



ITFL/SEC/2023-24/NOV/05

9th November 2023

BSE Limited

Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai – 400 001

National Stock Exchange of India Limited

Exchange Plaza, 5th Floor, Plot No. C/1,
G Block, Bandra-Kurla Complex,
Bandra (East), Mumbai- 400 051

Scrip Code – 533329

NSE Symbol: INTERRAIN

Dear Sir/Madam,

Sub: Investor presentation for the quarter and half year ended 30th September 2023

We hereby enclose herewith the Investor Presentation on the unaudited standalone financial results of the Company for the quarter and half year ended 30th September 2023.

Kindly take the same on records. Kindly acknowledge the receipt of the same.

Thanking you,

Yours faithfully,

For Indian Terrain Fashions Limited

Charath Ram Narsimhan

Managing Director

INDIAN TERRAIN FASHIONS LIMITED

Registered office and Address for communication: Survey No. 549/2 & 232, Plot No 4
Thirukkachiyur & Sengundram Industrial Area,
Singaperumal Koil Post, Chengalpattu – 603204, Tamil Nadu
Email ID: response.itfl@indianterrain.com
Website: www.indianterrain.com
CIN: L18101TN2009PLC073017

INDIAN TERRAIN



INDIAN
TERRAIN

Indian Terrain

Q 2 F Y 2 4

I N V E S T O R P R E S E N T A T I O N



Safe Harbor

The information contained in this presentation is only current as of its date. Please note that the past performance of the company is not and should not be considered as, indicative of future results.

This presentation may contain certain statements of future expectations and other forward-looking statements, including those relating to our general business plans and strategy, our future financial condition and growth prospects and future developments in our sector and our competitive and regulatory environment. In addition to statements which are forward looking by reason of context, the words 'may', 'will', 'should', 'expects', 'plans', 'intends', 'anticipates', 'believes', 'estimates', 'predicts', 'potential' or 'continue' and similar expressions identify forward looking statements. All forward looking statements are subject to risks, uncertainties and assumptions that could cause actual results, performances or events to differ materially from the results contemplated by the relevant forward looking statement. The factors which may affect the results contemplated by the forward looking statements could include, amongst others, future changes or developments in (i) the Company's business, (ii) the Company's competitive environment, and (iii) political, economic, legal and social conditions in India.

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Fashion

Shopping

Design

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Industry

- Market remained sluggish and demand continued to be muted.
- Customers upgrading to premium continued to be a vital differentiator for growth
- Festival calendar movement shifted demand to next quarter
- Customer preference towards Stronger brand continue

Company at a Glance

Shirts



T-shirts

Accessories



Outer Wear

Bottom Wear



Men

Bottom Wear



T-shirts



Outer Wear



Boys

Shirts



Retail Network

600+

Large Format Outlets

250+

Cities Spread Across

232

Exclusive Doors

5+

E-commerce Partners

1340+

Doors under Multi Branded

Outlets

Financial Highlights

Q2 FY24



Q2 FY24 – Business Update

- Overall revenues down 9% on account of lower retail sales and demand sluggishness.
- Push out of the festive season to Q3 has also impacted the Revenue for the quarter.
- E Commerce bounce back and scaling up in line with the focus strategy of Direct to Consumer
- Demand driven purchases and Systematic monitoring and control of Inventory levels.
- Focused on improving efficiencies to remain competitive.

❖ Q1 FY24 saw a decline in Revenue due to the demand sluggishness across the market.

❖ Lower demand led to higher discounts during the quarter and early EOSS, impacted the EBITDA margin.

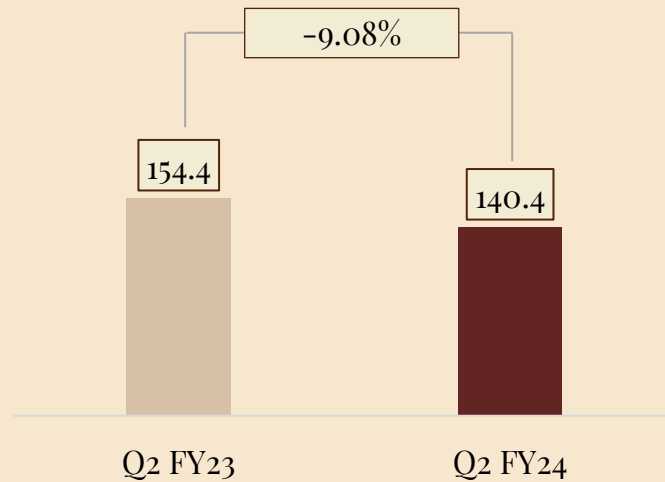
Q2 FY24 – Strategic Update

- Company has taken a strategic decision to exit from the Boys Wear business operations starting from Q2 FY24.
- The boys Wear business was impacting the overall performance and did not have the potential to scale up beyond 8-10%
- Lower EBITDA Margin compared to Menswear and significantly higher working capital pressure were some of the key reasons for exiting from the boys wear
- Reduction in revenue and lower realization on inventories liquidation would affect gross margin in the short run.
- Growth in Revenue from Menswear category extensions is expected to make up for the loss of Revenue due to exit from Boys Wear.
- Moreover, effective EBITDA margin will improve and Gross Working Capital will come down in medium term.

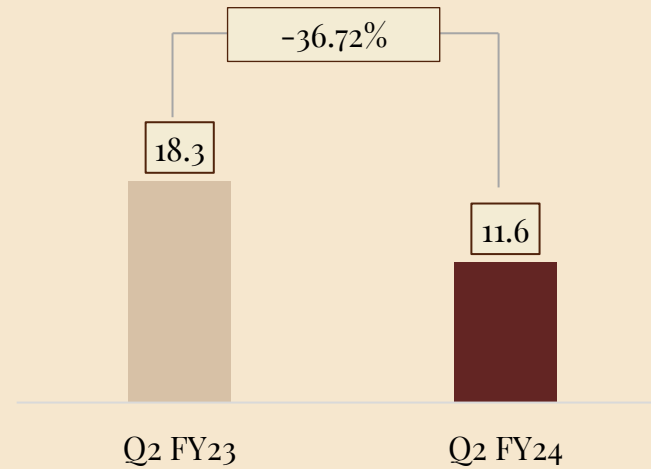


Q2 FY24 – Financial Highlights

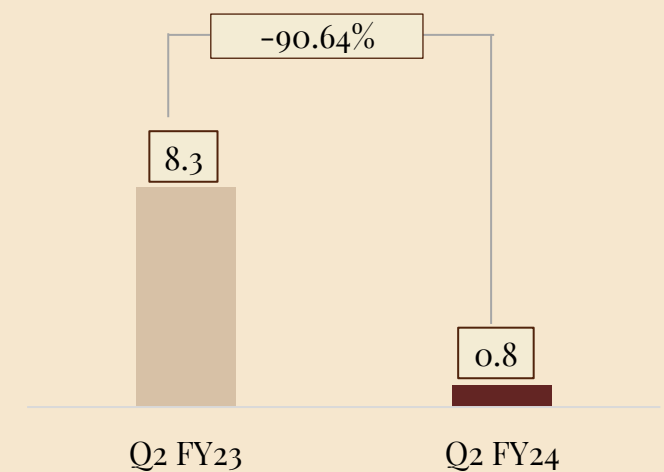
Net Sales (Rs. in Crores)



EBITDA (Rs. in Crores)



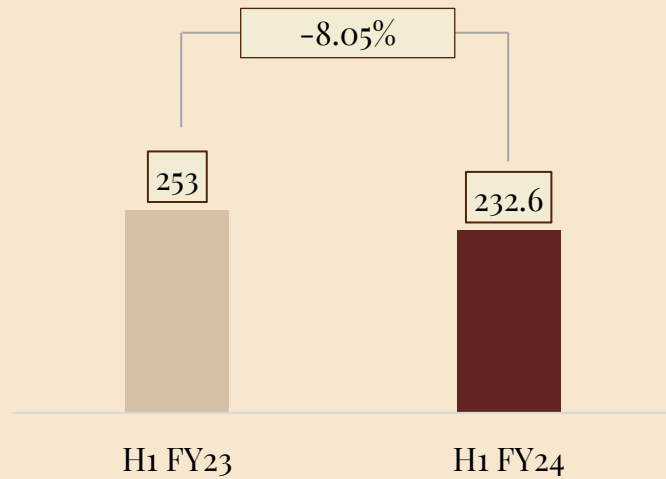
PBT (Rs. in Crores)



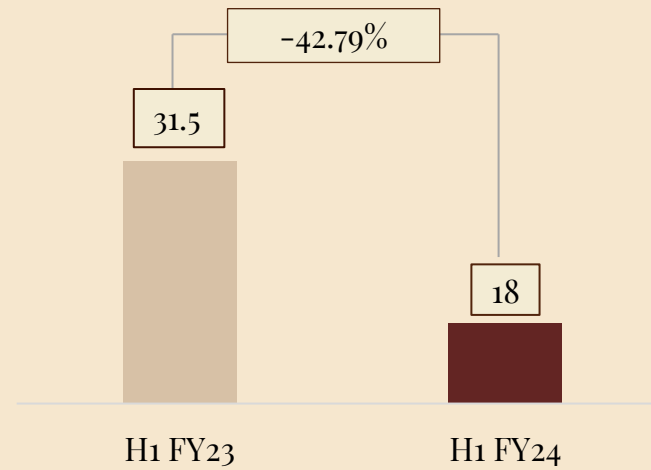
- ❖ Q2 FY24 revenue declined due to the demand sluggishness across the market.
- ❖ Lower demand led to higher discounts during the quarter and early EOSS, impacted the EBITDA margin.

H1 FY24 – Financial Highlights

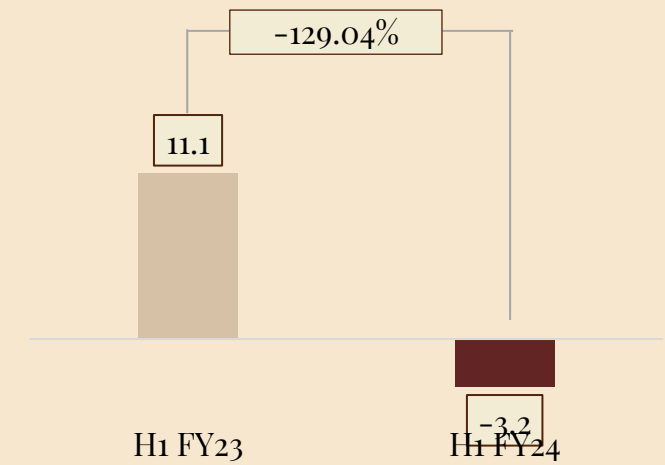
Net Sales (Rs. in Crores)



EBITDA (Rs. in Crores)

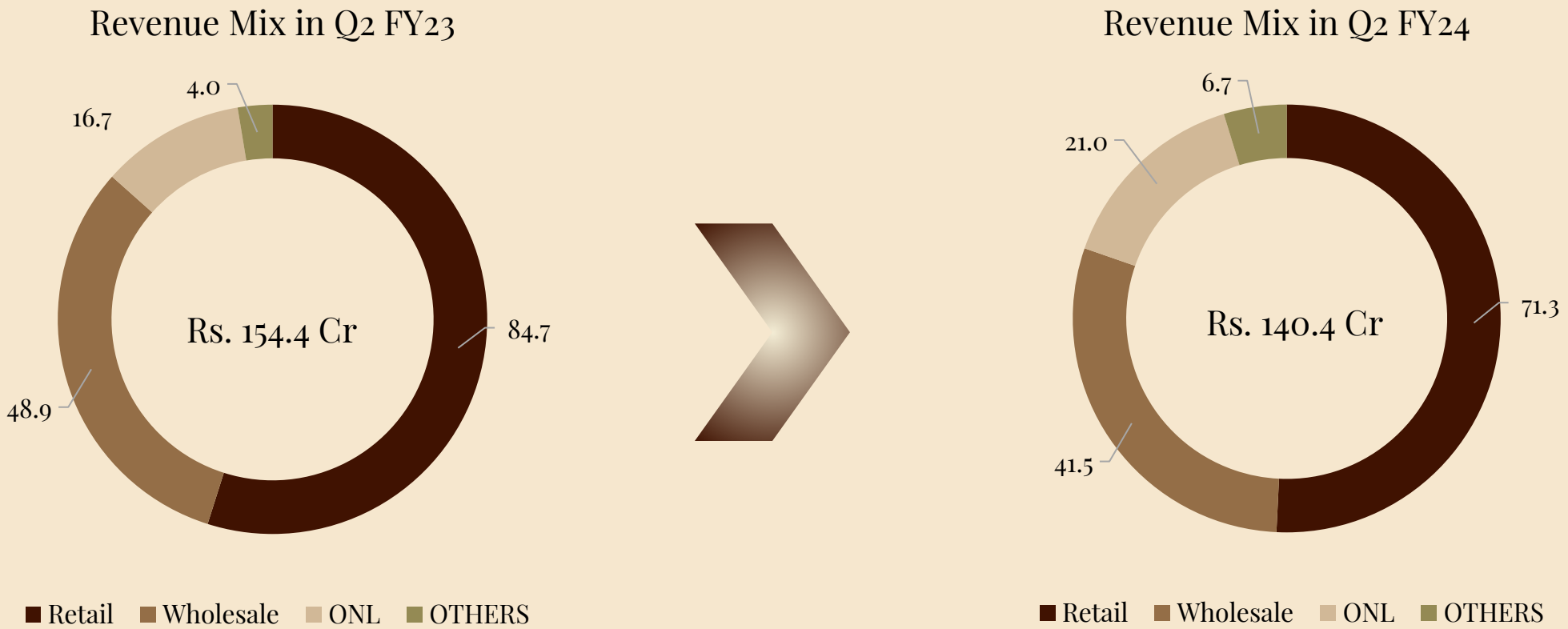


PBT (Rs. in Crores)



- ❖ Decline in Revenue during the FY'24, has impacted the profitability for the period.
- ❖ Liquidation of Boys wear during the Q2, has impacted the EBITDA and profitability.

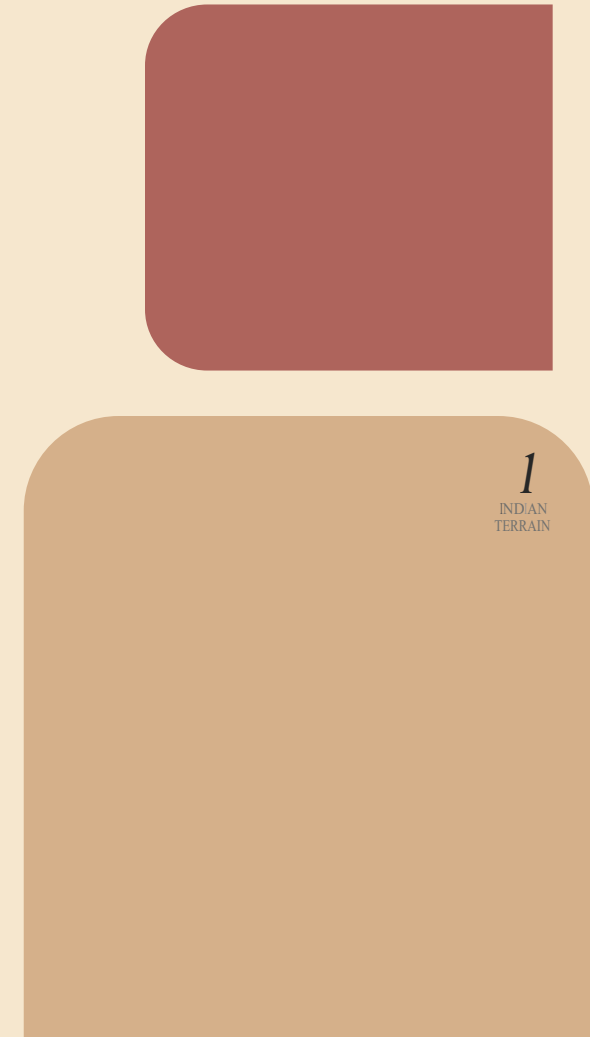
Revenue Mix – Channel Distribution



- Market sluggishness and push out of the festive season has led to overall reduction in Sales during the quarter.
- Liquidation of Boys wear inventory during the quarter has resulted in increase in others segment.

Financial Performance

Standalone Profit & Loss (INR cr)	H1FY24	H1FY23	YoY Change	Q2FY24	Q2FY23	QoQ Change
Income from Operations	232.6	253.0	-8.05%	140.4	154.4	-9.08%
Other Income	1.7	3.1		1.04	2.61	
Total Income	234.4	256.1		141.4	157.0	
Operating Expenses	216.4	224.6		129.8	138.7	
EBITDA	18.0	31.5	-42.79%	11.6	18.3	-36.72%
Margin%	7.74%	12.43%		8.24%	11.85%	
Depreciation	10.6	11.6		5.2	5.7	
EBIT	7.4	19.9	-62.77%	6.4	12.6	-49.66%
Margin%	3.18%	7.85%		4.53%	8.18%	
Financial Charges	10.6	8.7		5.6	4.4	
PBT	-3.2	11.1	-129.04%	0.8	8.3	-90.64%
Margin%	-1.39%	4.40%		0.55%	5.36%	
Tax	7.8	0.1		9.0	-0.4	
PAT	-11.0	11.0	-200.23%	-8.3	8.7	-195.27%
Margin%	-4.75%	4.36%		-5.88%	5.61%	



Working Capital – Constantly Improving Efficiency

(INR Crs.)	Q2FY24	Q1FY24	FY'23	FY'22
Inventory	99.8	102.4	126.6	82.7
Inventory Days	76	76	92	90
Receivables	273.1	239.5	257.7	223.9
Debtor Days	207	177	188	243
GWC	372.9	342.0	384.2	306.6
GWC Days	283	252	280	333
Payables	144.3	114.9	163.8	100.7
Creditor Days	110	85	119	109
NWC	228.6	227.1	220.4	205.9
NWC Days	174	168	161	223

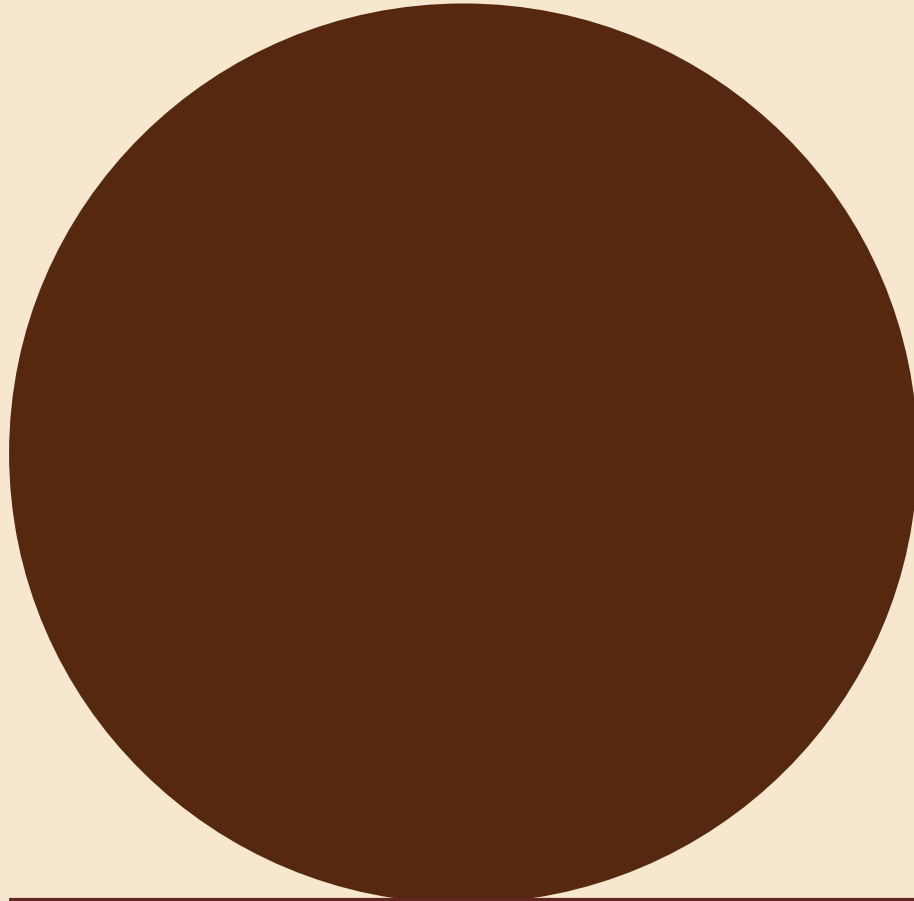
Continued monitoring and focus on reduction of Inventory & Receivable days.

Stores Additions

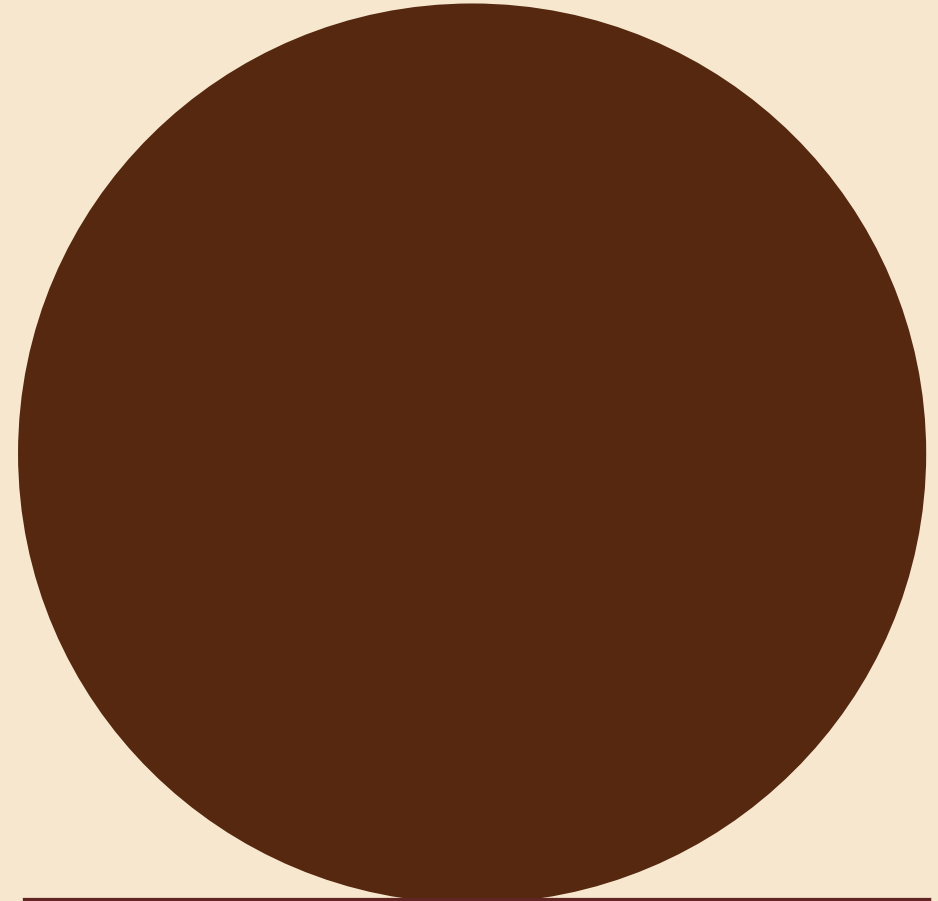
Q2 FY24



New store openings



Phoenix, Wakad, Pune



Lulu Mall, Hyderabad

Exclusive Stores: Q2 FY24



COCO - Rent & Common Area Maintenance (CAM) borne by Company

COFO - Rent & Common Area Maintenance (CAM) borne by Company; operations maintained by Franchise

FOFO - Everything taken care by Franchise

Note - Markdown management and inventory in all formats remains with company

Store Formats	Closing as on 30 th Sep'23
COCO (Company Owned Company Operated)	10
COFO (Company Owned Franchise Operated)	76
FOFO (Franchise Owned Franchise Operated)	120
EFO (Exclusive Factory Outlet)	25
Out of India	1
Total	232

Region	Opening as on 1 st Jul'23	Additions / Converted	Closure	Closing as on 30 th Sep'23
South	134	3	-	137
West	32	1	1	32
North	41	-	3	38
East	25	-	1	24
Out of India	1	-	-	1
Total	233	4	5	232

Corporate Overview



Indian Terrain Fashions Limited

One of India's Leading Casualwear Companies For The Male Demographic



One of India's leading fashion brands that caters to the needs of the cosmopolitan, upwardly-mobile young Indian male.



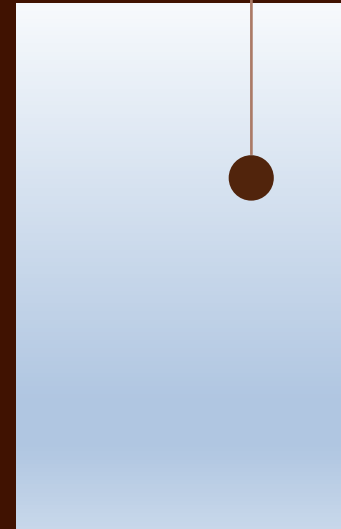
Products range from shirts, t-shirts, sweaters and jackets to trousers, shorts and denims for men and shirts, t-shirts, trousers, shorts, winter-wear and denims for boys



Retail-oriented approach with offerings through 232 Exclusive Outlets, 1,340 Multi Brand Outlets, 630+ doors of Large Format Stores such as Lifestyle, Shoppers Stop, and Central and 5+ key e-commerce platforms



Strongly committed to sustainability and are the first high street brand in India to get the Fairtrade Label certification



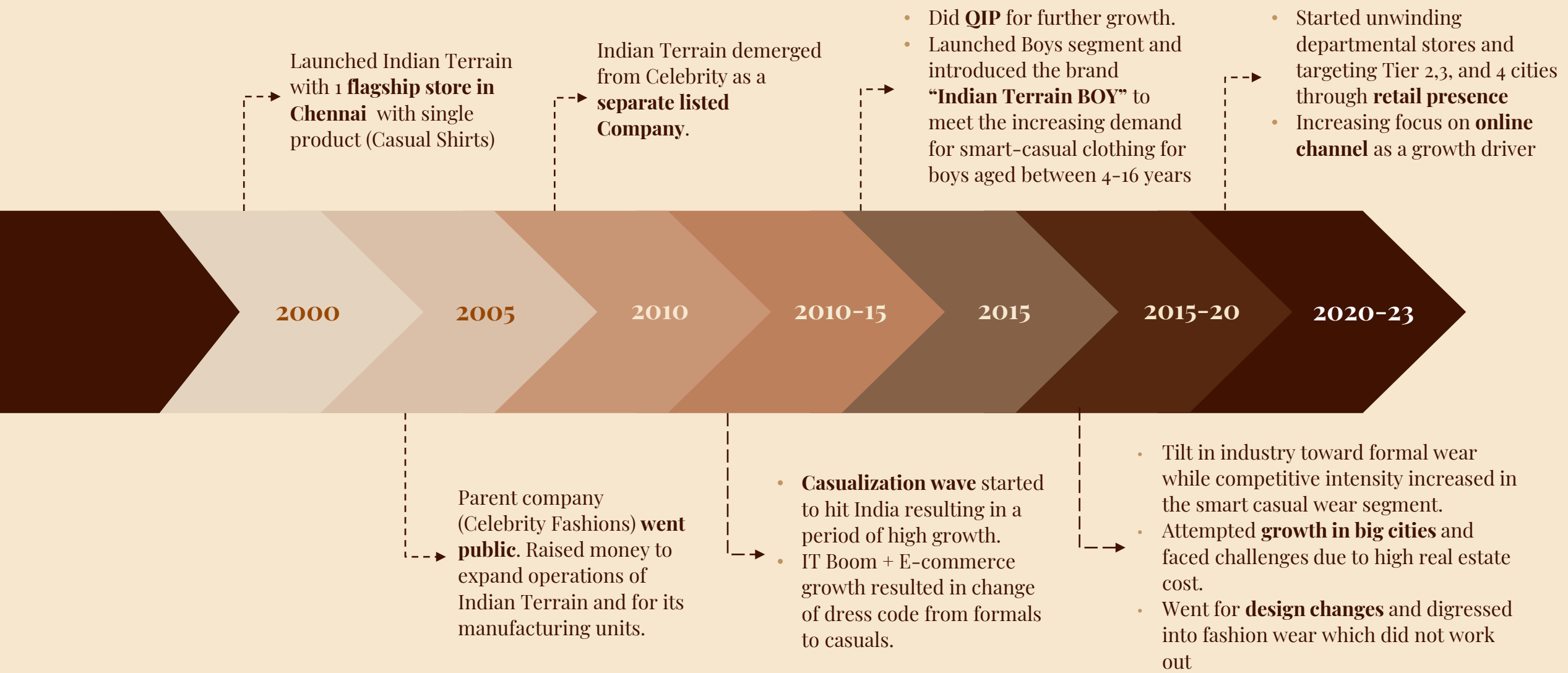
Contemporary and appealing

Comfortable yet casual

Stylish but anonymous

Uncompromising Quality

Our Journey



Key Management Personnel



Venkatesh Rajagopal

**Chairman and Executive
Director**

**Founder with 25+ years of
experience in the Apparel
Industry**



Charath Ram Narsimhan


**Managing Director & Chief
Executive Officer**

**Holds Bachelor Degree from
IIT and PGDBM (Finance)
from IIM-Lucknow.**

**Have over 2 decades of
experience in garment
industry.**

Annexures




INDIAN
TERRAIN

Shareholding Pattern

Share Information

(As on September 30, 2023)

NSE Ticker

INDTERRAIN

BSE Ticker

533329

Market Cap (₹ Crores)

265.75

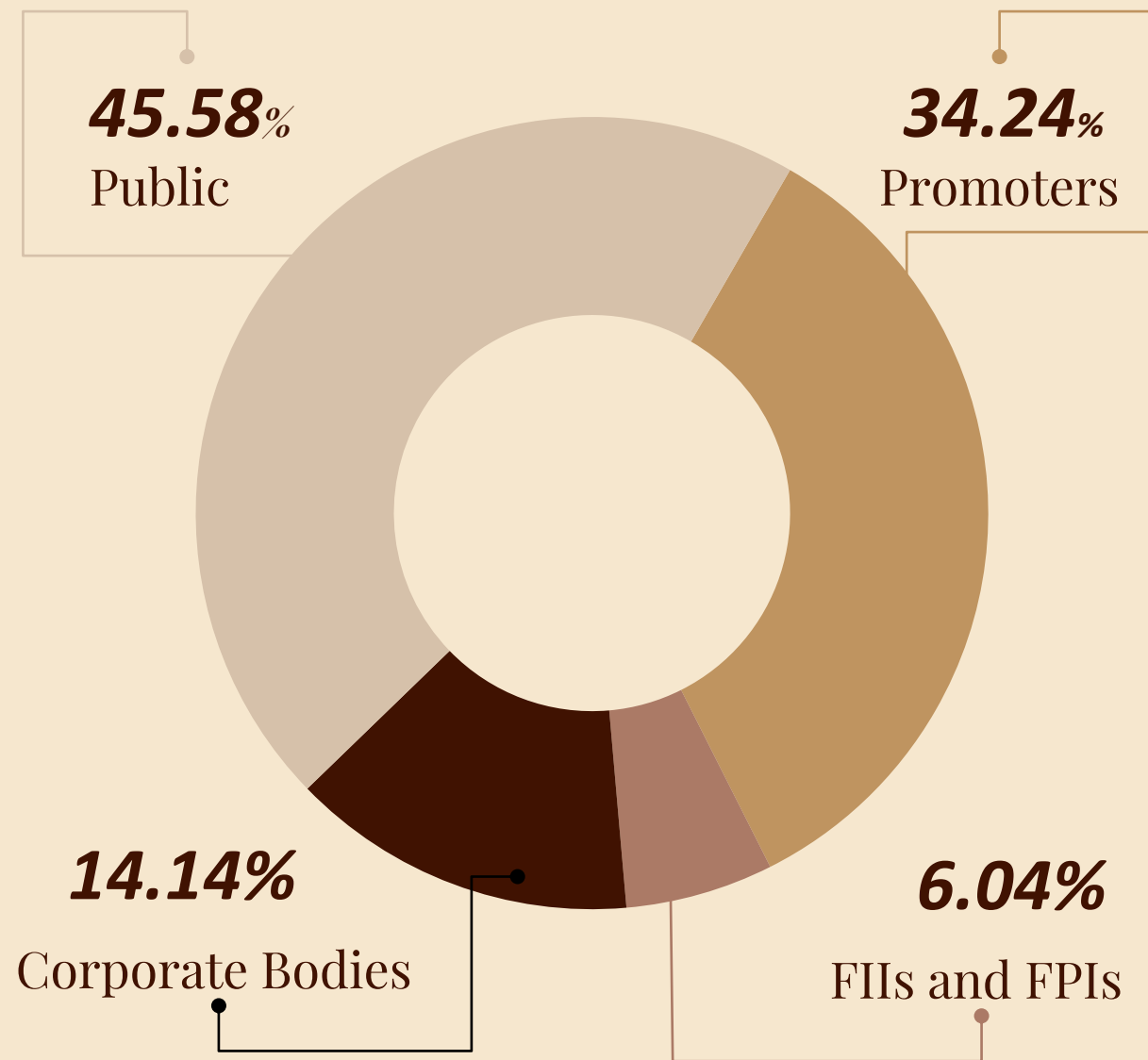
Shares Outstanding

4,42,91,685

Industry

Fashion - Retail

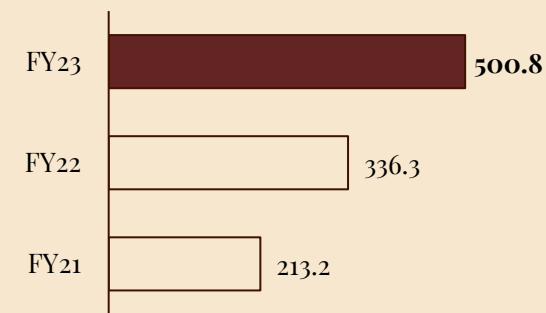
1
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TERRAIN



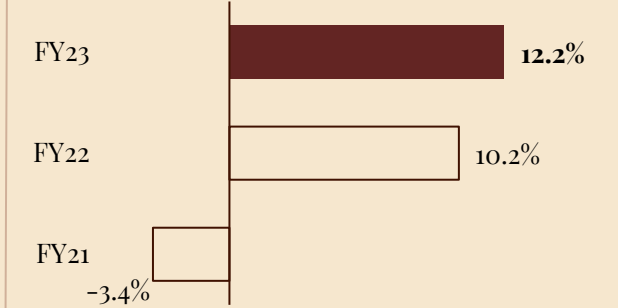
Profit and Loss Statement - Quarterly

Standalone Profit & Loss (INR Cr)	Q2-FY'24	Q1-FY'24	Q2-FY'23
Income from Operations	140.4	92.3	154.4
Other Income	1.0	0.7	2.6
Total Income	141.4	93.0	157.0
Operating Expenses	129.8	86.5	138.7
EBITDA	11.6	6.4	18.3
Margin %	8.2%	7.0%	11.8%
Depreciation	5.2	5.4	5.7
EBIT	6.4	1.0	12.6
Margin %	4.5%	1.1%	8.2%
Financial Charges	5.6	5.0	4.4
PBT	0.8	-4.0	8.3
Margin %	0.6%	-4.3%	5.4%
Tax	9.0	-1.2	-0.4
PAT	-8.3	-2.8	8.7
Margin %	-5.9%	-3.0%	5.6%

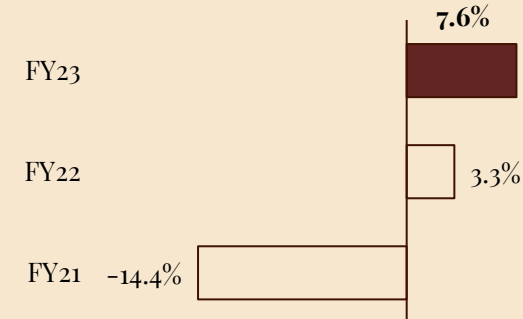
REVENUE FROM OPERATIONS (INR CR)



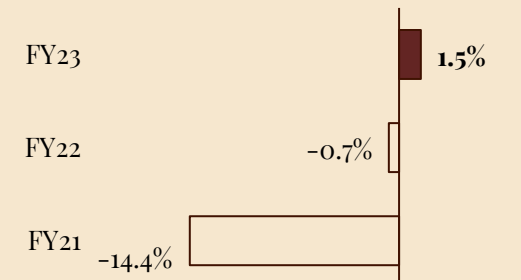
EBITDA MARGIN (IN %)



EBIT MARGIN (IN %)



PAT MARGIN (IN %)

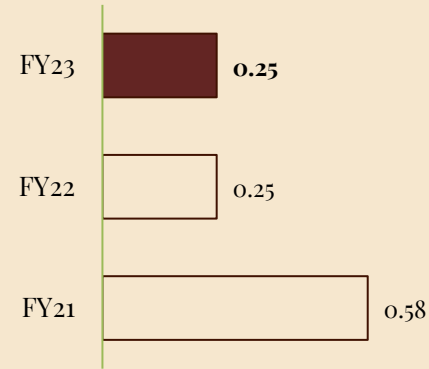


Sub-par financial performance in FY21 was due to COVID-19 induced pandemic resulting in backlogs of inventories and poor profitability metrics

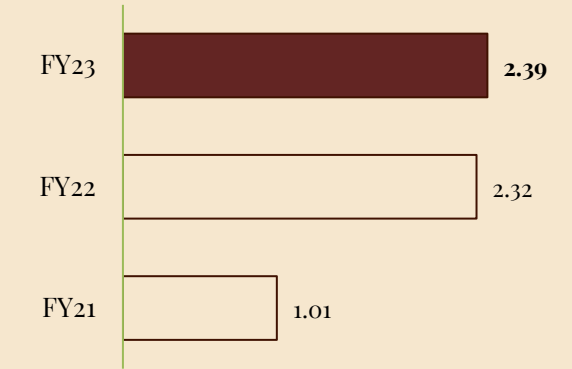
Balance Sheet

Standalone Balance Sheet (INR Cr)	30 th September 2023	31 st March 2023	30 th September 2022
Share Capital	8.9	8.9	8.9
Reserves And Surplus	191.6	202.7	206.5
Non-Current Liabilities	64.1	66.4	71.6
Current Liabilities	247.0	268.3	260.5
Total Equities & Liabilities	511.6	546.3	547.4
Non-Current Assets	100.8	113.5	118.7
Current Assets	410.8	432.8	428.8
Total Assets	511.6	546.3	547.4

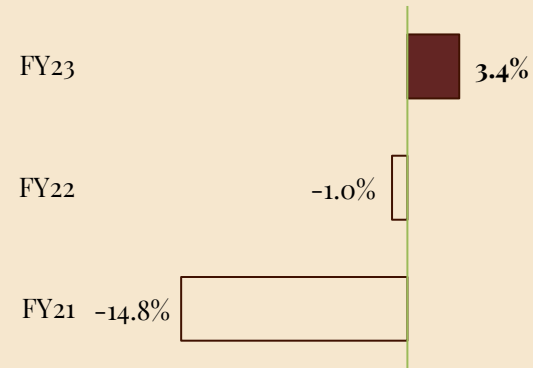
Debt-Equity Ratio (IN %)



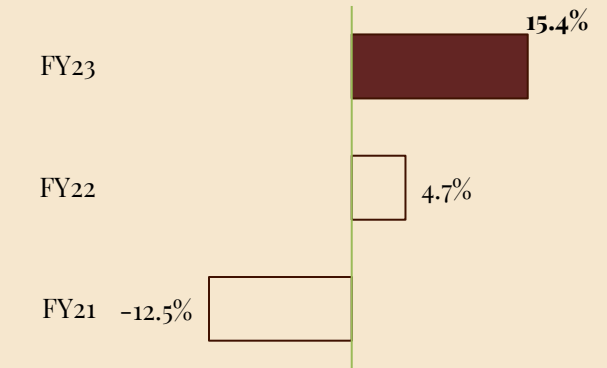
Inventory Turnover Ratio (IN %)



RoE (IN %)



RoCE (IN %)



Thank You



Communication Address

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Survey No. 549/2 & 232, Plot No.4
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Singaperumal Kovil Post, Chengalpattu - 603204

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Mr. Sheikh Sahenawaz / Mr. S Sainath
CFO / Company Secretary & Compliance Officer
E: response.itfl@indianterrain.com



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