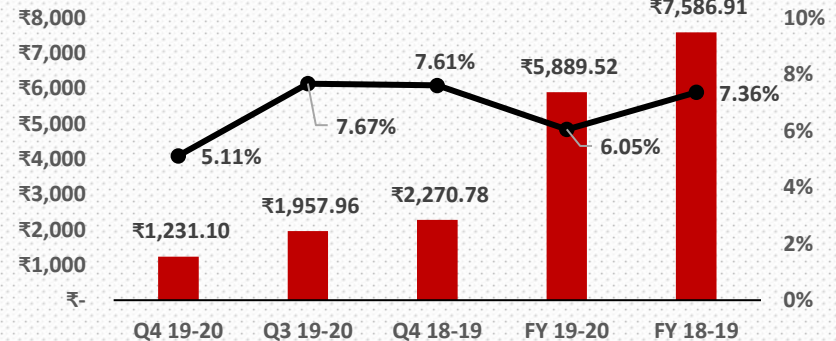
EBIDTA (Rs.Lacs)



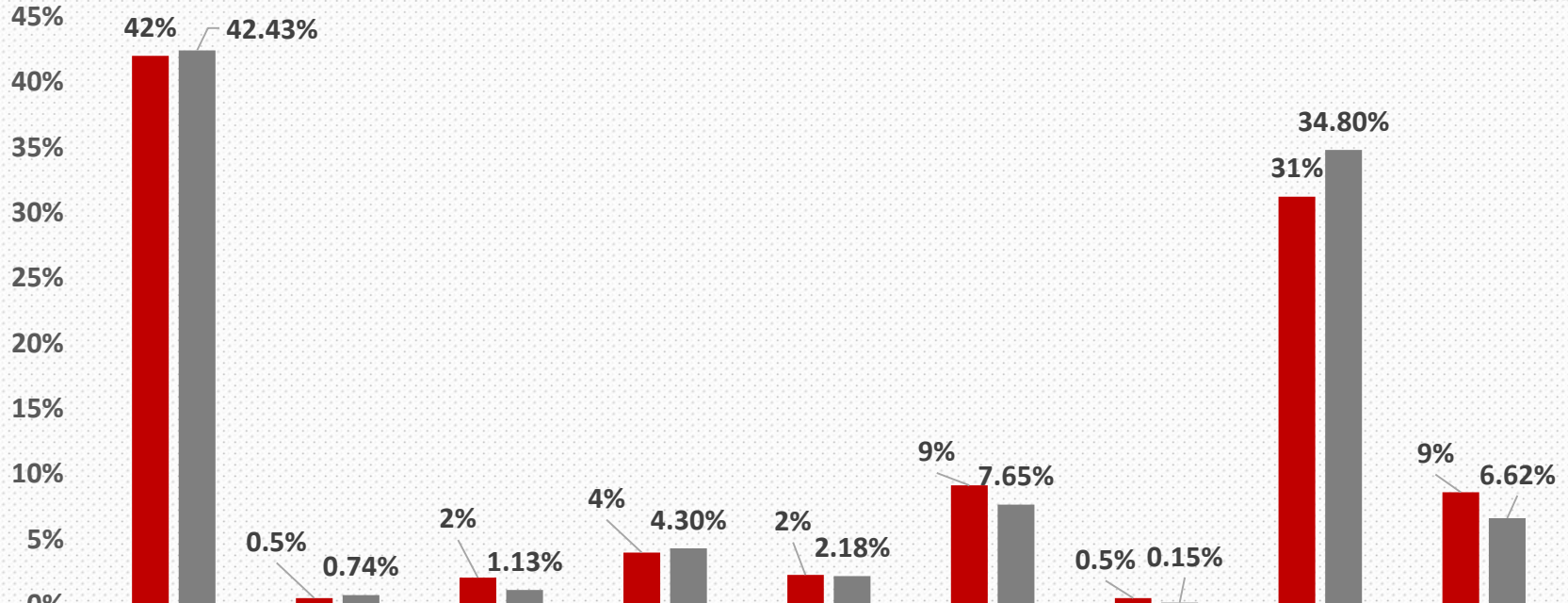
PBT (Rs.Lacs)



PAT (Rs.Lacs)



Brand Contribution – FY 2019-20



| | Bigboss | Champion | Dollar Socks | Force Gowear | Force Nxt | Missy | Pepe | Regular | Thermal |
|--|---------|----------|--------------|--------------|-----------|-------|-------|---------|---------|
| ■ FY 19-20 | 42% | 0.5% | 2% | 4% | 2% | 9% | 0.5% | 31% | 9% |
| ■ FY 18-19 | 42.43% | 0.74% | 1.13% | 4.30% | 2.18% | 7.65% | 0.15% | 34.80% | 6.62% |

Pepe Jeans Innerfashion Pvt Ltd



- The total revenue for FY20 stood at Rs. 16.14 crores against Rs. 5.9 crores in FY 19
- EBITDA for FY20 and FY19 stood at Rs. (3.64) crores and Rs. (3.13) crores respectively
- PAT for FY20 is Rs. (4.21) crores whereas FY19 stood at Rs. (3.26) crores
- Way forward
 - ✓ Treading cautiously into 20-21 considering the pandemic, though looking at 30% + growth.
 - ✓ Not considering any new regions to launch and concentrating around South & North India.
 - ✓ Looking at E-comm business aggressively at 2.2x growth.
 - ✓ Addition of 20 more new distributors in the existing regions.
 - ✓ Launching of Modal fabric innerwear
 - ✓ New additions planned in Athleisure

Thank You

Shashi Agarwal

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