



December 09, 2019.

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 <u>Symbol: LUXIND</u>	To, <b>The Secretary,</b> <b>BSE Limited,</b> P.J. Towers, Dalal Street, Mumbai- 400 001 <u>Scrip Code: 539542</u>
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Dear Sir,

***Sub: Investor Presentation.***

Please find enclose herewith Investor Presentation of the Company. The Investor Presentation is also available on the website of the Company.

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:26489***

***Encl: As above***

## **LUX INDUSTRIES LTD**

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Lux Industries Limited



# Investor Presentation

Stock code: BSE: 539542 NSE: LUXIND



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# About Lux Industries

Founded in 1957 by Late Shri Girdhari Lalji Todi, and incorporated in 1995, we are one the leading innerwear manufacturing companies in India with a dominant share in domestic market and a growing export presence.



## Vision

To keep **creating new benchmarks** for **quality and comfort**, the two fundamentals that lay the foundation of our company and take it to the epitome of success.



## Mission

To be recognized as the **best Indian hosiery company** globally and to drive the industry towards sustainable growth and development.

**100+**

Product range across ages, genders, geographies and seasons

₹ **30572.0** Mn

Market capitalization as on 30 September, 2019

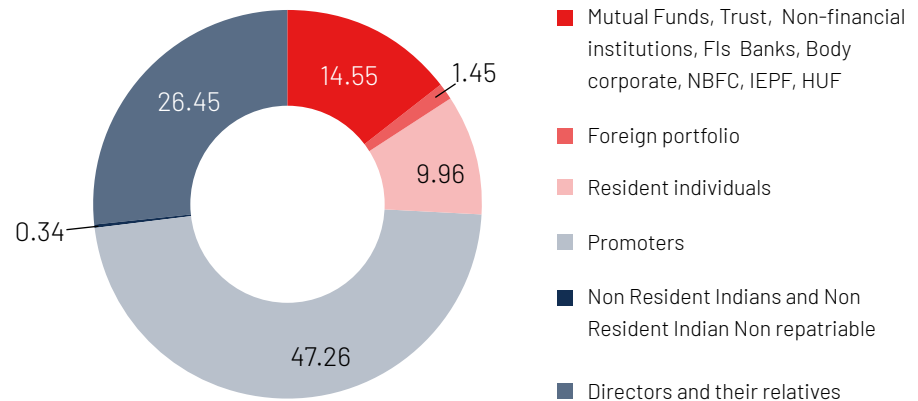
**11.91%**

3-year CAGR in revenues leading to 2018-19

**26.97%**

3-year CAGR in PAT leading to 2018-19

### Shareholding pattern (%)



# Lux's journey so far

1957

▶ Mr. Girdhari Lal Todi set out to make everyday innerwear comfort a reality for Indians through the establishment of the Biswanath Hosiery Mills

1964

▶ The second generation of entrepreneurs assumed management.

1993

▶ Lux began to export products to the Middle East, Africa and Europe.

1998

▶ With its pan-India footprint, Lux established its Delhi office.

2003

▶ The Lux IPO was launched and oversubscribed.

2015

▶ The shares of Lux were listed on the NSE and the BSE.

2016

▶ Eastern India's largest hosiery product manufacturing plant was set up at Dankuni, West Bengal.

2019

▶ Launched India's first scented vest under the brand Lux Cozi.

## Revenue (In Mn)

1000



2004

2000



2008

5000



2011

8000



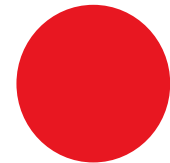
2014

10000



2018

12000



2019

# Production Dominance



# Leveraging strong manufacturing capabilities



**200 Mn**

Garment pieces manufactured a year [up from **175 Mn** pieces in FY15]



**5,000+**

SKU's



**100%**

Quality checks at all levels of manufacturing cycle

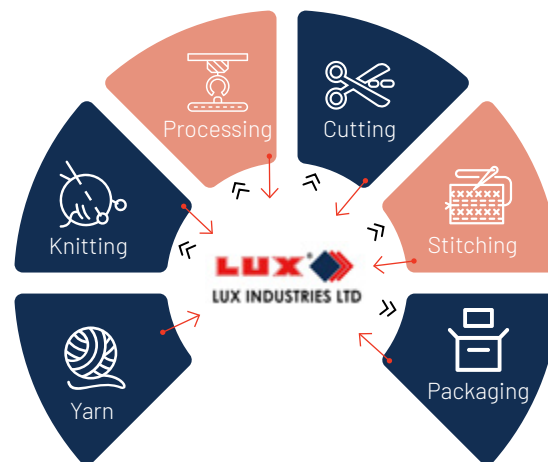


**1,496**

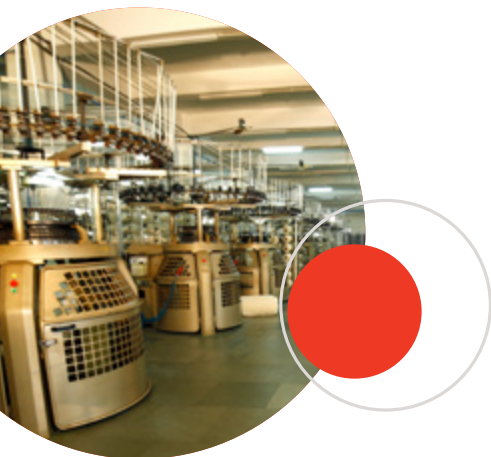
People employed directly

## Our differentiators

- Among the **lowest manufacturing costs** in the industry
- A **complete control** over job workers
- Flexibility in **core manufacturing processes** allows increase / decrease in production aligning to market demand



■ Outsourced to job workers







# Sales and Marketing



My Life My *Lyra*



# Strengthening Brand Lux

## “Ye Andar Ki Baat Hai”

**1992**

First innerwear company to start television advertisement



**2000**

First Innerwear company to sign the bollywood actor as its brand ambassador- Sunny Deol



**2010**

Shah Rukh Khan was engaged as brand ambassador for ONN.



**2013**

First innerwear company to endorse a sporting league with a global presence-IPL



**2017**

Varun Dhawan was signed as Lux Cozi brand ambassador.

Lux Glo, a sub-brand of Lux Cozi, was launched.



**2018**

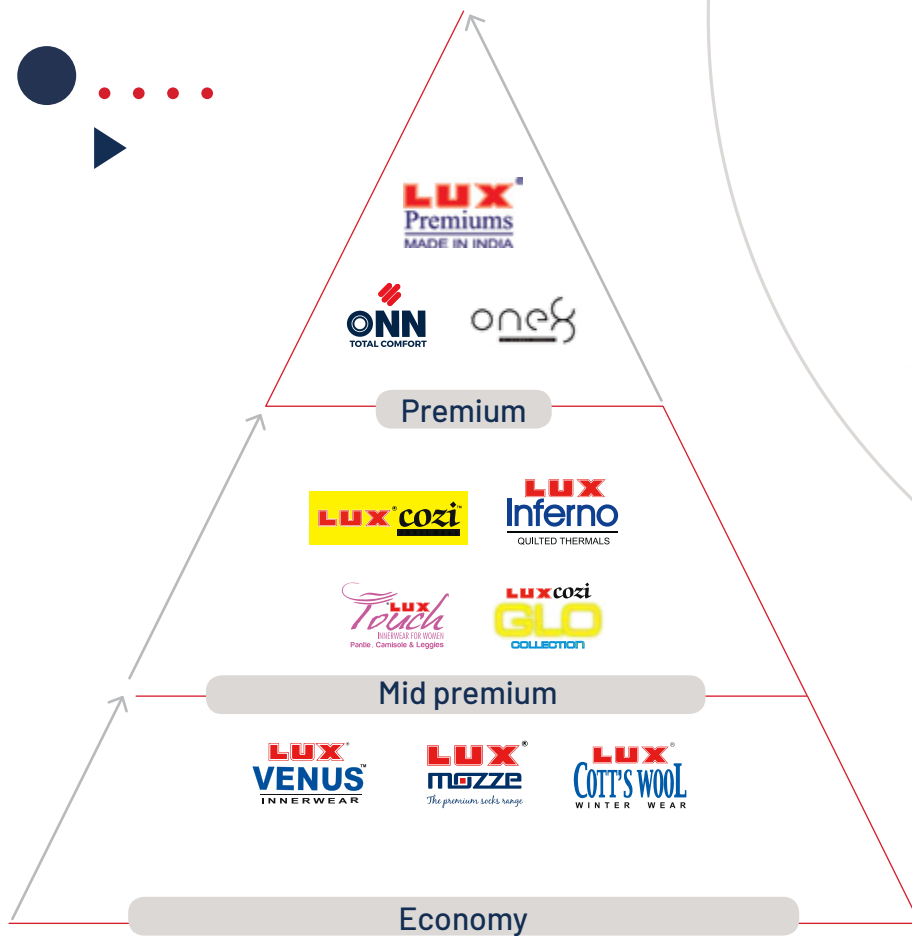
Amitabh Bachchan was appointed brand ambassador for Lux Venus and Lux Inferno.



**2019**

Launched One8 in a brand licensing agreement with Virat Kohli.

# Brand Architecture



# Going Far and Wide



## Trust

of decades enjoyed with distributors / dealers and sub-dealers



<1%

Attrition among the distributors



>35 years

of relationship with distributors



13

Depots spread across India, enabling faster distribution



950+

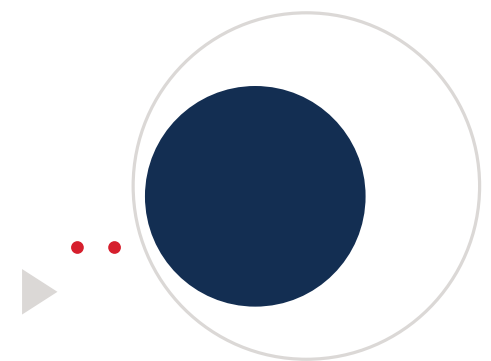
Distributors, Dealer and sub-dealer network

9

Exclusive Brand Outlets (EBO)\*

160

Large store formats\* to showcase entire product range under single roof



\*For our premium offering

# Strong Brand Recall



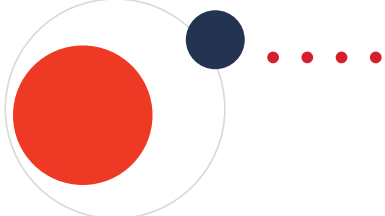
Brand investments as a percentage of turnover in FY19



Invested in brand strengthening in last 5 years leading to FY19



Sponsor of KKR team in IPL – an international cricketing event



A decorative graphic featuring a central white circle with a thin blue outline containing the text 'Market Opportunity'. To its right is a larger grey circle with three black diagonal lines. Below the central circle is a red circle and a smaller grey circle. To the right of the central circle is a red outline circle and a small blue triangle. Above the central circle is a small dark blue circle and three dots. In the top left corner, there is a partial red circle with a white outline and a red triangle pointing right.

# Market Opportunity

## Unmatched Quality

# Best-in-class

Accredited with **ISO 9001:2015** certification for qualitative consistency



## Automated

In-house cutting units



## Best in class

Renowned for its good quality



## Imported

Machineries from Germany, Singapore, Italy from reputed manufacturers



## 350

Circular knitting fully automated stitching machines



## Innovation that Excels

Creating value based products keeping in mind the essential necessity and aspirational style quotient of India



### Unique

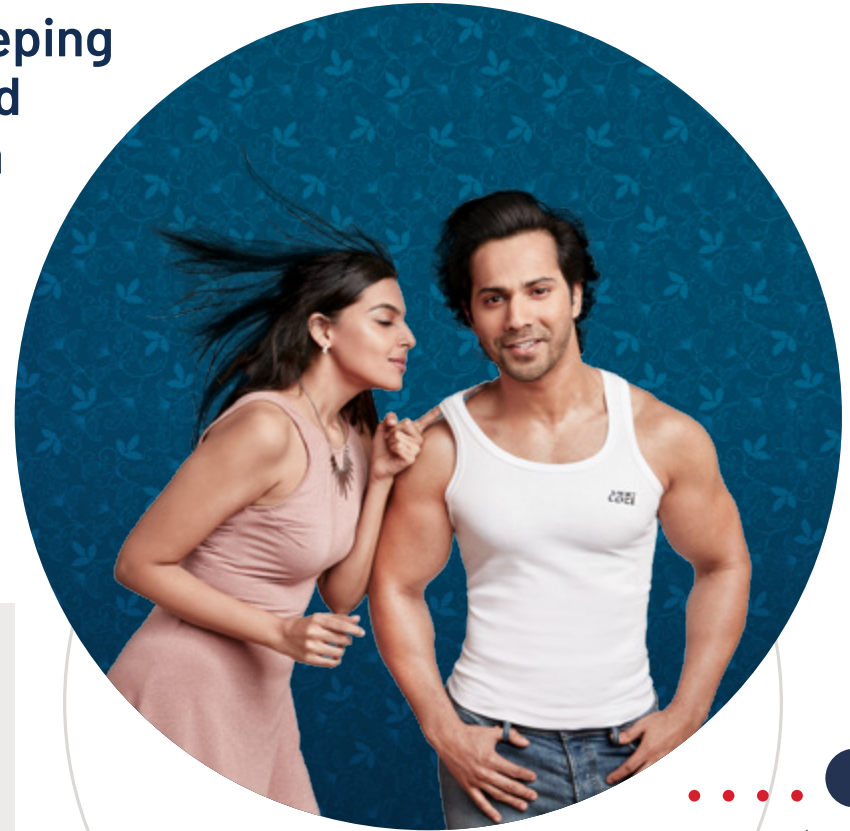
Feature of these vests help retain their fragrance even after continued washes

“

Lux Cozi has been synonymous with quality, comfort and durability. I am very excited to be a part of the launch of their next big product - India's first scented vests. With the onset of summer, this innovative product will revolutionise the vest game

- Varun Dhawan

”



### First

To launch a scented vest in the country



# Growing Global Presence



**Rs. 1360 Mn**

Of exports in FY19, comprising 11.20% of total revenue



**28%**

Increase in export sales over FY18



**47**

Countries of export presence [up from 22 countries in FY14]



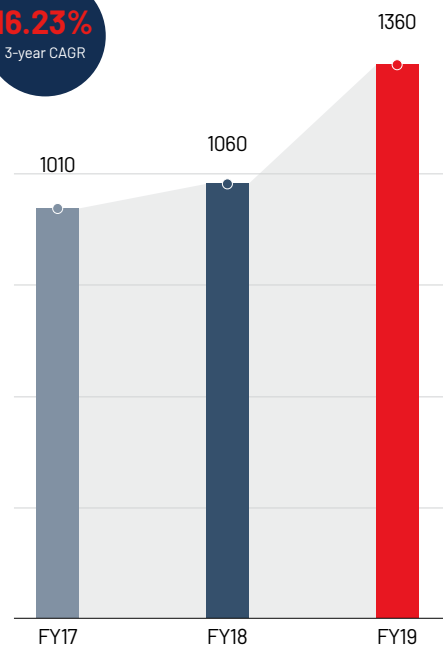
**1st**

Ranked Indian exporter of Innerwear



Revenue from Exports (Rs. Mn)

**16.23%**  
3-year CAGR



## Reducing Carbon footprint

We have setup a solar panel system at Dankuni which will help meet up our 45-50% of energy requirements. This will help to reduce our carbon footprint and enhance operational efficiencies.



# Growing Market Opportunity

Innerwear

Rs. Mn

11288.3

Revenue

Rs. Mn

390

Revenue

Outerwear

Rs. Mn

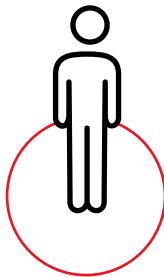
501

Revenue

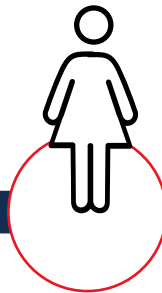
Rs. Mn

0.7

Revenue



Men



Women

## Key points

- Implementation of GST has created a shift in demand from unorganised to organised sector.
- A growing preference towards premium products.
- A huge opportunity remains untapped in womens outerwear and innerwear sector
- Company is creating an online presence through e-commerce websites, enhancing access and product visibility



# Leadership & Management Team

# Leadership & Management Team



**Mr. Ashok Kumar Todi**  
Chairman

- His forte lies in Marketing of the products and formulating various policies for Growth & Expansion of the business on pan India basis
- He has rejuvenated with exploring schemes for distributors, retailers and even for consumers
- Has also been associated with various philanthropic organizations of the country



**Mr. Pradip Kumar Todi**  
Managing Director

- Presently looking after the Product Development and Production
- His forte is in developing new patterns, yarn combinations, knitting technologies
- His forte is in developing new patterns, yarn combinations, knitting technologies
- He has immense acquaintance in technical know-how in hosiery industry
- His contribution in decreasing production costs helped the Company to enhance profits



**Mr. Saket Todi**  
President - Marketing

- Son of Shri Ashok Kumar Todi, aged 30 years
- Post Gratution in Brand Management from MICA, Ahmedabad.
- His contribution towards strengthening the premiumisation of brand "Lux" is significant
- Has been associated with the Company since 2014 with his in-depth knowledge in marketing which has helped the Company to achieve greater success and increase profitability



**Mr. Udit Todi**  
President - Strategy

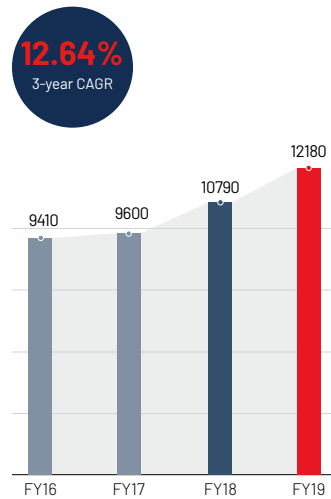
- Son of Shri Pradip Kumar Todi, aged 30 years
- He is Master of Science in Finance from The London School of Economics and Political Science (LSE)
- Has been associated with the Company since 2014 and has expertise in the field of finance and his proficiency in the management of marketing area of the Company is remarkable

A decorative graphic featuring a central white circle with a dark blue outline containing the text 'Financial Highlights'. To its right is a larger light gray circle with three black diagonal lines. Below the central circle is a red circle and a smaller light gray circle. To the right of the central circle is a red circle with a dark blue triangle pointing towards it. Above the central circle is a dark blue circle and three small dark blue dots. In the top left corner, there is a partial red circle with a white outline and a dark red triangle pointing right.

# Financial Highlights

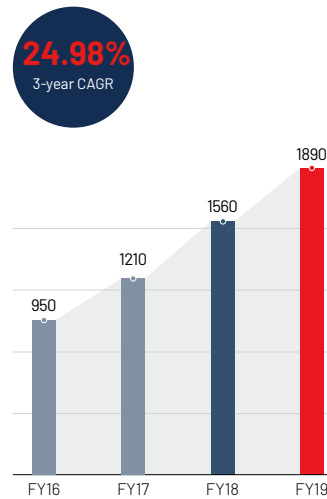
# Financial Highlights (Standalone)

Revenue (Rs. Mn)



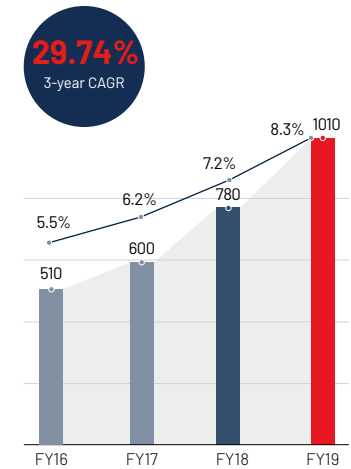
Strong growth in revenue observed due to innovative products and strong market presence

EBIDTA (Rs. Mn)



The Company has managed to constantly increase its operational efficiency via effective cost management and reducing overheads.

— PAT (Rs. Mn)  
-- PAT Margin (%)

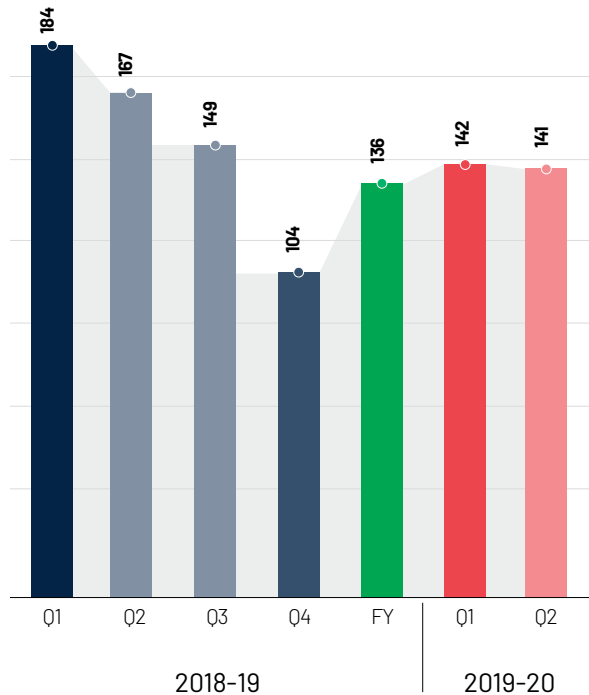


Operational efficiency and cost control has ensured that the shareholders of the Company enjoy better dividend payouts through increasing PAT levels.

# Financial Highlights (Standalone)

## Working capital

In Days



Particulars (Rs. In Mn)	As on 30.09.2018	As on 31.03.2019	As on 30.09.2019
Debtor	3020	3680	3630
Inventory	3580	2510	2790
Creditor	1450	1630	1430
<b>Net working Capital</b>	<b>5150</b>	<b>4560</b>	<b>4990</b>

- Working constantly towards reducing debtor days by tightening credit period managed by a strong sales team.
- Better inventory planning



# Financial Highlights (Standalone)



The Company has managed to utilise its funds more efficiently over the years, thus ensuring better capital management.

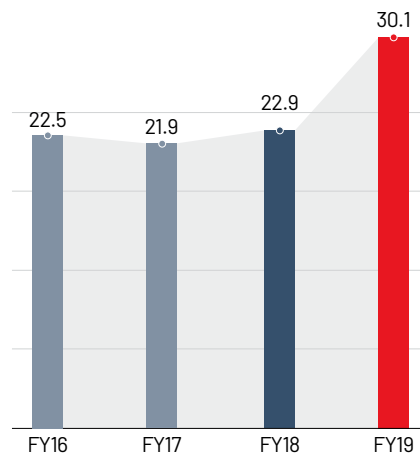


The Company has managed to significantly reduce its debt levels, wherein the major debt is on account of working capital loans.

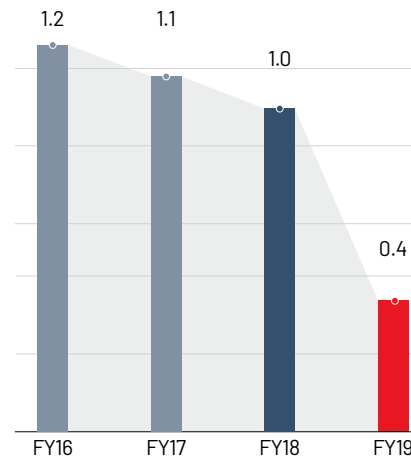
## Key points

- The debt-equity ratio as on 30th September 2019 stood at 0.4, validating the continuous efforts by the company to maintain a strong financial position

ROCE (%)



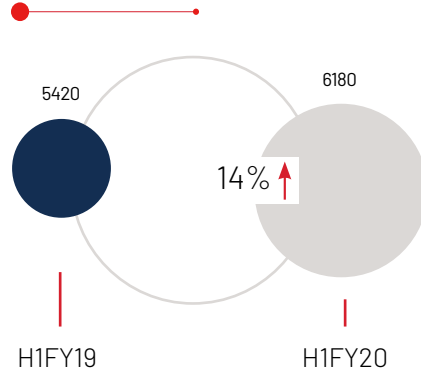
Debt-equity ratio



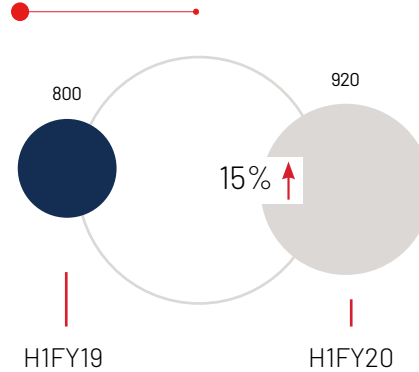
# Financial Highlights (Standalone)

## Half-yearly Review

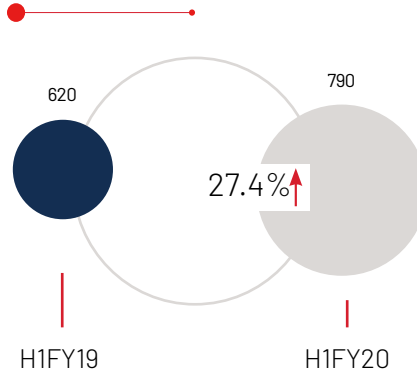
Revenue (Rs. Mn)



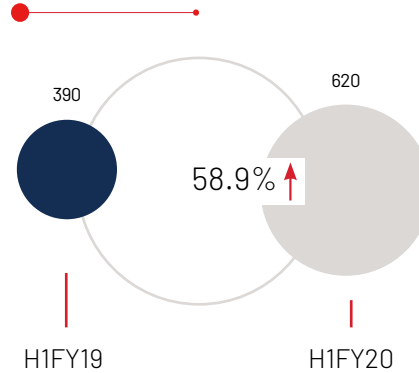
EBIDTA (Rs. Mn)



PBT (Rs. Mn)



PAT (Rs. Mn)



# Financial Highlights (Standalone)

## Summary of Profit and Loss Statement

Particulars (Rs. In Mn)	H1FY20	H1FY19	Y-o-Y	FY19
<b>Total Income from Operations</b>	<b>6178</b>	<b>5421</b>	<b>14%</b>	<b>12180</b>
Raw Material Cost	2690	2209		5770
Employee Expenses	231	212		435
Subcontracting / Jobbing expenses	1377	1352		2406
Other Expenses	959	839		1675
<b>EBITDA</b>	<b>921</b>	<b>809</b>	<b>14%</b>	<b>1894</b>
<b>EBITDA Margin %</b>	<b>14.9%</b>	<b>14.9%</b>		<b>15.6%</b>
Depreciation	58	55		112
<b>EBIT</b>	<b>862</b>	<b>754</b>	<b>14%</b>	<b>1782</b>
<b>EBIT Margin %</b>	<b>14.0%</b>	<b>13.9%</b>		<b>14.6%</b>
Finance Cost	65	132		236
<b>Profit before Tax</b>	<b>797</b>	<b>622</b>		<b>1546</b>
Tax	176	227		533
<b>Profit After Tax</b>	<b>620</b>	<b>394</b>	<b>57%</b>	<b>1013</b>
<b>PAT Margin %</b>	<b>10.0%</b>	<b>7.3%</b>		<b>8.3%</b>
<b>EPS (Rs.)</b>	<b>24.57</b>	<b>15.61</b>		<b>40.1</b>

\* - Ind-AS Financials

# Awards & Accreditations



**2012-13**

Asia's Most Promising Brands



**2013**

The Master Brand



**2014**

The Master Brand



**2014-15**

The Admired Brand of India



**2015**

The World's Greatest Brands



**2016**

Asia's Greatest Brands



**2018**

Lux Cozi - Best Brand of the Year



# Thank You



## Corporate Office

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