



**Trident Limited**

Corporate Presentation – November 2016



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LONG STAPLE  
COTTON YARNS



FLEXIBLE



FEATHER TOUCH  
SOFT SHEET



ENHANCED LUSTRE  
& VIBRANT SHADES



EVERLASTING  
TOUCH



## We Are USD 1 Billion

Indian Business Conglomerate

World's Largest  
**Terry Towel**  
manufacturer

One of the Largest  
**Integrated Home Textiles**  
manufacturer in the world

One of the Largest  
**Yarn**  
producer in India

World's Largest  
Wheat Straw based  
**Paper**  
manufacturer

presence in

**100**  
countries

**6**

continents

preferred supplier to

**Target | IKEA | Wal-Mart | JC Penney | Macy's**  
& other global giants



# Vision & Values

## We

**Dream | Visualise | Execute**

### Our Vision

Inspired by challenge, we will add value to life & prosper together globally.

### Our Values

To provide customer satisfaction through teamwork, based on honesty & integrity, for continuous growth & development.

Recipient of several

### Corporate Awards

Awarded for Export performance, Environment & Sustainability, Corporate Governance & Innovation by Govt., Industry and Customer Partners

Committed to the

### Sustainability

Effluent Treatment Water Recovery, Plantation of more than 4 Lac Trees in Punjab & MP, Saving 5000 Trees every day to manufacture paper, Better Cotton Initiative

Dedicated working towards

### Women Empowerment

46% growth in female workforce; 50+ women in leadership; Privileges to Sole Female Earners; Initiatives i.e. Asmita & Work From Home for Female Members

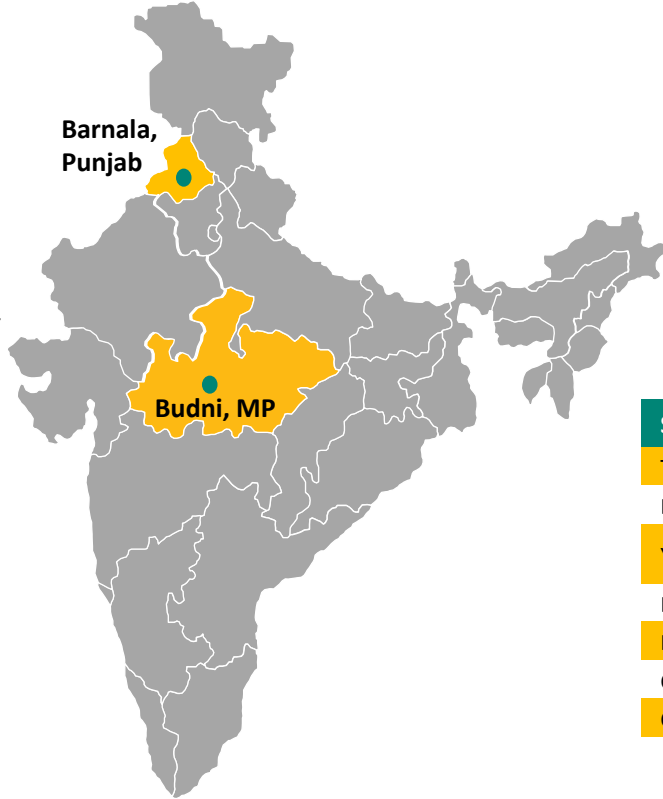
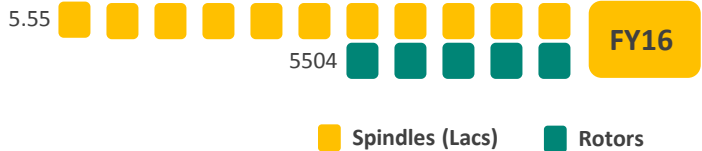


# Manufacturing facilities and capacities

### Bath & Bed Linen Capacities



### Spinning Capacities



### Paper & Pulp Capacities



Segment	Capacity
Terry Towel	688 Looms/ 90000 MT pa
Bed Linen	500 Looms/ 43.2 mn meters
Yarn	5.55 Lakh Spindles and 5504 Rotors / 115200 tpa
Dyed Yarn	6825 tpa
Paper	1,75,000 tpa
Chemicals	1,00,000 tpa
Captive Power	50 MW



# Strength & Strategy

## Vertically Integrated



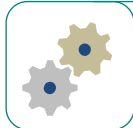
Vertically integrated operations (cotton-to-terry towel and cotton-to-bed linen)

## Value Addition



Focus on value added, innovative and fashion statement product range for premium customers

## Best Technology



Latest technology and automation from global partners at all stages of manufacturing

## Adding New Markets



Adding customers geographically; UK, Italy, France, Japan, Australia, and others

## Credit Rating



CRISIL **A**: LT Borrowings & **A1**: ST Borrowings  
CARE **A**: LT Borrowings & **A1**: ST Borrowings  
D&B **5A2**: Business rating

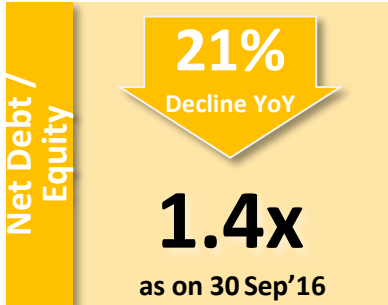
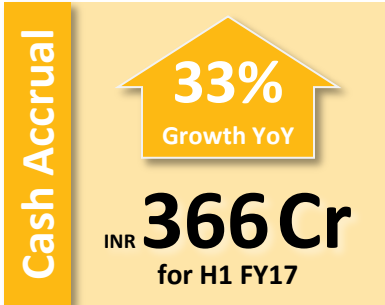
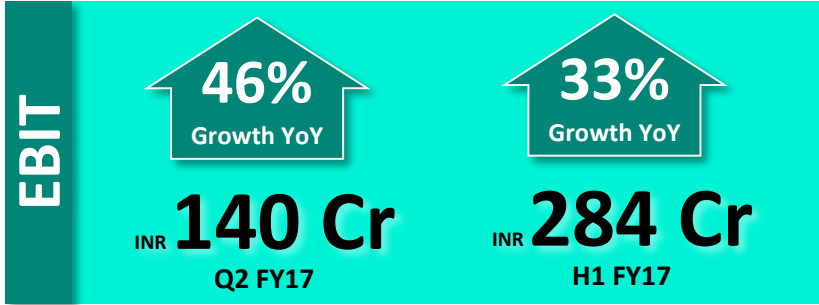
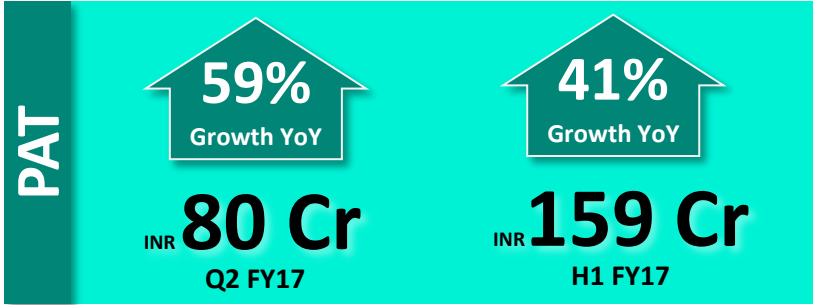
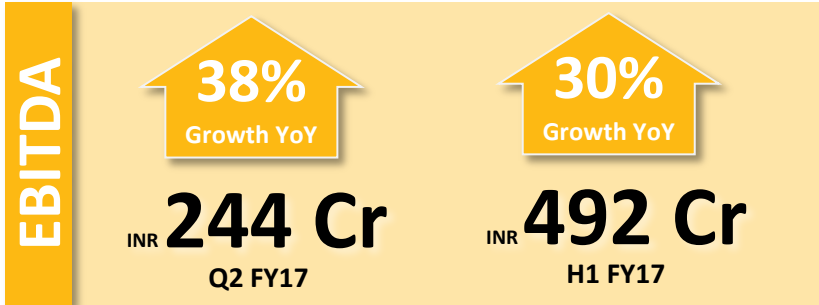
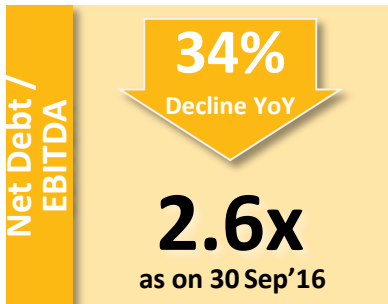
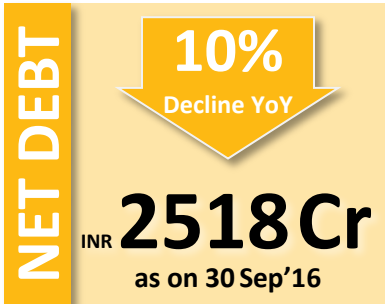
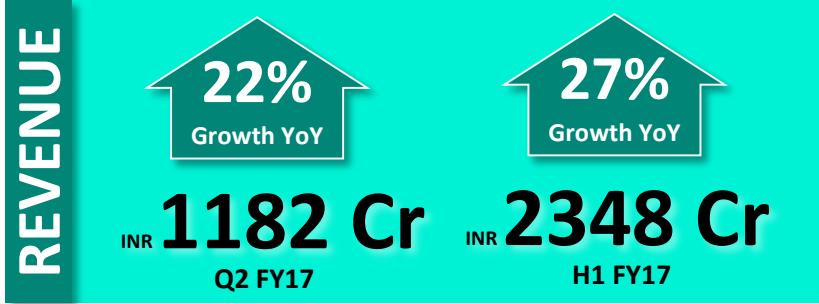
## Branding Strategy



Aggressive branding strategy to percolate home textile and copier products in premium segment



# Key Financial Highlights





# Snapshot

Key Market Statistics	20-Oct-2016
BSE/NSE Ticker	521064 / Trident
Industry	Textiles & Paper
CMP (Rs)	60.05
Market Cap / Free Float (Rs. crore)	3,060 / 826
Number of Outstanding Shares (Crore)	50.95
Face Value	Rs. 10 per share
52-week High / Low (Rs.)	62.0 / 29.6
Bloomberg Code	TRID:IN

## Global Presence

Registered Office: Sanghera, Punjab

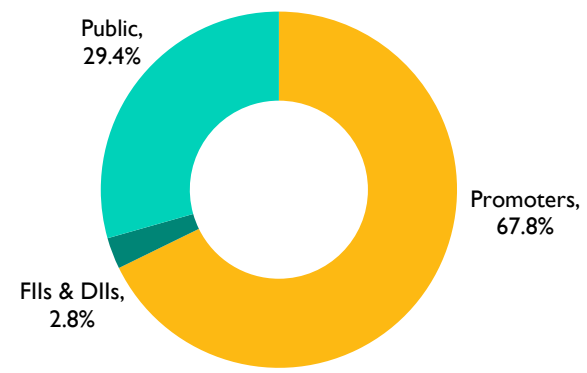
Corporate Office : Ludhiana, Punjab

Manufacturing Facilities at: Sanghera & Dhaura, Punjab  
Budni, Madhya Pradesh

Marketing Offices at: Mumbai, Maharashtra  
Gurgaon, Haryana  
New York, United States  
Cheshire, United Kingdom

Shareholding Pattern	September 2016	June 2016
Promoters %	67.77	66.49
FII's & DII's %	2.85	2.61
Public %	29.38	30.90
<b>Total %</b>	<b>100.00</b>	<b>100.00</b>

Shareholding %







## INDIA

### Geography of Choice for Home Textiles

#### Cotton Quality & Availability

Largest producer of cotton and still growing;  
25%-30% surplus  
available for export

#### Favourable Govt. Policies

Focus on  
'Make In India' and  
export enhancement

#### Competitive Cost of Production

Competitive labour, power and  
raw material cost; access to  
advanced technology under  
Textile Upgradation Fund

#### Textiles: A Dominant Industry

Employs 45 million people  
across the value chain; strong  
Govt. support to industry

#### Global Friendly Environment

Stable democracy; comfort with  
global languages; evolving  
practices in line with MNCs

#### Qualified & Skilled Manpower

Large, young and talented  
workforce at a competitive  
though increasing cost



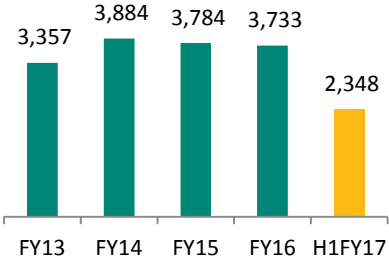
# Profit and Loss Abstract- Standalone

Q2 FY17	Q2 FY16	Growth%	Particulars (INR crore)	H1 FY17	H1 FY16	Growth%
1181.7	972.8	21.5%	Net Revenues	2348.1	1853.6	26.7%
946.8	797.2	18.8%	Total Expenditure	1871.3	1480.5	26.4%
244.4	177.6	37.6%	EBITDA	491.9	377.2	30.4%
104.4	81.7	27.8%	Depreciation	207.9	163.0	27.5%
139.8	95.8	45.9%	EBIT	284.0	214.2	32.6%
34.8	37.1	-6.2%	Interest	76.7	81.9	-6.3%
105.0	58.7	78.9%	Profit Before Tax	207.3	132.3	56.7%
25.0	8.4	197.6%	Tax	48.6	19.7	146.7%
80.0	50.3	59.0%	Profit After Tax	158.7	112.6	40.9%
78.8	50.0	57.6%	PAT (Including OCI)	169.3	118.7	42.6%
1.59	1.02	55.9%	EPS (Diluted & non-annualized) (In Rs)	3.18	2.28	39.5%

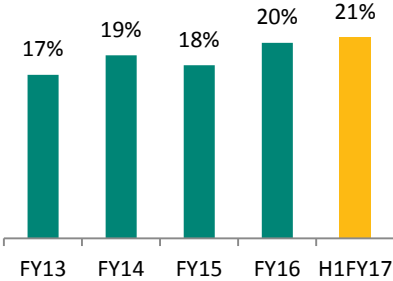


# Key Financial Parameters

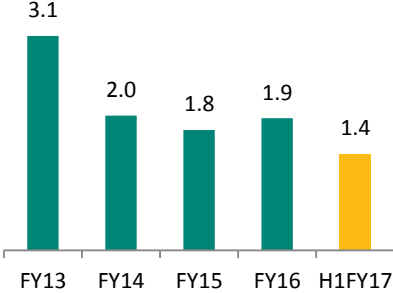
### Turnover (INR crore)



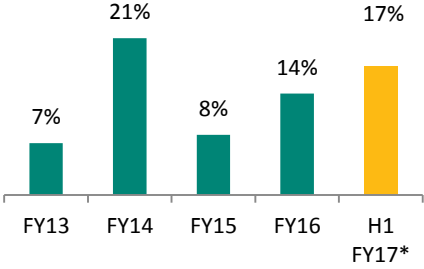
### EBIDTA (%)



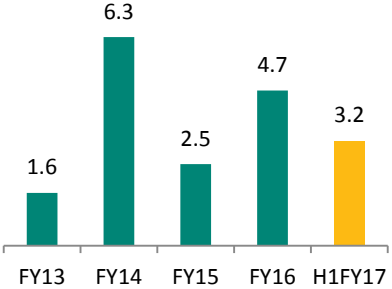
### Net Debt : Equity (x)



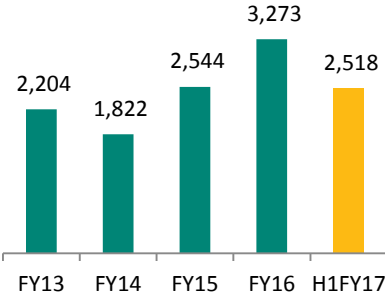
### ROE (%)



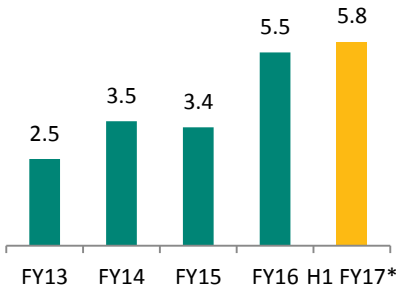
### EPS (INR)



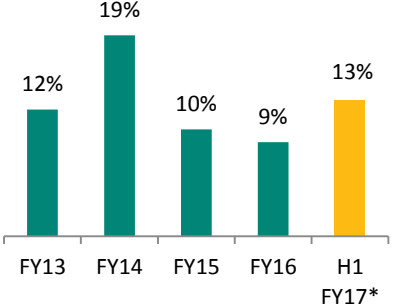
### Net Debt (INR crore)



### Interest Coverage



### ROCE (%)



\*annualized

# Q2 & H1 FY17 - Financial Highlights



- /// **Net Revenue** at INR 1,182 crore in Q2FY17 compared to INR 973 crore in Q2FY16, representing a growth of 22%
  - This was led by 34% growth in Home Textile segment for H1FY17, as a result of sustained focus & efforts on marketing, designing & product innovation
- /// **EBITDA** increased by 38% YoY to INR 244 crore during Q2FY17 from INR 178 crore
- /// **Finance Cost** reduced by 6% YoY to INR 77 crore in H1FY17 from INR 82 crore in the same period last year
  - Healthy Free Cash Flow Generation led to Repayment of INR 210 crore which includes Prepayment of high cost debt to the tune of INR 97.5 crore during the quarter.
    - In H1 FY17, the Company has repaid INR 366 crore, including INR 151 crore of high cost debt
  - Better working capital utilisation and interest equalization scheme benefit reduced overall interest costs – improved Credit ratings should enable the Company to further reduce interest costs
  - Net Debt as on September 30, 2016 stood at INR 2,518 crore compared to INR 3,273 crore as on March 31, 2016
    - Net Debt to Equity ratio significantly declined to 1.4x compared to 1.9x as on March 31, 2016
- /// **PAT** higher by 59% to INR 80 crore in Q2 FY17 vis-à-vis INR 50 crore in Q2 FY16
  - **Diluted EPS (non-annualised)** enhanced to INR 1.59 per share in Q2 FY17 vis-à-vis INR 1.02 per share in Q2 FY16
- /// **Cash Profits** during H1 FY17 stood at INR 366 crore vis-à-vis INR 275 crore, higher by 33%

# Balance Sheet Abstract - Standalone



Particulars (Rs. crore)	As on Sep 30, 2016	As on March 31, 2016
<b>Sources of Funds</b>		
<b><u>Shareholders' Funds</u></b>		
Share Capital - Equity Shares	509.58	494.82
Reserves and Surplus	1315.68	1,147.15
<b><u>Non-Current Financial Liabilities</u></b>		
Long Term Borrowings	1815.78	2,136.50
Preference Shares	-	60.00
Other Non Current Liabilities	307.53	279.67
<b><u>Current Liabilities</u></b>	<b>1381.79</b>	<b>1558.63</b>
<b>TOTAL</b>	<b>5330.36</b>	<b>5676.77</b>
<b>Application of Funds</b>		
<b><u>Non-Current Assets</u></b>		
Fixed Assets	3713.26	3874.09
Financial Assets	85.49	77.56
Long Term loans and advances	233.37	214.68
<b><u>Current Assets</u></b>	<b>1298.24</b>	<b>1510.44</b>
<b>TOTAL</b>	<b>5330.36</b>	<b>5676.77</b>



# Management Comment

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**Commenting on the performance, Mr. Rajinder Gupta, Chairman at Trident Group said:**

*“I am delighted to report that we have continued the positive momentum from the previous quarter and delivered robust performance in the second quarter. This was primarily driven by sustained efforts of our marketing team to improve product off-take, supported by other strategic initiatives like deeper penetration in existing markets, expanding our global reach and enhanced product offerings.*

*We are fully focused on optimally utilizing our global scale home textile capacities which will enable us to deliver sustainable volume growth going forward. So we expect the healthy quarterly trend to continue in the upcoming quarters.”*



# Key Developments



## **3 TEXPROCIL Awards for Export Performance 2015-16**

- **Silver Trophy** for the **Second Highest Exports of “Terry Towels”**
- **Silver Trophy** for the **Second Highest Exports of “Cotton Yarn Counts 50s and below”**
- **Bronze Trophy** for the **Third Highest Global Exports (Overall)**

## **17th National Award for Excellence in Energy Management, CII**

- **Excellent Energy Efficient Unit** – Paper & Chemical Division, Barnala (Punjab)
- **Energy Efficient Unit**, Yarn Division, Budhni (Madhya Pradesh)

## **National Awards for Excellence in Water Management 2016 in “Within the Fence”, CII**

- **The Winner** award to Home Textiles Division
- **Noteworthy Water Efficient Unit** award to Paper & Chemical Division

## **Mr. Abhishek Gupta, CEO, honored with ASSOCHAM Leadership Award (CEO), 2016**



## **Launched an Onshore Design Studio in New York**

- Located at 295 Fifth Avenue, New York with a larger showcase of Bed & Bath Collection
- To ensure proximity to International Market & enhance Brand Presence



## **Company’s Credit Rating upgraded by CRISIL & CARE**

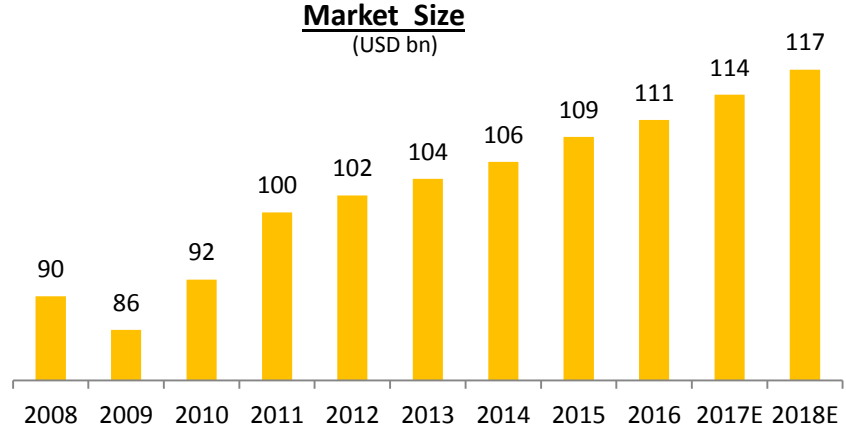
- CRISIL **A** for Long Term Borrowings & CRISIL **A1** for Short Term Borrowings
- CARE **A** for Long Term Borrowings & CARE **A1** for Short Term Borrowings



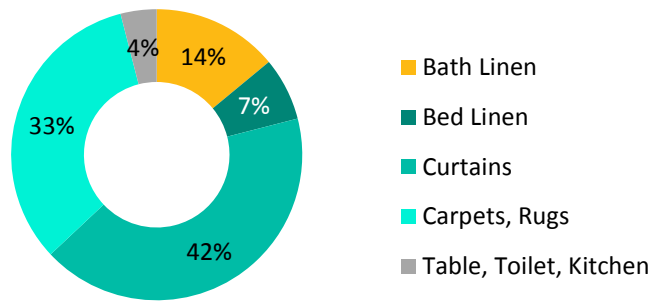
# Global Home Textile Industry

- World-wide home textile market grew from 2008 to 2016 at a CAGR of 2.7% totaling USD 111 billion (retail value).
- Main driver of this development was Asia Pacific with an impressive CAGR of 9.5% over the same period.
- Globally the retail value of home textiles is expected to reach USD 117.10 billion (CAGR of 2.4%) in 2018.
- The highest increase is expected to take place in Asia Pacific with a CAGR of 8%.

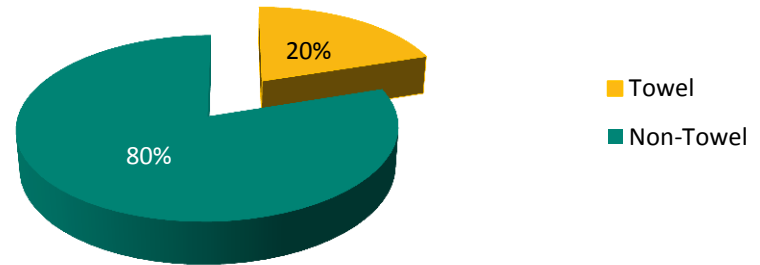
Source: Euromonitor, ITMF



### Split of Home Textiles (Volume)



### Split of Global Home Textiles (Value)



Source: Global and Indian Textile & Apparel Trade -Technopak Analysis



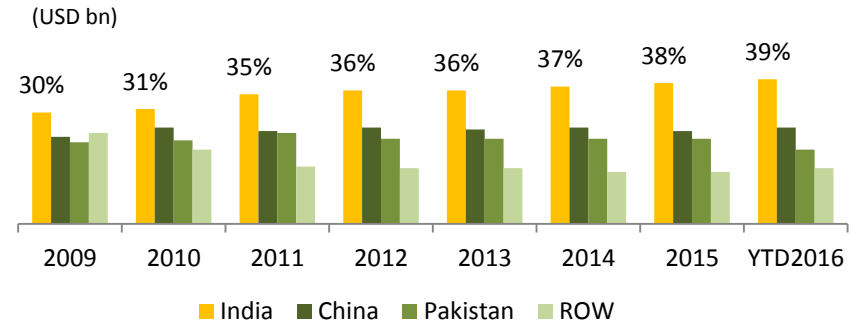


# India's Dominance in Home Textiles

## India's Dominant Export Share in US Towel & Sheeting Market

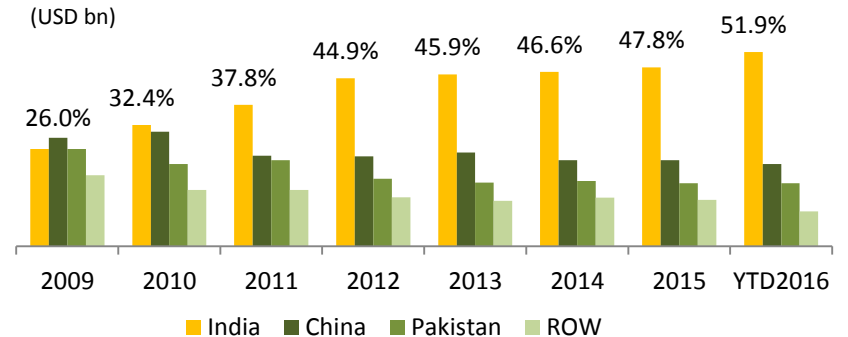
- India's export share in the US towel market has improved at a rampant pace from 30% in 2009 to 39% in 2016.
- Continuous product innovation by Indian players coupled with the low cost advantage boosted India's Export Share.

### Market Share in US Towel Market



- The US bedsheet market has been largely dominated by Indian exports.
- India's export share has doubled from 26% in 2009 to 52% in 2016.
- India has largely gained market share and Pakistan losing its market share from 26% in 2009 to 16% in 2016 largely due to Indian Superior Quality Products.

### Market Share in US Sheet Market

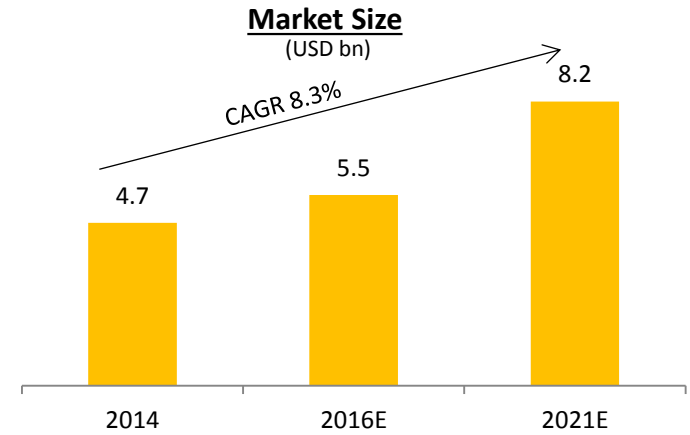


Source: Otexa



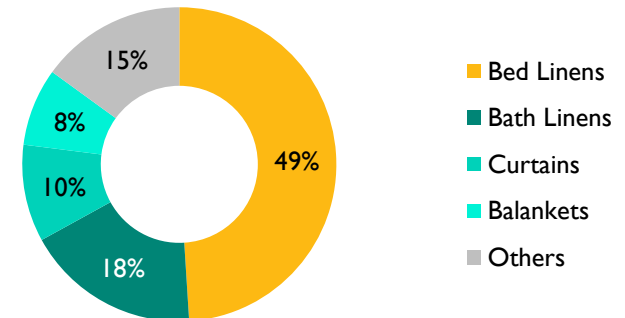
# Domestic Home Textiles Industry

- India's home textile industry is expected to expand at a CAGR of 8.3 per cent during 2014–21
- India accounts for 7 per cent of global home textiles trade. Superior quality makes companies in India a leader in the US and the UK, contributing two-third to their exports
- Indian products has gained a significant market share in global home textiles in the past few years
- The growth in the home textiles would be supported by growing household income, increasing population and growth of end use sectors like housing, hospitality, healthcare etc
- Bed and Bath Linen together constitute about 67% of the total domestic home textiles industry by value



Source: IBEF

## **Indian Home Textiles Industry (Value)**



Source: Technopak Compendium Textile Apparel



# Home Textiles



## Towel

688 Looms

Capacity to produce 90,000 MT / 360 Million Pieces of Towel Per Annum

Supply Towels to Global Giants like Target, Wal-Mart, Macy's, IKEA, Ralph Lauren & others; Domestic Giants like ITC Hotels, Page Industries among others

Product Portfolio includes Beach, Jacquard, Uni dyed Bath Towel, Celebratory, Bathrobes in various designs & styles

## Bed Linen

500 Looms

Capacity to produce 43.2 Million Meters Bed Linen Per Annum

State-of-the-art Composite Sheeting Plant

Product Portfolio includes Bed Sheets, Fashion Bedding, Duvet, Comforters, Cushion Covers and others

## Yarn

5.55 Lac Spindles & 5504 Rotors

Capacity to produce 300 MT Per Day of Cotton, Compact and Blended Yarn

Supply Yarn to Top Corporates such as Page Industries, Raymonds, Arvind Ltd

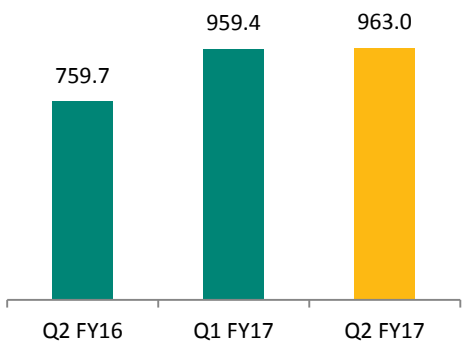
Product Portfolio includes Melange, Air-Rich, Zero Twist, Nector Soft

# Integrated Home Textiles Player

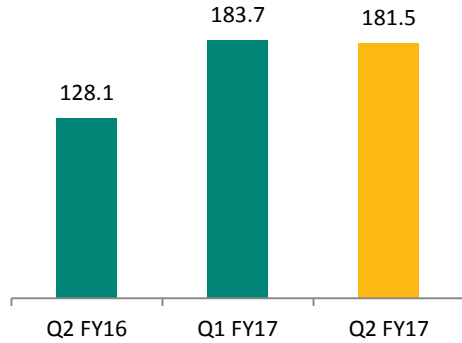


# Q2 FY17 - Highlights

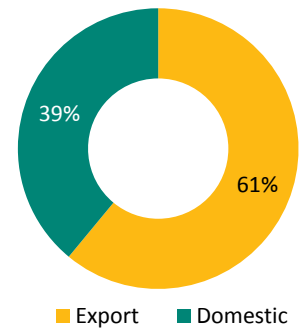
### Revenues (INR crore)



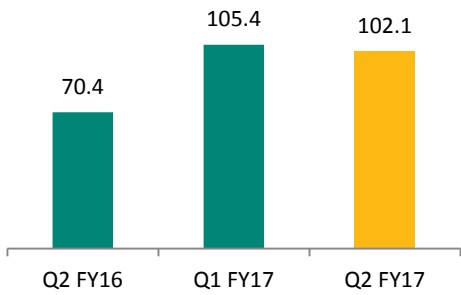
### EBITDA (INR crore)



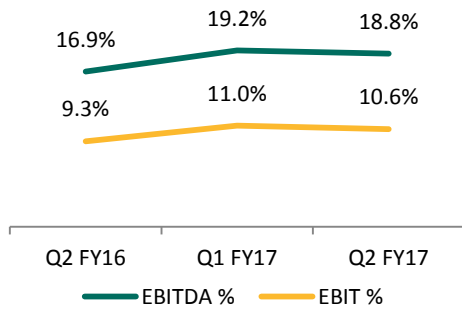
### Export : Domestic Mix



### EBIT (INR crore)



### Margin (%)



## Increase in H1FY17 (YoY)

<b>Revenue</b>	<b>: 34%</b>
<b>EBITDA</b>	<b>: 35%</b>
<b>EBIT</b>	<b>: 33%</b>

# Brands & Innovations



## Brands



## Innovations



**Fibre and Yarns**



**Design/ Construction**



**Finish & Wet Treatment**





# Way Forward

## Aggressive Emphasis on Marketing



Strengthening presence in new markets like UK, Italy, France, Japan, Australia, South Africa and Canada

Continue to target new markets to diversify customer base geographically

Leverage existing customer relationships to ramp-up Bed-Linen marketing

## Strengthen Balance Sheet



Robust Free Cash flow generation expected going forward

To reduce Long-term debt in a phased manner



## Focus on Value-added products



Branding strategy to target premium customer segment in Home Textiles

Focus on Value-added products to further improve contribution over the coming years

## Targeting domestic markets

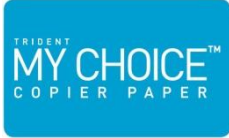


Further strengthen brand presence across multi brand outlets (MBOs) & Modern Retail across India

Emphasis on emerging e-commerce platforms to market Home Textile brands – brands available across major e-commerce platforms



# Paper



72 GSM  
86% Brightness

100 GSM  
92% Brightness

75 GSM  
88% Brightness

75 GSM  
90% Brightness

75 GSM  
90% Brightness

70 GSM  
87% Brightness

customers spanning across

54

countries

US | Africa | UK | Latin America | Middle East & others



Energy-saving operations initiated to reduce power consumption



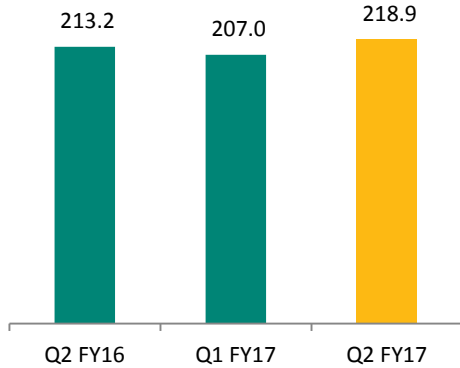
Saving 5000 Trees Everyday  
Agro-residue (wheat straw) & ECF pulp used to manufacture paper



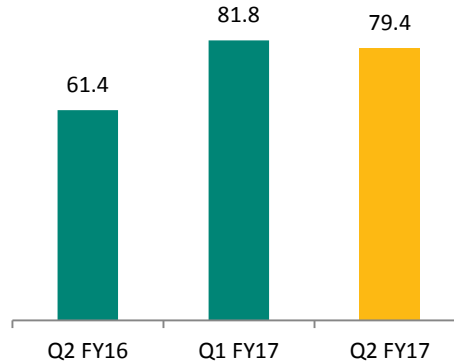


# Q2 FY17 Financial Highlights

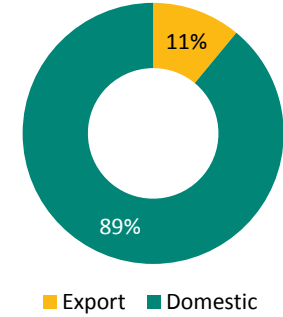
### Revenues (INR crore)



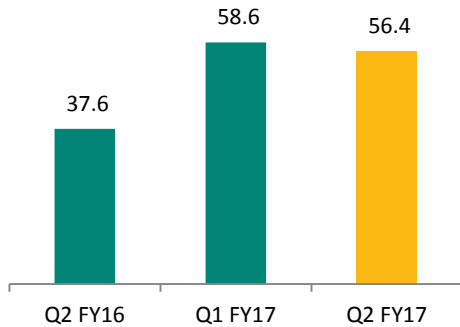
### EBITDA (INR crore)



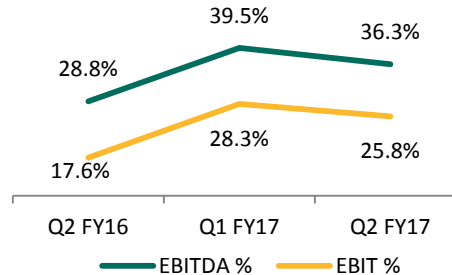
### Export : Domestic Mix



### EBIT (INR crore)



### Margin (%)



### Increase in H1FY17 (YoY)

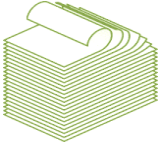
<b>Revenue</b>	<b>: 2%</b>
<b>EBITDA</b>	<b>: 26%</b>
<b>EBIT</b>	<b>: 42%</b>





# Way Forward

## Augment contribution from premium copier paper



- Increased production of copier segment to ~60% of total paper production
- Geared towards high margin copier segment
- Continuous focus on spreading copier paper customers geographically
- Capturing new markets globally

## Focus on expanding Domestic Market



- Product availability in all major hypermarkets and supermarkets
- Focus on increasing the width and depth of the distribution
- Indian markets - Development of new channel partners in East, targeting North, NCR, Central and West market

## Sustainable free cash generating business



- No notable investments to expand capacity envisaged in the segment
- May explore debottlenecking opportunity in the future
- To remain a key cash generating business for the Company



# Corporate Social Responsibility

## CSR

### Giving back to the Society

#### Health



Mobile dispensary launched to provide free primary health care services to poor masses in Tribal areas of Madhya Pradesh

#### Education



Saakshar – Adult education  
IL&FS partnership

#### Asmita



46% growth in female workforce  
50+ women in leadership

#### Water Conservation



Nirmal Narmada (river cleaning project)  
Swachh Bharat (contributors to 'Clean India')



Govt. of India National  
Energy Conservation Award

Golden Peacock Award for  
Environment management

Environmental Sustainability  
Award 2015 from prestigious  
global customers



# Awards & Accolades

- 15 TEXPROCIL Export Performance Awards
- 1 'Supplier Achievement in Excitement 2016' Award from Sam's Club USA
- 1 'Best Quality Award 2016' from SEARS HOLDING
- 4 Wal-Mart Supplier of the Year awards
- 4 JCPenney - Best Supplier, Innovation, Quality Awards
- 2 IKEA Quality and Sustainability Awards
- 4 CII – Confederation of Indian Industry
- 1 National Energy Conservation Awards (NECA)
- 1 Niryat Shree – FIEO Awards
- 1 Punjab Safety Awards
- 1 D&B – ECGC: Exporter's Excellence Awards - Best Diversified Exporter (Runner-Up) - Best Rural Exporter (Runner-Up)
- 3 Corporate Governance Awards





## Thank You

For more information about us, please visit [www.tridentindia.com](http://www.tridentindia.com)

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