



February 13, 2020

To, <b>The Secretary,</b> <b>BSE Limited,</b> P.J. Towers, Dalal Street, Mumbai- 400 001 Scrip Code: 539542	To, <b>The Secretary,</b> <b>National Stock Exchange of India Ltd.,</b> Exchange Plaza, C-1, Block G, Bandra Kurla Complex, Bandera (E), Mumbai – 400 051 Symbol: LUXIND
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Dear Sir,

***Sub: Investor Release in respect of Unaudited Financial Results for the Quarter & Nine Months Ended 31<sup>st</sup> December, 2019.***

Enclosed please find the Investor Release in relation to the Unaudited Financial Results of the Company for the quarter and nine months ended 31<sup>st</sup> December, 2019.

This is for your information and record.

Thanking You

Yours faithfully,  
**for LUX INDUSTRIES LIMITED**

*Sonita Mishra*  
**Smita Mishra**  
**(Company Secretary & Compliance Officer)**  
**M.No.: A26489**



## LUX INDUSTRIES LIMITED



## Lux Industries reports Robust Performance in Q3 FY20

**Interim Dividend of Rs. 10 per equity share (500% of F.V.)**

- **Better Product Mix leads to :**
  - ✓ **Increase in EBITDA Margins from 15.0% to 17.9%**
  - ✓ **PAT of Rs. 33 Crores; growth of 40%**

### Investor Release

**13<sup>th</sup> February 2019, Kolkata;** Lux Industries Limited, one of India's largest hosiery producer and exporter announced its Unaudited Financial Results for the Quarter and Nine months ended 31<sup>st</sup> December 2019.

### **Key Financial Highlights**

Particulars (Rs. Crores)	Q3 FY20	Q3 FY19	Y-o-Y	9M FY20	9M FY19	Y-o-Y
Income from Operations*	305.7	284.6	7%	923.6	826.7	12%
EBITDA*	54.7	42.7	28%	144.3	122.5	18%
EBITDA Margin (%)	17.9%	15.0%	+290 bps	15.6%	14.8%	+80 bps
Profit After Tax	33.3	23.8	40%	92.7	62.2	49%
PAT Margin (%)	10.9%	8.4%	+250 bps	10.0%	7.5%	+250 bps

\* Includes Other Income On Consolidated Basis

### **Commenting on the Industry Trends, Mr. Ashok Kumar Todi, Chairman said,**

*"The innerwear industry is filled with advancement & innovation and we have always been at the forefront of innovation right from offering differentiated products in the market to undertaking innovative marketing and brand promotion activities. Over the years there has been an evident shift in the industry where other aspects like colour, pattern, style and fashions have become equally important along with the right fit and comfort. To cope up with this structural shift we have a well-placed team of professionals coupled with state-of-the-art manufacturing facilities which helps us sense the market pulse well in advance.*

*Through our well established brands we have engaged our consumers via various marketing and promotions campaigns which has enabled us to enjoy a prominent brand recall and offer superior quality products with price-value proposition.*

*We believe that a complement of exports, celebrity endorsements and cutting-edge manufacturing technologies producing quality products should enhance revenues from the premium segment.*



### **Update on Dividend & Dividend Policy**

- The Board has announced interim dividend of Rs. 10 per equity share (500% of Face Value of Rs. 2 each).
- The Board has also modified the Dividend Distribution Policy and has inserted a clause that the Company shall endeavour to maintain Dividend pay-out ratio of 25% of the annual standalone Profit after Tax of the Company.

### ***Commenting on the Results, Mr. Pradip Kumar Todi, Managing Director said,***

*“We have delivered a strong growth for the quarter and nine months ended 31<sup>st</sup> December 2019 despite continued weakness in demand coupled with several macro-economic challenges. Our Company has delivered a 7% revenue growth which stood at Rs.305 Crores.*

*Our EBITDA for Q3 FY20 stood at Rs. 55 Crores as compared to Rs. 43 Crores in Q3 FY19, a growth of 28%. EBITDA Margins stood at 17.9%, an increase of 290 basis points. This is mainly due to better product mix and increased share of value added products. We also have been working on improving our cost efficiencies. PAT for the quarter grew by 40% to Rs. 33 Crores.*

*On the Working Capital front, we expect to grow revenues with the same amount of working capital, which we expect will translate into a superior Return on Capital Employed. Going ahead, we expect to moderate our working capital cycle across more than 5000 SKUs. This has resulted in increased operating cash flows. Our Working Capital cycle has reduced from 149 days as on December 2018 to 131 days currently.*

*We are undertaking several measures to aggressively promote and position our brands. We have streamlined our supply and distribution network and are working closely with our channel partners and distributors to monitor our working capital cycle.*

*In June’18 the board of directors of Lux Industries Limited (LIL) had approved the scheme of merger of J. M. Hosiery & Co. Limited (JMHL) and Ebell Fashions Private Limited (EFPL) with Lux Industries Limited. As a part of merger process, the Promoter of Lux Industry Limited has strategically disinvested 4.21% of the total equity of the Company, I am happy to share that this sale would advance the progress of the proposed scheme of amalgamation on a speedy path and we expect it to complete as soon as possible. We strongly believe that the Merger of these entities with LIL will help us expand our presence across markets and will lead to higher growth potential with a portfolio of well-established brands under our umbrella.*

*In an industry with typically undifferentiated product with low brand loyalty we have been successful in establishing a host of 15 brands and some of these enjoy a prominent brand recall on the back of innovation, celebrity endorsement and robust brand promotion which has helped us become a strong industry player with an edge over competition.”*



### **About Lux Industries Limited**

Lux Industries Limited, incorporated in 1995 is one of the largest players in the hosiery business having a market share of ~20% of the organised industry. Products include Men's, Women's & Kids Innerwear, Winterwear, Socks & Slacks for Women in varied colours and designs. The company has ~5,000 SKU's under various Brands and Sub Brands of LUX. With focus on growing exclusive retail outlets and in providing customers with a seamless buying experience, the company's products are available in ~4,50,000 retail points spread across India. LUX has a presence across the globe with exports to 47 countries.

### **Safe Harbor Statement**

Statements in this document relating to future status, events, or circumstances, including but not limited to statements about plans and objectives, the progress and results of research and development, potential project characteristics, project potential and target dates for project related issues are forward-looking statements based on estimates and the anticipated effects of future events on current and developing circumstances. Such statements are subject to numerous risks and uncertainties and are not necessarily predictive of future results. Actual results may differ materially from those anticipated in the forward-looking statements. The company assumes no obligation to update forward-looking statements to reflect actual results changed assumptions or other factors.

**For further information, please contact**

#### **Company :**

##### **Lux Industries Limited**

CIN: L17309WB1995PLC073053

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#### **Investor Relations Advisors :**

##### **Strategic Growth Advisors Pvt. Ltd.**

CIN: U74140MH2010PTC204285

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