

Date: 11<sup>th</sup> November, 2022

To  
The Listing Department  
National Stock Exchange of India Limited  
Exchange Plaza, Plot No. C/1, G Block  
Bandra-Kurla Complex  
Bandra(E)  
Mumbai-400051  
NSE Symbol: IRISDOREME

**Sub: Outcome of the Board Meeting dated 11<sup>th</sup> November, 2022**  
**Ref: Disclosure under Regulation 30 and 33 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015**

Dear Sir / Madam,

With reference to the above, this is to inform you that the Board of Directors at their meeting held today i.e., 11<sup>th</sup> November, 2022 had transacted the following business:

- a) Considered, approved and took on record the Unaudited Financial Results for the quarter and half year ended 30<sup>th</sup> September, 2022.
- b) Took note of resignation of Ms. Savli Prabhakar Mangle as Non-Executive Independent Director of the Company w.e.f. 10<sup>th</sup> October, 2022.

In this regard, enclosed please find herewith the followings:

- a) Unaudited Financial Results of the Company for the quarter and half year ended 30<sup>th</sup> September, 2022 along with Limited Review Report.
- b) Press release regarding the above financial results.
- c) Investor Presentation.

The meeting commenced at 4:00 p.m. and concluded at 4:30 p.m.

Kindly take the same on your records.

Thanking You.

Yours faithfully,  
For Iris Clothings Limited  
**SANTOSH LADHA** Digitally signed by  
SANTOSH LADHA  
Date: 2022.11.11  
16:36:07 +05'30'  
**H LADHA**  
Santosh Ladha  
Managing Director  
(DIN: 03585561)

*Encl: As above*

## Iris Clothings Limited

103/24/1, Foreshore Road, Howrah 711 102, India  
+91 33 2637 3856 / 2640 4674 | info@irisclothings.in  
CIN: L18109WB2011PLC166895



**AMK & ASSOCIATES**  
*Chartered Accountants*

Stesalit Tower, Room No: 303 3rd floor,  
E 2-3, Block EP & GP Sector-V, Salt Lake,  
Kolkata- 700091  
Ph- 91 (33) 40630462, 40697147

Sunshine Tower, 7th Floor, Unit No.: 716,  
Senapati Bapat Marg, Dadar (West)  
Mumbai- 400013  
Ph- 91 (22) 24322838

**Limited Review Report**

**To**  
**The Board of Directors**  
**IRIS Clothings Limited**

**1.** We have reviewed the accompanying statement of unaudited financial results of IRIS Clothings Limited for the quarter and half year ended 30<sup>th</sup> September 2022 being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.

**2.** This statement is the responsibility of the Company's Management and has been approved by the Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued there under and other accounting principles generally accepted in India. Our responsibility is to issue a report on these financial statements based on our review.

**3.** We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity", issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the financial statements are free of material misstatement. A review is limited primarily to inquiries of company personnel and an analytical procedure applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.

**4.** Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying statement of unaudited financial results prepared in accordance with applicable accounting standards and other recognized accounting practices and policies has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 including the manner in which it is to be disclosed, or that it contains any material misstatement.



Kolkata  
11 November 2022

For AMK & Associates  
Chartered Accountants  
FRN: 327817E

*Manish Kumar*

Manish Kumar Agarwal  
Partner  
M.No. 064475

**UDIN: 22064475BCVTXJ7125**



**IRIS CLOTHINGS LIMITED**

Registered Office : 103/24/1, FORESHORE ROAD, HOWRAH - 711 102

CIN : L18109WB2011PLC166895

Statement of Unaudited Financial Results For The Quarter and Half Year Ended 30th September, 2022


(Rupees in lakhs)

Sl No	PARTICULARS	QUARTER ENDED			HALF YEAR ENDED		YEAR ENDED
		30-Sep-22	30-Jun-22	30-Sep-21	30-Sep-22	30-Sep-21	31-Mar-22
		(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
1	<b>Revenue</b>						
	(a) Revenue from Operations	3,176.30	2,329.13	3,435.06	5,505.43	5,373.66	
	(b) Other income	3.15	1.92	1.50	5.07	19.03	
	<b>Total Income</b>	<b>3,179.45</b>	<b>2,331.05</b>	<b>3,436.56</b>	<b>5,510.50</b>	<b>5,392.69</b>	
2	<b>Expenses</b>						
	Cost of materials consumed	1,655.53	1,499.10	1,810.44	3,154.63	3,007.09	
	Purchases of Stock-in-Trade	453.85	454.72	172.94	908.57	258.82	
	Changes in inventories of finished goods, Stock-in-Trade and work-in-progress	(322.21)	(771.11)	(171.55)	(1,093.32)	(511.37)	
	Employee benefit expense	448.67	414.05	442.45	862.72	750.49	
	Finance costs	71.36	61.03	58.50	132.39	120.53	
	Depreciation and amortization expense	132.31	130.59	143.57	262.90	279.04	
	Other expenses	267.56	309.06	509.23	576.62	775.22	
	<b>Total expenses</b>	<b>2,707.06</b>	<b>2,097.44</b>	<b>2,965.59</b>	<b>4,804.50</b>	<b>4,679.82</b>	
3	<b>Profit before Exceptional Items and Tax (1 - 2)</b>	<b>472.39</b>	<b>233.61</b>	<b>470.97</b>	<b>706.00</b>	<b>712.86</b>	
4	Exceptional Items	-	-	-	-	-	
5	<b>Profit Before Tax (3 - 4)</b>	<b>472.39</b>	<b>233.61</b>	<b>470.97</b>	<b>706.00</b>	<b>712.86</b>	
6	Tax Expense	123.54	58.65	122.07	182.19	183.87	
7	<b>Profit for the year (5-6)</b>	<b>348.85</b>	<b>174.96</b>	<b>348.90</b>	<b>523.81</b>	<b>529.00</b>	
8	Other Comprehensive Income (net of tax)	-	(7.00)	3.00	(7.00)	6.00	
9	<b>Total Comprehensive Income for the year (7+8)</b>	<b>348.85</b>	<b>167.96</b>	<b>351.90</b>	<b>516.81</b>	<b>535.00</b>	
10	<b>Paid-up equity share capital (Face Value of the Share Rs. 10/- each)</b>	<b>1,631.41</b>	<b>1,631.41</b>	<b>1,631.41</b>	<b>1,631.41</b>	<b>1,631.41</b>	
11	<b>Earnings per share (of Rs. 10/- each) :</b>						
	(a) Basic	2.14	1.07	2.14	3.21	3.24	
	(b) Diluted	2.14	1.07	2.14	3.21	3.24	

**Notes:**

1	The above results have been reviewed by the Audit Committee and approved by the Board of Directors at their Meetings held on 11th November, 2022
2	The above results have been reviewed by the Statutory Auditors as required under the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015.
3	The financial results of the Company has been prepared in accordance with the Indian Accounting Standards (Ind AS) notified by the Ministry of Corporate Affairs under the Companies (Indian Accounting Standard) Rules, 2015.
4	The Company operates only on a single segments which predominantly are manufacturing and trading of garments as envisaged in Ind AS 108- Segment Reporting notified under Companies (Indian Accounting Standards) Rules 2015.
5	Figures for the previous periods have been regrouped wherever necessary.

For and on behalf of the Board of Directors

**IRIS CLOTHINGS LIMITED**  
Santosh Kumar  
Managing Director  
DIN - 03585561Place : Howrah  
Date: 11.11.2022



IRIS CLOTHINGS LIMITED  
Registered Office : 103/24/1, FORESHORE ROAD, HOWRAH - 711 102  
CIN : L18109WB2011PLC166895  
Statement of Assets and Liabilities as at 30th September, 2022

(Rupees in lakhs)

Particulars	As at	As at
	30.09.2022	31.03.2022
	Unaudited	Audited
<b>ASSETS :</b>		
<b>Non-current Assets</b>		
Property, Plant & Equipment	2,311.75	2,513.26
Right of Use Assets	550.55	597.29
Other Intangible Assets	3.37	4.28
Financial Assets		
Loans	106.21	105.02
Deferred Tax Assets (Net)	76.42	68.31
	<b>3,048.30</b>	<b>3,288.16</b>
<b>Current Assets</b>		
Inventories	4,687.09	3,374.30
Financial Assets		
Trade receivables	2,448.88	2,373.19
Cash & cash equivalents	2.96	4.05
Other Bank balances	141.59	138.06
Loans	3.95	4.12
Current Tax Assets (Net)	15.74	-
Other Current Assets	363.78	197.03
	<b>7,664.00</b>	<b>6,090.76</b>
<b>TOTAL ASSETS</b>	<b>10,712.30</b>	<b>9,378.92</b>
<b>EQUITY AND LIABILITIES:</b>		
<b>Equity</b>		
Equity Share capital	1,631.41	1,631.41
Other Equity	3,754.48	3,237.66
	<b>5,385.89</b>	<b>4,869.07</b>
<b>Non-current Liabilities :</b>		
Financial Liabilities		
Lease Liabilities	623.17	661.39
	<b>623.17</b>	<b>661.39</b>
<b>Current Liabilities</b>		
Borrowings	2,519.22	2,550.11
<b>Lease Liabilities</b>	71.81	65.12
Trade Payables		
(A) total outstanding dues of micro enterprises and small enterprises:	136.08	80.13
(B) total outstanding dues of creditors other than micro enterprises and small enterprises	1,916.28	995.65
Other financial liabilities	14.68	74.49
Other current liabilities	45.17	64.32
Current Tax Liabilities (net)	-	18.64
	<b>4,703.24</b>	<b>3,848.46</b>
	-	-
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>10,712.30</b>	<b>9,378.92</b>

For and on behalf of the Board of Directors  
**IRIS CLOTHINGS LIMITED**

  
**Managing Director**  
(Santosh Ladha, Managing Director)  
DIN - 03585561

Place : Howrah  
Date: 11.11.2022







IRIS CLOTHINGS LIMITED  
Registered Office : 103/24/1, FORESHORE ROAD, HOWRAH - 711 102  
CIN : L18109WB2011PLC166895

Statement of Cash Flow for the Half Year Ended 30th September, 2022

(Rupees in lakhs)

PARTICULARS	Year ended 30-09-2022	Year ended 30-09-2021
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net Profit before Tax and Extra-ordinary Items	706.00	712.86
Adjustments for:		
-Depreciation	262.90	279.04
-Sundry Balances Written Off	0.03	(0.33)
-Loss on Sale of PPE	0.23	-
-Finance Cost	97.25	120.53
-Lease Rent	35.13	(63.71)
-OCI Defined Benefit Scheme	(7.00)	6.00
-Interest Income	(4.55)	(3.33)
<b>Operating Profit Before Working Capital Changes</b>	<b>1,089.99</b>	<b>1,051.06</b>
Adjustments for:		
-Trade Payables	830.03	805.80
-Trade and other Receivables	(243.46)	(913.72)
-Inventories	(1,312.79)	(474.25)
<b>Cash Generated from Operations :</b>	<b>363.77</b>	<b>468.89</b>
-Direct Taxes Paid	(224.68)	(180.05)
<b>Net Cash generated from Operating Activities</b>	<b>139.09</b>	<b>288.84</b>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of Property, Plant and Equipments (Net)	(13.06)	(258.16)
Term Deposit other than cash equivalents	(3.53)	-
Interest Received	4.55	3.33
	<b>(12.05)</b>	<b>(254.83)</b>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		
Proceeds from Short Term Borrowings	(30.89)	48.43
Interest Paid	(97.25)	(82.66)
	<b>(128.14)</b>	<b>(34.23)</b>
<b>Net Increase/(Decrease) in Cash and Cash Equivalents</b>	<b>(1.09)</b>	<b>(0.22)</b>
Opening Cash and Cash Equivalents	5.70	5.93
Closing Cash and Cash Equivalents	4.61	5.70

For and on behalf of the Board of Directors



IRIS CLOTHINGS LIMITED

Managing Director

Place : Howrah  
Date: 11.11.2022

(Santosh Ladha, Managing Director)  
DIN - 03585561

## Q2FY23 revenue at Rs. 318 Million; up 36.4% QoQ

## EBITDA margin stood at 21.3%; up 302 bps QoQ

Howrah, India, November 11, 2022 - Iris Clothings Limited (NSE: IRISDOREME), a readymade garment company engaged in designing, manufacturing, branding, and selling garments for kids wear, today announced financial results for the **Second quarter and Half year ended September 30, 2022.**

Commenting on the Company's performance Santosh Ladha, Managing Director of the Company said "I am pleased to announce that this quarter marked the launch of our D2C e-commerce platform - [www.doreme.in](http://www.doreme.in). We believe this to be a significant milestone in our journey as we transform ourselves digitally. Having an online presence, would help us grow our DOREME brand immensely. Besides this, our B2B platform for wholesalers, launched in last quarter, is seeing an encouraging response as well.

We saw a mild dip in revenues during the quarter, on a YoY basis, due to overall lower sale volumes. However, we were able to maintain stable margins at ~21% due to softening of raw material prices.

We continued to expand our distribution network and added 6 new distributors in J&K, Rajasthan, West Bengal, Chhattisgarh, and Tamil Nadu.

In line with our FY23 target of producing 24,000-27,000 pieces/day by end of fiscal, we increased our production from 22,500 pieces/day to 24,000 pieces/day as of Q2FY23.

By end of FY23, we aim to further enhance our product portfolio and launch our undergarments and sportswear verticals as well. Along with this, we will continue to expand to a greater number of Tier II/III cities domestically and export to newer markets globally."

### Financial Highlights

- Total Income stood at ₹318 Mn, down 7.5% YoY due to lower sale volumes
- EBITDA margin was up 168 bps YoY and stood at 21.3% in Q2FY23 on the back of softening of raw material prices.
- PAT margin stood at 11.0%, against 10.2% in Q2FY22, up 82 bps YoY

(in Rs. Million, unless otherwise mentioned)

Particulars	Q2FY23	Q2FY22	YoY (%)	Q1FY23	QoQ (%)	H1FY23	H1FY22	YoY (%)
Total Income	318	344	(7.5)%	233	36.4%	551	539	2.2%
EBITDA	68	67	0.4%	43	59.0%	110	111	(1.0)%
EBITDA margin (%)	21.3%	19.6%	168 bps	18.2%	302 bps	20.0%	20.6%	(64) bps
PAT	35	35	0.0%	17	99.4%	52	53	(1.0)%
PAT margin (%)	11.0%	10.2%	82 bps	7.5%	347 bps	9.5%	9.8%	(30) bps
EPS Diluted (x)	2.14	2.14	0.0%	1.07	99.4%	3.21	3.24	(1.0)%



## About Iris Clothings Limited

Iris Clothings Limited is a fast-growing readymade garment company that is primarily engaged in designing, manufacturing, branding and selling garments for kids wear under its brand name DOREME in India. The Company delivers a broad range of affordable and good quality apparels for infants, toddlers and children in their pre-teens, serving both their indoor and outdoor requirements. It has been in operations for over 17 years and continues to add new product lines by employing the best-in-class technology across its value chain. For more information view [www.irisclothings.in](http://www.irisclothings.in) and [www.doreme.in](http://www.doreme.in).

If you have any questions or require further information, please feel free to contact:

### IR Team at Iris Clothings Limited

**Santosh Ladha**  
Iris Clothings Limited  
P: +91 33 2979 0289  
E: [santosh.ladha@irisclothings.in](mailto:santosh.ladha@irisclothings.in)

### Registered Office

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Foreshore Road,  
Howrah - 711 102

### Sonia Keswani/Vikash Verma

Ernst & Young LLP  
P: +91 8017393854  
E: [sonia.keswani@in.ey.com](mailto:sonia.keswani@in.ey.com)  
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### Disclaimer:

*Certain statements in this document that are not historical facts are forward looking statements. Such forward-looking statements are subject to certain risks and uncertainties like government actions, local, political or economic developments, technological risks, and many other factors that could cause actual results to differ materially from those contemplated by the relevant forward-looking statements. The Company will not be in any way responsible for any action taken based on such statements and undertakes no obligation to publicly update these forward-looking statements to reflect subsequent events or circumstances.*

# Investor Presentation

Q2 & H1 FY 2023



Iris Clothings Limited





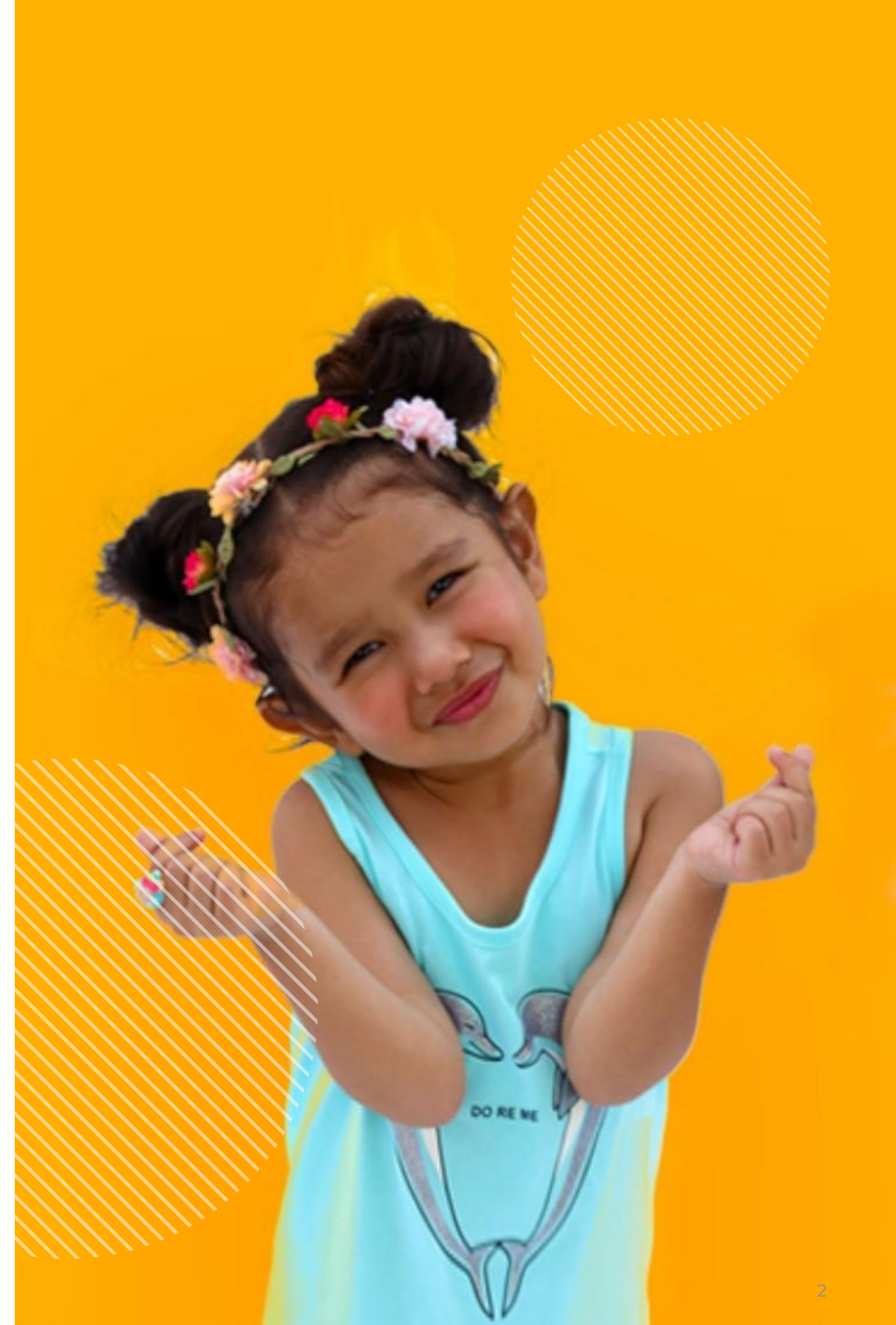
# Investor Presentation

Q2 & H1 FY 2023

## Financial Highlights



Iris Clothings Limited



# Q2FY23 Update

## Business Update

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- Launched the D2C e-commerce platform – [www.doreme.in](http://www.doreme.in) to sell products under our DOREME brand.
- Both, the e-commerce website and the B2B platform for wholesalers is seeing an encouraging response from stakeholders.
- We added 6 new distributors in Q2FY23 in Jammu & Kashmir, West Bengal, Chhattisgarh, Rajasthan & Tamil Nadu. We remain focussed on expanding our reach in Tier II/III cities domestically and export to newer markets globally.
- Our average production capacity has increased from 22,500 pieces/day to 24,000 pieces/day. We target to produce 24,000-27,000 pieces/day by end of FY23.
- While our infant wear vertical launched in December 2021 is seeing good traction, our undergarments and sportswear vertical will be launched by the end of FY23.

## Financial Update

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- Total Income stood at ₹318 Mn, down 7.5% YoY due to lower sale volumes.
- EBITDA margin was up 168 bps YoY and stood at 21.3% in Q2FY23 on the back of softening of raw material prices.
- PAT margin stood at 11.0%, against 10.2% in Q2FY22, up 82 bps YoY.



# P&L Statement

Particulars (in ₹ Mn)	Q2FY23	Q2FY22	YoY (%)	Q1FY23	QoQ (%)	H1FY23	H1FY22	YoY (%)
<b>Total Income</b>	318	344	(7.5)%	233	36.4%	551	539	2.2%
<b>Total Expenses</b>	271	297	(8.7)%	210	29.1%	480	468	2.7%
<b>EBITDA</b>	<b>68</b>	<b>67</b>	<b>0.4%</b>	<b>43</b>	<b>59.0%</b>	<b>110</b>	<b>111</b>	<b>(1.0)%</b>
<i>EBITDA Margin (%)</i>	<i>21.3%</i>	<i>19.6%</i>	<i>168 bps</i>	<i>18.2%</i>	<i>302 bps</i>	<i>20.0%</i>	<i>20.6%</i>	<i>(64) bps</i>
<b>D&amp;A</b>	13	14	(7.8)%	13	1.3%	26	28	(5.8)%
<b>EBIT</b>	<b>54</b>	<b>53</b>	<b>2.7%</b>	<b>29</b>	<b>84.5%</b>	<b>84</b>	<b>83</b>	<b>0.6%</b>
<b>Finance cost</b>	7	6	22.0%	6	16.9%	13	12	9.8%
<b>PBT</b>	<b>47</b>	<b>47</b>	<b>0.3%</b>	<b>23</b>	<b>102.2%</b>	<b>71</b>	<b>71</b>	<b>(1.0)%</b>
<b>PAT</b>	<b>35</b>	<b>35</b>	<b>0.0%</b>	<b>17</b>	<b>99.4%</b>	<b>52</b>	<b>53</b>	<b>(1.0)%</b>
<i>PAT Margin (%)</i>	<i>11.0%</i>	<i>10.2%</i>	<i>82 bps</i>	<i>7.5%</i>	<i>347 bps</i>	<i>9.5%</i>	<i>9.8%</i>	<i>(30) bps</i>

# Balance Sheet

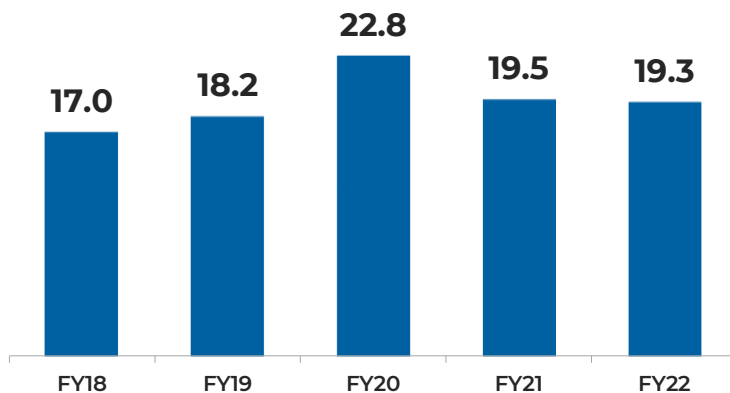
(in ₹ Mn)

Particulars	FY 2021	FY 2022	H1 FY2023
<b>Total non-current assets</b>	<b>325</b>	<b>329</b>	<b>305</b>
Inventories	253	337	469
Trade Receivables	149	237	245
Cash & cash equivalents (incl. bank balances)	15	14	14
<b>Total Current Assets</b>	<b>434</b>	<b>609</b>	<b>766</b>
<b>Total Assets</b>	<b>759</b>	<b>938</b>	<b>1,071</b>
<b>Equity</b>	<b>388</b>	<b>487</b>	<b>539</b>
Lease Liabilities	68	66	62
<b>Total Non-current Liabilities</b>	<b>68</b>	<b>66</b>	<b>62</b>
Short-term Borrowings	203	255	252
Trade Payables	84	108	205
<b>Total Current Liabilities</b>	<b>303</b>	<b>385</b>	<b>470</b>
<b>Total Equity &amp; Liabilities</b>	<b>759</b>	<b>938</b>	<b>1,071</b>



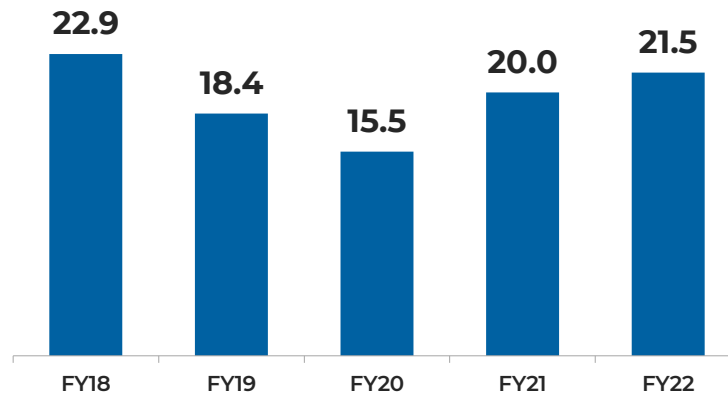
# Ratio Analysis

## EBITDA Margin (in %)

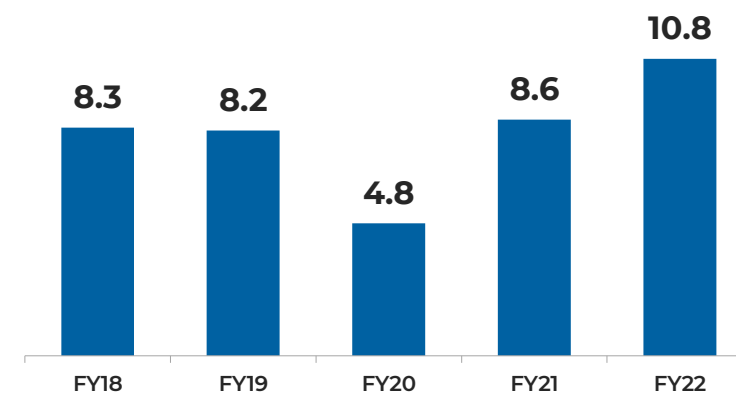


Decrease in the ratio has been due to significant increase in raw material costs.

## Return on Capital Employed (in %)

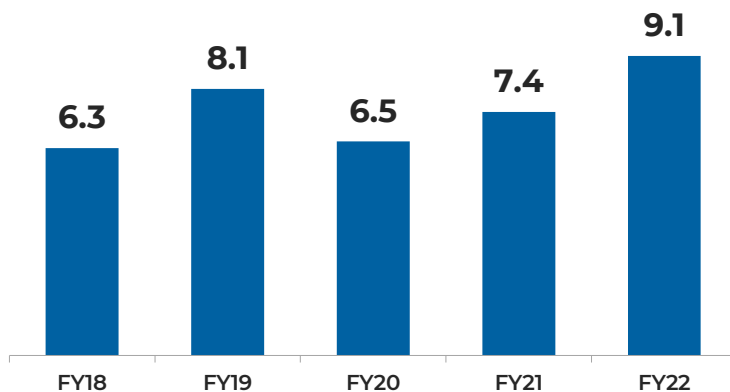


## Return on Assets (in %)

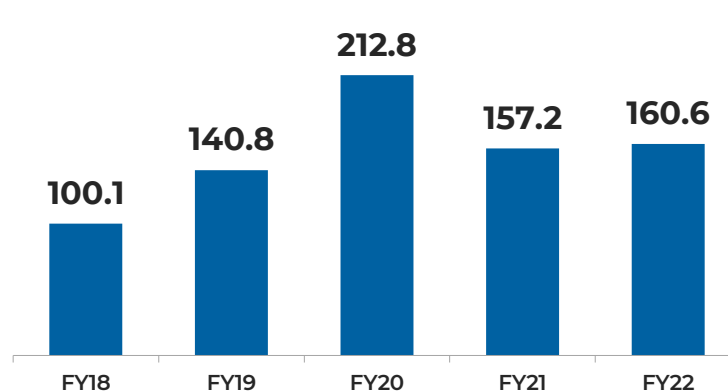


Recovery in FY21 was mainly driven by a 45% increase in revenues.

## PAT Margin (in %)

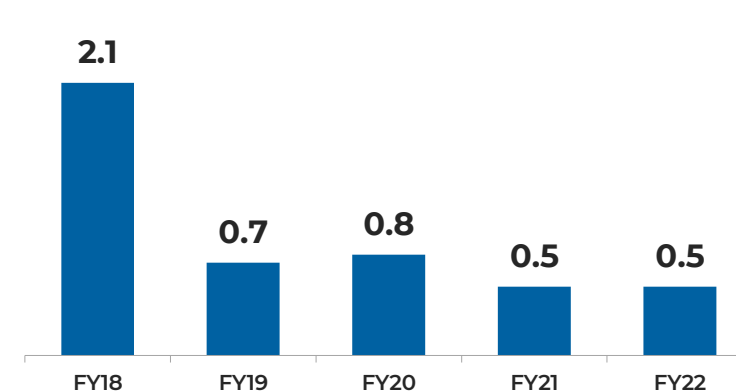


## Working Capital Days (in days)



High working capital days in FY20 mainly due to high days inventory outstanding owing to unsold stock due to the pandemic.

## Debt-to-Equity (in x)



Significant improvement in the ratio due to issue of fresh equity shares in FY19.

# Investor Presentation

Q2 & H1 FY 2023

## About the Company



**Iris Clothings Limited**



# Company Overview



We are a **fast-growing kids' apparel company** that is engaged in **designing, manufacturing, branding and selling garments**. Our sustained pursuit of design and innovation has made us a **preferred fashionable kids' brand**.

## Presence in Ecommerce platforms

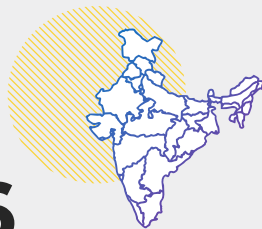


We have been growing our presence online by increasing e-commerce listings.



**1**

Brand



**26**

States  
of presence



**9**

Units  
Manufacturing (7)  
Dispatch (2)



**131**

Distributors



**24,000**

Pieces  
manufactured/day



**1,318**

Employees

# Product Portfolio

Iris' brand DOREME offers a wide range of apparels for infants, toddlers, and junior boys and girls that suit both their indoor and outdoor requirements.



## DOREME

- Tops
- T-Shirt
- Trousers
- Shorts
- Dresses
- Loungewear
- Accessories
- Sweatshirts
- Hoodies
- Polyfil suits
- Padded suits
- Nightwear

## Currently

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- Established DOREME as a reputable and trusted brand.
- Has solidified its position in the kids segment mainly through its top-notch quality and design.
- Launched a dedicated infant wear vertical (0-5 years) in December 2021, the accessories line of the vertical was launched in June 2022.

## Future Outlook

---

- Iris aims to sharpen its existing product mix under the brand DOREME to meet the rising demand for their products
- Expanding its product offerings to provide greater choice to customers.
- Foraying into the kids' undergarments space and sportswear in FY23



# History

## DOREME

Launched DOREME brand for Kids Wear

2004



Commenced business as a proprietorship firm 'M/s Iris Clothings'

2005

## DOREME

Launched DOREME brand for Kids Wear

2012



Incorporation of IRIS CLOTHINGS PVT LTD as a private limited concern.

2016



Started sale of products through online e-commerce channels such as 'FirstCry'



Acquired land at Pachla, Howrah, West Bengal – a major step towards increasing manufacturing capabilities.

2018



Listed as an SME under NSE

Crossed the ₹50 crores turnover milestone



2020



Deepened our penetration by entering new Tier II & III cities

Migrated from SME portal of NSE to Main Board of NSE



2021



Launched the infant wear vertical

2022



Launched the D2C e-commerce platform for customers

Launched the B2B platform for wholesalers



# Investor Presentation

Q2 & H1 FY 2023

## Market Opportunity

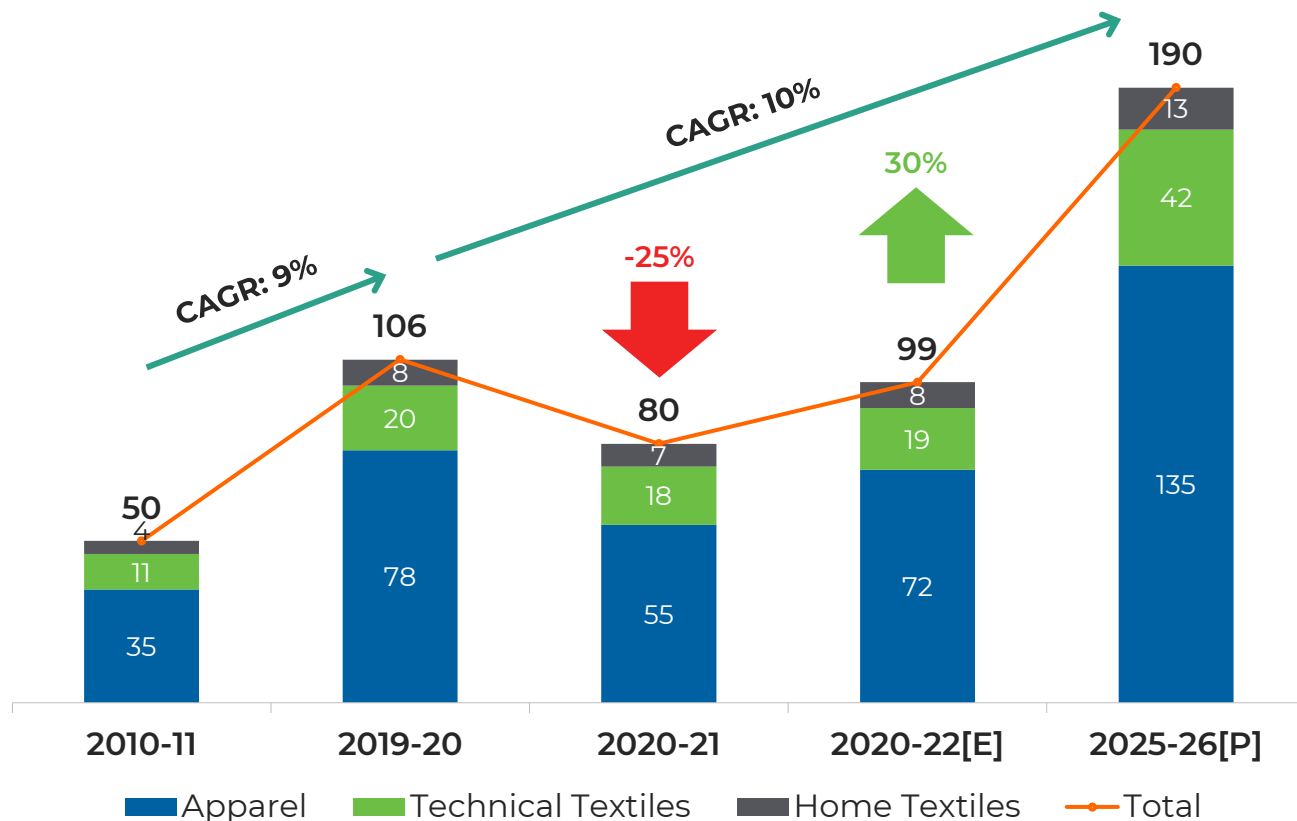


Iris Clothings Limited



# Indian Textile & Apparel Industry

## India's Domestic Textile and Apparel Market Size (US\$ in Bn)



Source: DGCI&S and Wazir Analysis



India is the **second-largest producer** of textiles and garments in the world



Contributes **2.3%** to the country's GDP



Employs **45 million** workers in the textile sector



Apparel constitutes **~73%** share of the Indian T&A market

The market is expected to recover by 30% to reach US\$ 99 bn by 2021-22 and grow at 10% CAGR till 2025-26

# Kids Wear - the Fastest to Recover

Kids wear is expected to grow at a CAGR of 8.76% between 2021-2026



Party, Evening & Occasion Wear



Formal Wear



Denim



Ethnic wear



Kids wear



Casual wear



Inner wear



Loungewear



~**365 million** Indians are below the age of 15 years. Hence, a large customer base



Kids wear registered a **200%** growth despite a **4%** drop in overall online fashion order volumes in FY2021



**Significantly High** replacement cycle within children's clothing as kids outgrow their clothes faster



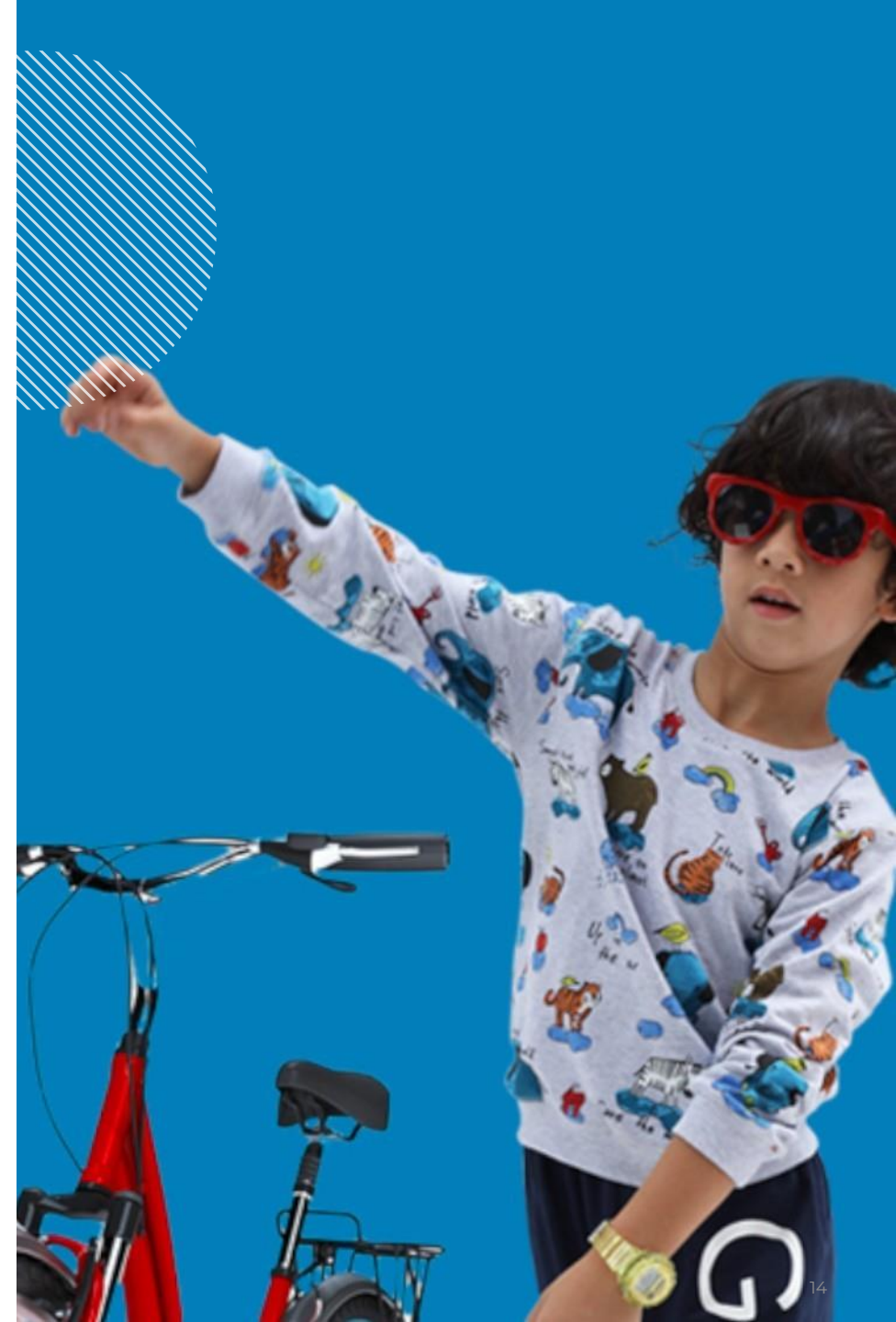
**Increasing** personal disposable income and **growing** working population are key growth drivers



# Investor Presentation

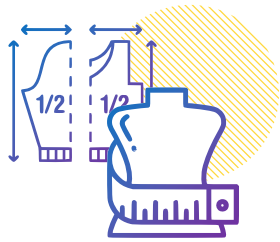
Q2 & H1 FY 2023

## Our Value System



# Integrated Operations

Iris has a complete in-house integrated infrastructure right from design conceptualisation to manufacturing to branding and selling of finished goods to wholesaler.



Conceptualization of  
Design & Development

1



Raw Material  
Procurement

2



Manufacturing &  
Branding<sup>+</sup>

3



Sold to  
Wholesalers

4

Therefore, a manufacturing infrastructure that is strongly backward integrated enables us to have better control over quality and be cost-efficient.

<sup>+</sup>Cutting, Printing & Embroidery, Stitching, Mending & Checking, Ironing and Box Packaging

# Manufacturing Prowess

**Manufacturing excellence has been one of our biggest strengths.**

Moreover, our state-of-the-art facilities help us increase our capabilities multifold, achieve economies of scale and provide locational synergies.



**Foreshore Road,  
Howrah**

- Has 4 units for stitching and finishing with fully automated stitching machines from Japan and from a renowned indigenous brand
- 1 unit for dispatch



**Pachla,  
Howrah**

- Set up its first fully modernized stitching and finishing unit with online processes
- Locational advantage in terms of skilled labour and raw material availability



**Uluberia,  
Howrah**

- Consolidates all the manufacturing activities in a single location
- Installed fully automated cutting machinery from Italy and printing machinery from US and Poland
- Fully modernized stitching and finishing unit with online processes



**Srijan Industrial Park,  
Bombay Road**

- Set up its third fully modernized stitching & finishing unit with online processes
- 1 unit for dispatch

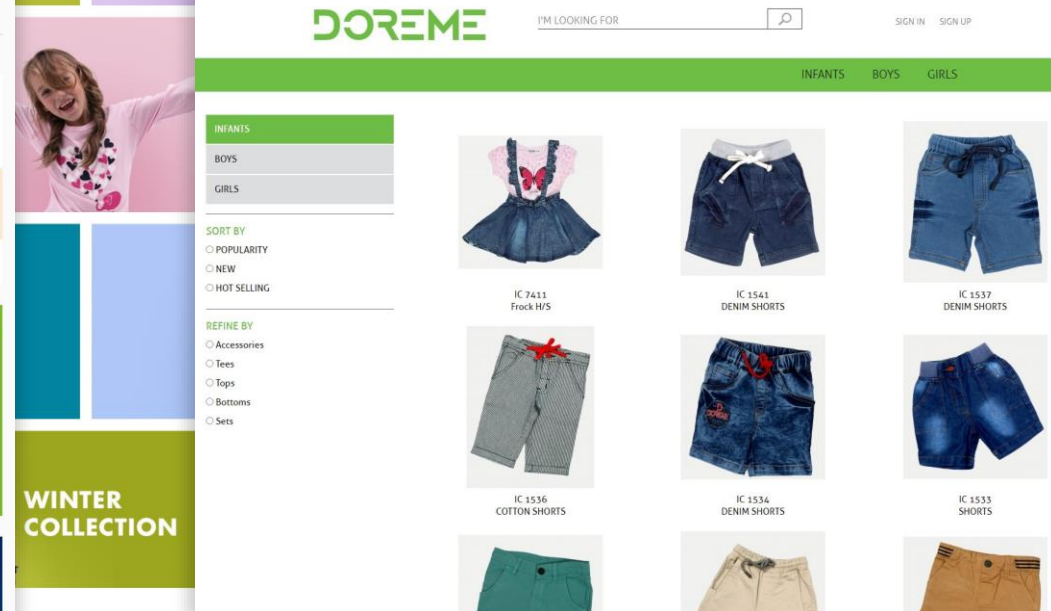
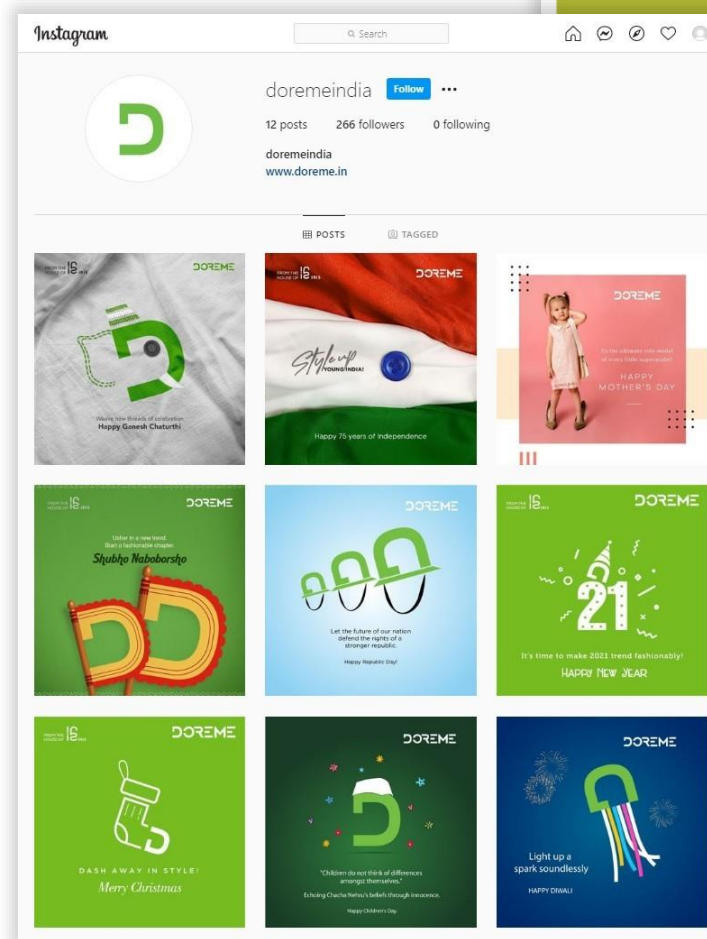
**Total Installed Capacity: 27,000-30,000 pieces/day**





# Enhancing Brand Visibility

- Iris plans to enhance its digital marketing and branding initiatives to better mirror the customers' fast-changing needs.
- The Company plans to undertake activities to enhance its brand recall and customer connect on social media channels. This would eventually drive traffic to its exclusive online store.



# Relationship with Suppliers



Strong and trust-based relationships is of paramount importance since we source fabrics and other accessories for garment manufacturing from leading domestic suppliers. This facilitates effective inventory management, continuous supply of quality raw materials at competitive costs and on-time delivery of our products.



*"I have been associated with IRIS Clothings as a distributor for the past 12 years. During this long association, I have developed a strong trust in the company due to the quality of its products and its vision. I am also very impressed by its work ethics and the level of efficiency. I wish IRIS Clothings all the very best and look forward to enjoying this good bond that we share in the future too."*

**ROHIT KHURANA**

Khurana Clothing's Pvt. Ltd.  
Jaipur



*"IRIS Clothings is reliable and a professional company. It is an amazing experience to work with them."*

**ANKUR CHADA**

Chadha Trading Co.  
Ambala



*"IRIS Clothings is a great company with an experienced staff and knowledge in the apparel business. They have made the most amazing and unique apparels for infants, toddlers, boys and girls."*

**DINESH PAREKH**

Nihareeka Marketing  
Guwahati



*"Our association with DOREME is since its inception. We have the privilege to introduce their quality products in Maharashtra and since then our journey of growth has been phenomenal for both of us. We congratulate them and wish them many more successful years of togetherness."*

**HEMANT & PANKAJ PAREKH**

Pamposh Marketing  
Mumbai

# Sustainability

## Environmental

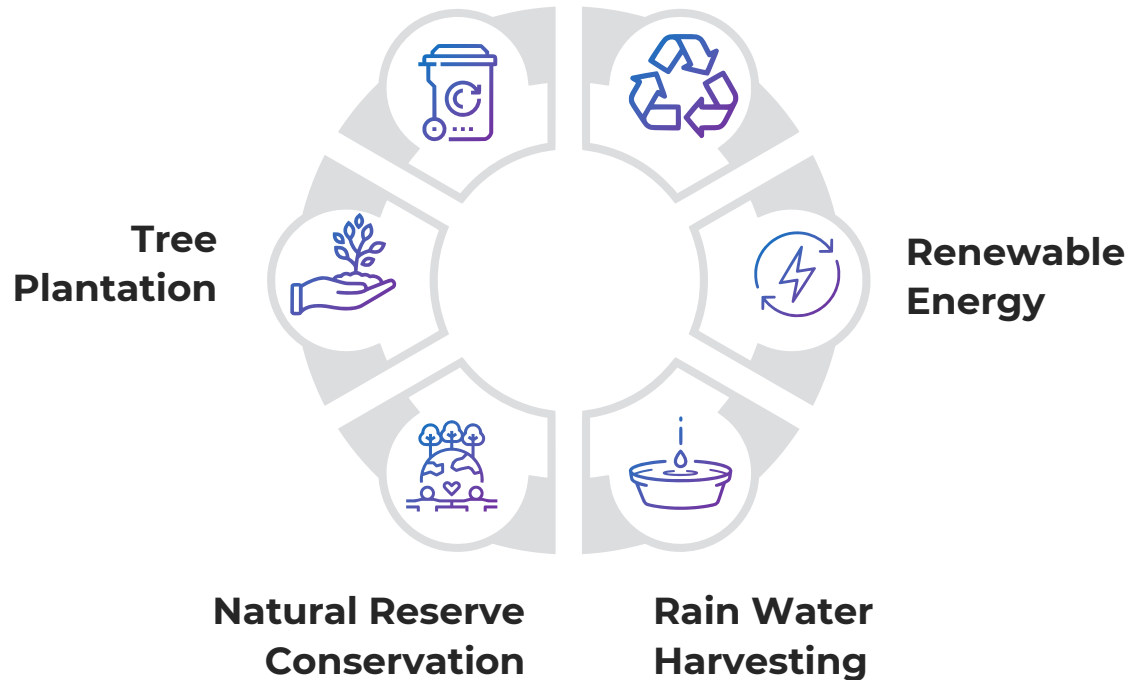
Iris follows a strict ecological policy that comprises of 6 features

### Waste Reduction

Iris made an improvement in its fabric quality, which resulted in significant reduction of fabric wastage.

### Recycling

Iris uses printing materials that is eco-friendly, recyclable and devoid of lead.



## Social



No Child Labour



Provided clothes to 2000+ underprivileged children



Providing sanitary pads to women workers so their working potential is not compromised

# Investor Presentation

Q2 & H1 FY 2023

## Investment Rationale



**Iris Clothings Limited**





# Our Differentiating Factors

Continuous **investments to expand** manufacturing capabilities coupled with high return on capital employed indicating **efficient use** of that capital

Catering to a **large customer segment** of ~365 million



With ~15 years of **experience**, promoters have **a strong expertise** in the industry

**Established** long standing **relationships** with suppliers

**Fully integrated** and automated operations allows Iris to maintain quality

**IS**  
Iris Clothings Limited

# Safe Harbour Statement

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# Thank You

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