



Building a Global Enterprise

ANNUAL REPORT 2017

Himatsingka Seide



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ABOUT HIMATSINGKA

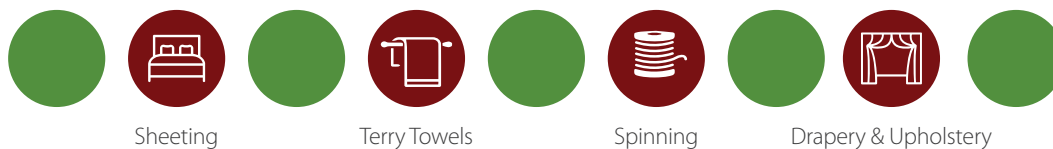
The Himatsingka Group (Himatsingka Seide and its subsidiaries, herein referred to as 'The Group') is a vertically integrated home textile major that designs, develops, manufactures, retails and distributes Bedding, Bath, Drapery & Upholstery, Ultra-Fine, Cotton Yarn, Terry Towel, and Bed Linen products.

The Group is amongst the largest manufacturers of Bedding, Drapery & Upholstery and Ultra-Fine count Cotton Yarn. In addition, the manufacturing portfolio is soon going to be augmented by the setting up of a

Terry Towel facility. The existing facilities of the Group are located at the following places:

- **Integrated Bed Linen manufacturing facility**
– Hassan, Karnataka, India
- **Integrated Ultra-Fine count Cotton Yarn facility** – Hassan, Karnataka, India
- **Drapery & Upholstery manufacturing facility**
– Doddaballapur, Karnataka, India
- **Integrated Terry Towel facility (proposed)**
– Hassan, Karnataka, India

Manufacturing Portfolio



These facilities are state-of-the-art and serve as benchmarks for manufacturing capabilities and practices. The Group has positioned its manufacturing

assets to be among the top 5 in their respective verticals. This ensures the Group's ability to be a reliable global force in the home textile space.

Manufacturing - Capacity Matrix

Product	Unit	Capacity - FY 17	Capacity Addition - FY 18	Total Capacity
Sheeting	Million Meters Per Annum	46.0	–	46.0
Yarn	Spindles	NIL	211,584	211,584
Terry Towels	Metric Tonnes Per Annum	NIL	25,000*	25,000
Drapery & Upholstery	Million Meters Per Annum	2.0	–	2.0

* We will commence construction in FY18

Bellora[®]
since 1883
MILANO



Retail and Distribution

The Group's Retail and Distribution networks cater to over 7,000 points of sale, globally. Armed with a strong portfolio of brands (both licensed and owned), The Group is focused on strengthening its intellectual property portfolio across key global markets.

The Brand portfolio consists of the most respected fashion labels as well as technology driven brands that have led the industry. The Group has been the leader in the branded cotton, Track and Trace space.

The share of revenue derived from the brands will continue to rise, given the Group's focus on its brand portfolio. During FY17, revenues from brands crossed ₹1,000 crores and stood at, approximately, ₹1,200 crores.



Brand Portfolio – Key Brands

Calvin Klein
home

Pima  cott®

Bellora®
since 1883
M I L A N O


kate spade
NEW YORK

atmosphere®

HEMEGROWN
C O T T O N
PROUDLY GROWN IN THE USA

BUSINESS HIGHLIGHTS – FY 17



Completed expansion of Sheeting division; Expanded capacity from 23 to 46 MMPA



Revenues from Manufacturing operations grew 36.6% to ₹1,398 Crore



Emerged leader in Track and Trace capabilities with regard to the cotton value chain



Continued focus on sweating assets; Improved RoCE and RoE



Distribution and Retail Revenue grew 8.3% to ₹1,826 Crore



Commenced construction of new Spinning Facility with a capacity of 211,584 spindles



Consolidated Brands portfolio; Revenues from Brands crossed the ₹1,000 Crore mark; stood at approximately ₹1,200 Crore



Incorporated Himatsingka Europe, a 100% subsidiary, to drive focus on growing presence in EU and UK



Improved Market Share across United States and Canada

KEY FOCUS AREAS – FY 18

Commissioning world's largest cotton Spinning plant under one roof



Increasing capacity utilization of Sheeting division



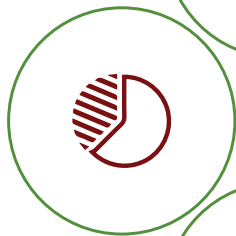
Sweating Group assets to drive capital efficiencies



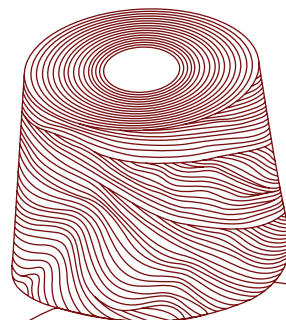
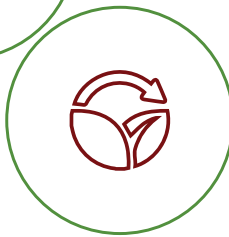
Commencing construction of new Terry Towel facility



Enhancing market share in Continental Europe & North America



Enhance and strengthen brand portfolio to drive sustainability



FINANCIAL SNAPSHOT - FY 2016-17

TOTAL REVENUE

₹ 2,138.4 CRS

13.1%



EBITDA

₹ 390.9 CRS

24.5%



EBIT

₹ 332.9 CRS

34.5%



PBT

₹ 239.4 CRS

55.3%



PAT

₹ 182.1 CRS

45.4%

