

Date: 29<sup>th</sup> April, 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 29<sup>th</sup> April, 2022**  
**Ref: Disclosure under regulation 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., 29<sup>th</sup> April, 2022 had considered and approved the Audited Financial Results for the quarter and year ended 31<sup>st</sup> March, 2022.

In this regard, enclosed please find herewith the followings:

- a) Audited Financial Results of the Company for the quarter and year ended 31<sup>st</sup> March, 2022 along with Auditors Report.
- b) Declaration pursuant to Regulation 33(3)(d) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for unmodified opinion.
- c) Declaration by Managing Director and Chief Financial Officer of the Company pursuant to Regulation 33(2)(a) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- d) Press release about the above financial results.
- e) Investor Presentation.

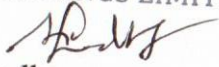
The meeting commenced at 4:00 p.m. and concluded at 5:30 p.m.  
Kindly take the same on your records.

Thanking You.

Yours faithfully,

For **Iris Clothings Limited**

**IRIS CLOTHINGS LIMITED**



**Santosh Ladha**  
**Managing Director** 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

Stesalit Tower 303, 3<sup>rd</sup> Floor  
E 2-3, Block EP & GP  
Sector V, Salt Lake  
Kolkata-700091  
Ph- 033-40697147

Sunshine Tower, 7th Floor,  
Unit No.: 716,  
Senapati Bapat Marg, Dadar (West)  
Mumbai- 400013  
Ph- 022-24322838



**AMK & ASSOCIATES**  
*Chartered Accountants*

**Independent Auditor's Report**

**To,  
The Board of Directors  
Iris Clothings Limited**

**Report on the audit of the Financial Results**

**Opinion**

We have audited the accompanying statement of quarter and year to date financial results of Iris Clothings Limited for the quarter ended 31<sup>st</sup> March, 2022 and the year to date results for year ended 31<sup>st</sup> March, 2022, the statements of Assets and Liabilities and the statement of cash flows as at and for the year ended on that ("the Statement"), being submitted by the company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.

In our opinion and to the best of our information and according to the explanations given to us these quarter ended financial results as well as the year to date results:

- i. are presented in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 in this regard; and
- ii. give a true and fair view of net profit, the other comprehensive income and other financial information for the quarter ended 31<sup>st</sup> March, 2022 as well as the year to date results for the period from 1<sup>st</sup> April, 2021 to 31<sup>st</sup> March, 2022 and the statement of assets and liabilities and statement of cash flow as at and for the year ended on that date.

**Basis for Opinion**

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013, as amended ("the Act"). Our responsibilities under those Standards are further described in the "Auditor's Responsibilities for the Audit of the Financial Results" section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our opinion.



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## **AMK & ASSOCIATES** *Chartered Accountants*

### **Management's Responsibilities for the Financial Results**

The Statement has been prepared on the basis of the annual financial statements. The Board of Directors of the Company are responsible for the preparation and presentation of the Statement that gives a true and fair view of the net profit and other comprehensive income of the Company and other financial information in accordance with the applicable accounting standards prescribed under Section 133 of the Act read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Statement, the Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are also responsible for overseeing the Company's financial reporting process.

### **Auditor's Responsibilities for the Audit of the Financial Results**

Our objectives are to obtain reasonable assurance about whether the Statement as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the Statement.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit.



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We also:

- Identify and assess the risks of material misstatement of the Statement, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.
- Conclude on the appropriateness of the Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial results or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Statement, including the disclosures, and whether the Statement represents the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.



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**Other Matters**

The Statement includes the results for the quarter ended March 31, 2022 and March,31, 2021 being the balancing figure between the audited figures in respect of the full financial year ended March 31, 2022 and March 31, 2021 and the unaudited financial results for the nine months ended on 31-12-2021 and 31-12-2020, which were subjected to a limited review by us, as required under the Listing Regulations.

Our report on the statement is not modified in respect of this matter.



For AMK & Associates  
Chartered Accountants  
FRN: 327817E

*Manish Kumar Agarwal*

Kolkata  
29<sup>th</sup> April, 2022

Manish Kumar Agarwal  
Partner  
M.No. 064475  
UDIN: 2206 4475AICPMY7062



**IRIS CLOTHINGS LIMITED**  
Registered Office : 103/24/1, FORESHORE ROAD, HOWRAH - 711 102  
CIN : L18109WB2011PLC166895  
Statement of Audited Financial Results For The Quarter and Year Ended 31st March, 2022

Rs in Lakhs

Sl No	PARTICULARS	QUARTER ENDED			YEAR ENDED	
		31-Mar-22	31-Dec-21	31-Mar-21	31-Mar-22	31-Mar-21
		(Audited)	(Unaudited)	(Audited)	(Audited)	(Audited)
1	<b>Revenue</b>					
	(a) Revenue from Operations	3,274.41	2,504.06	2,971.74	11,152.13	8,789.30
	(b) Other income	2.66	2.93	2.36	24.62	35.13
	<b>Total Income</b>	<b>3,277.07</b>	<b>2,506.99</b>	<b>2,974.10</b>	<b>11,176.75</b>	<b>8,824.43</b>
2	<b>Expenses</b>					
	Cost of materials consumed	1,182.63	1,587.23	1,304.88	5,776.95	3,473.48
	Purchases of Stock-in-Trade	379.13	295.68	408.52	933.63	778.37
	Changes in inventories of finished goods, Stock-in -Trade and work-in-progress	313.05	(727.63)	(89.90)	(925.95)	625.77
	Employee benefit expense	441.93	482.56	329.56	1,674.98	1,025.35
	Finance costs	60.85	57.12	57.47	238.50	301.44
	Depreciation and amortization expense	135.84	145.07	135.07	559.95	531.04
	Other expenses	439.67	346.32	487.19	1,561.21	1,207.40
	<b>Total expenses</b>	<b>2,953.10</b>	<b>2,186.35</b>	<b>2,632.79</b>	<b>9,819.27</b>	<b>7,942.85</b>
3	<b>Profit before Exceptional Items and Tax (1 - 2)</b>	<b>323.97</b>	<b>320.64</b>	<b>341.31</b>	<b>1,357.48</b>	<b>881.58</b>
4	Exceptional Items	-	-	-	-	-
5	<b>Profit Before Tax (3 - 4)</b>	<b>323.97</b>	<b>320.64</b>	<b>341.31</b>	<b>1,357.48</b>	<b>881.58</b>
6	Tax Expense	76.11	82.80	132.24	342.78	228.28
7	<b>Profit for the year (5-6)</b>	<b>247.86</b>	<b>237.84</b>	<b>209.07</b>	<b>1,014.70</b>	<b>653.30</b>
8	<b>Other Comprehensive Income (net of tax)</b>	<b>(36.67)</b>	<b>3.00</b>	<b>39.27</b>	<b>(27.67)</b>	<b>12.27</b>
9	<b>Total Comprehensive Income for the year (7+8)</b>	<b>211.19</b>	<b>240.84</b>	<b>248.34</b>	<b>987.03</b>	<b>665.57</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	1.52	1.46	1.28	6.22	4.00
	(b) Diluted	1.52	1.46	1.28	6.22	4.00

**Notes:**

1	The above results have been reviewed by the Audit Committee and approved by the Board of Directors at their Meetings held on 29th April, 2022
2	The above results have been audited 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	In assessing the impact of the COVID-19 pandemic on the Company's operations and performance, the Company has considered internal and external information up to the date of the approval of the financial statements and based on current indicators of future economic conditions, the Management is of the view that it will not be severely impacted. The Company will continue to closely monitor any material changes to future economic conditions.
6	The figures for the quarter ended 31st March, 2022 are the balancing figures between the audited figures in respect of the full financial year and the published year to date figures upto the third quarter of the relevant financial year.
7	Figures for the previous periods have been regrouped wherever necessary.

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

  
DIRECTOR  
(Santosh Ladha, Managing Director)  
DIN - 03585561

Place : Howrah  
Date: 29.04.2022





IRIS CLOTHINGS LIMITED  
Registered Office : 103/24/1, FORESHORE ROAD, HOWRAH - 711 102  
CIN : L18109WB2011PLC166895  
Statement of Assets and Liabilities as at 31st March, 2022

(Rupees in lakhs)

Particulars	As at	As at
	31.03.2022	31.03.2021
	Audited	Audited
<b>ASSETS :</b>		
<b>Non-current Assets</b>		
Property, Plant & Equipment	2,513.26	2,509.84
Right of Use Assets	597.29	615.50
Other Intangible Assets	4.28	7.62
Financial Assets		
Other Financial Assets	105.02	71.88
Deferred Tax Assets (Net)	68.31	46.46
	<b>3,288.16</b>	<b>3,251.30</b>
<b>Current Assets</b>		
Inventories	3,374.30	2,531.11
Financial Assets		
Trade receivables	2,373.19	1,486.60
Cash & Cash equivalents	4.05	5.93
Other Bank balances	138.06	145.74
Loans	4.12	3.43
Current Tax Assets (Net)	-	8.73
Other Current Assets	197.03	155.71
	<b>6,090.76</b>	<b>4,337.25</b>
<b>TOTAL ASSETS</b>	<b>9,378.92</b>	<b>7,588.55</b>
<b>EQUITY AND LIABILITIES:</b>		
<b>Equity</b>		
Equity Share capital	1,631.41	1,631.41
Other Equity	3,237.66	2,250.64
	<b>4,869.07</b>	<b>3,882.05</b>
<b>Non-current Liabilities :</b>		
Financial Liabilities		
Lease Liabilities	661.39	678.98
	<b>661.39</b>	<b>678.98</b>
<b>Current Liabilities</b>		
Financial Liability		
Borrowings	2,550.11	2,033.88
Lease Liabilities	65.12	25.25
Trade Payables		
(A) total outstanding dues of micro enterprises and small enterprises;	80.13	-
(B) total outstanding dues of creditors other than micro enterprises and small enterprises	995.65	842.49
Other Financial Liabilities	74.49	44.30
Other Current Liabilities	64.32	81.60
Current Tax Liabilities (net)	18.64	-
	<b>3,848.46</b>	<b>3,027.52</b>
	-	-
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>9,378.92</b>	<b>7,588.55</b>

For and on behalf of the Board of Directors

IRIS CLOTHINGS LIMITED

DIRECTOR

(Santosh Ladha, Managing Director)

DIN - 03585561

Place : Howrah  
Date: 29.04.2022





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

Statement of Cash Flow for the Year Ended 31st March, 2022

(Rupees in lakhs)

PARTICULARS	Year ended 31-03-2022	Year ended 31-03-2021
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net Profit before Tax and Extra-ordinary Items	1,357.48	881.58
Adjustments for:		
-Depreciation	559.95	531.04
-Sundry Balances Written Off	(0.33)	-
-Finance Cost	164.07	301.44
-Lease Rent	95.32	(24.23)
-OCI Defined Benefit Scheme	(27.67)	12.27
-Interest Income	(8.69)	(11.67)
<b>Operating Profit Before Working Capital Changes</b>	<b>2,140.12</b>	<b>1,690.43</b>
Adjustments for:		
-Trade Payables	97.90	(780.56)
-Trade and other Receivables	(952.69)	(304.94)
-Inventories	(843.19)	544.59
<b>Cash Generated from Operations :</b>	<b>442.14</b>	<b>1,149.52</b>
-Direct Taxes Paid	(345.99)	(251.09)
<b>Net Cash generated from Operating Activities</b>	<b>96.15</b>	<b>898.43</b>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of Property, Plant and Equipments (Net)	(466.56)	(253.45)
Term Deposit other than cash equivalents	7.68	78.04
Interest Received	8.69	11.67
	<b>(450.20)</b>	<b>(163.76)</b>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		
Proceeds from Short Term Borrowings	516.23	9.47
Proceeds/(Repayment) of Long Term Borrowings	-	(440.06)
Interest Paid	(164.07)	(301.44)
	<b>352.16</b>	<b>(732.03)</b>
<b>Net Increase/(Decrease) in Cash and Cash Equivalents</b>	<b>(1.88)</b>	<b>2.66</b>
Opening Cash and Cash Equivalents	5.93	3.27
Closing Cash and Cash Equivalents	4.05	5.93

For and on behalf of the Board of Directors

IRIS CLOTHINGS LIMITED

DIRECTOR

(Santosh Ladha, Managing Director)

DIN - 03585561

Place : Howrah  
Date : 29.04.2022





Date: 29<sup>th</sup> April, 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: Declaration for Audit Report with Unmodified Opinion for the Financial Year ended on 31<sup>st</sup> March, 2022**

**Ref: Disclosure under Regulation 33(3)(d) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015**

Dear Sir / Madam,

Pursuant to Regulation 33(3)(d) of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 and SEBI Circular No. CIR/CFD/CMD/56/2016 dated 27<sup>th</sup> May, 2016, we hereby declare that the Statutory Auditors of the Company, M/s AMK & Associates, Chartered Accountants, have issued the Audit Report with unmodified opinion on the Financial Results as prepared under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the financial year ended 31<sup>st</sup> March, 2022.

Kindly take the same on your records.

Thanking You.

Yours faithfully,

For **Iris Clothings Limited**

IRIS CLOTHINGS LIMITED

A handwritten signature in black ink, appearing to read 'Santosh Ladha'.

DIRECTOR

**Santosh Ladha**  
**Managing Director**  
(DIN: 03585561)

**Iris Clothings Limited**

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**DOREME**.in

Date: 29<sup>th</sup> April, 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: Declaration by Managing Director and Chief Financial Officer of the Company**  
**Ref: Regulation 33(2)(a) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015**

Dear Sir / Madam,

Pursuant to Regulation 33(2)(a) of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 (as amended), we hereby confirm, declare and certify that the Financial Results do not contain any false or misleading statement or figures and do not omit any material fact which may make the statements or figures contained therein misleading.

Kindly take the same on your records.

Thanking You.

Yours faithfully,  
For **Iris Clothings Limited**

IRIS CLOTHINGS LIMITED

DIRECTOR

**Santosh Ladha**  
Managing Director  
(DIN: 03585561)

**Niraj Agarwal**  
Chief Financial Officer

**Iris Clothings Limited**

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**DOREME**.in

**FY22 revenue at Rs. 111.8 crores; up 26.7% YoY**

**FY22 PAT at Rs. 10.1 crores; up 55.3% YoY**

Howrah, India, April 29, 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 fourth quarter and year ended March 31, 2022.

Commenting on the Company's performance Santosh Ladha, Managing Director of the Company said "We saw a significant growth in revenues during Quarter four sequentially adding to a robust revenue growth in FY22 and our overall performance has been good. In-line with our guidance, the capex done in FY22 led to an increase in our installed capacity from 27,000 pieces to 30,000 pieces manufactured/day. With this additional capacity we aim to manufacture 24,000-27,000 pieces/day by FY23 from the current level of 22,500 pieces. On the domestic front, we expanded our reach to another 5 Tier II/III cities across Uttar Pradesh, Kerala, Punjab and Rajasthan; while on the export front, we sent out shipments to countries in Middle East & South Africa. We continued to expand our distribution network with 125 distributors as of March 31, 2022.

For FY23, our capex target will be Rs 3 crores which will increase our installed capacity by 10% by the end of fiscal year. I am pleased to announce that our undergarments vertical, sportswear and the complete line of accessories pertaining to our infant vertical will be launched by the end of Q1FY23. On the technology front, we will be launching a B2B platform for wholesalers in May 2022 and our much-awaited B2C e-commerce platform by June 2022. We believe our new product launches coupled with technology advancements will give us a significant head start and set us for a good growth trajectory as we enter the new financial year."

## Financial Highlights

### Q4FY22

- Total Income stood at ₹32.8 crores, up 10.2% YoY
- EBITDA margin is at 15.9% compared to 18.0% in Q4FY21, down 206 bps, mainly on account of increase in raw material prices. However, it is expected to normalize as pass through happens in Q1FY23
- PAT margin stood at 7.6%, against 7.0% in Q4FY21

### FY22

- Total Income stood at ₹111.8 crores, up 26.7% YoY
- EBITDA is at ₹21.6 crores, up 25.8% YoY, reporting an EBITDA margin of 19.3%
- PAT stood at ₹10.1 crores, reporting a significant jump of 55.3% with a PAT margin of 9.1%

*(in Rs. Crores, unless otherwise mentioned)*

Particulars	Q4FY22	Q4FY21	Y-o-Y growth	Q3FY22	Q-o-Q growth	FY22	FY21	Y-o-Y growth
Total Income	32.8	29.7	10.2%	25.1	30.7%	111.8	88.2	26.7%
EBITDA	5.2	5.3	(2.5) %	5.2	(0.4) %	21.6	17.1	25.8%
EBITDA margin (%)	15.9%	18.0%	(206) bps	20.9%	(498) bps	19.3%	19.5%	(17) bps
PAT	2.5	2.1	18.6%	2.4	4.2%	10.1	6.5	55.3%
PAT margin (%)	7.6%	7.0%	53 bps	9.5%	(193) bps	9.1%	7.4%	167 bps
EPS Diluted (x)	1.52	1.28	18.6%	1.46	4.2%	6.22	4.00	55.3%

## 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)

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  
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# Investor Presentation

Q4 FY 2022



Iris Clothings Limited



# Investor Presentation

Q4 FY 2022

## 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

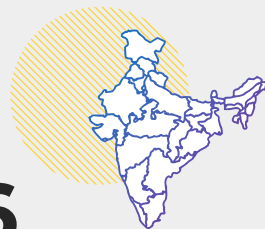


We have been growing our presence online by increasing e-commerce listings.



1

Brand



26

States  
of presence



9

Units  
Manufacturing (7)  
Dispatch (2)



125

Distributors



22500

Pieces  
manufactured/day



~1380

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

---

- 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.

## Future Outlook

---

- Iris aims to sharpen its existing product mix under the brand DOREME to meet the rising demand for their products
- Intends to launch the accessories line of the infant wear vertical and sports wear by Q1FY23
- Foraying into the kids' undergarments space in Q1FY23
- Expanding its product offerings to provide greater choice to customers.

# History



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



Acquired proprietorship firm "M/S IRIS CLOTHINGS" including its brand name DOREME



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



Crossed the ₹50 crores turnover milestone



Migrated from SME portal of NSE to Main Board of NSE

2004

2005

2011

2012

2016

2018

2020

2021

**DOREME**

Launched DOREME brand for Kids Wear



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



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



Listed as an SME under NSE



Deepened our penetration by entering new Tier II & III cities



Launched the infant wear vertical

# Investor Presentation

Q4 FY 2022

## Market Opportunity

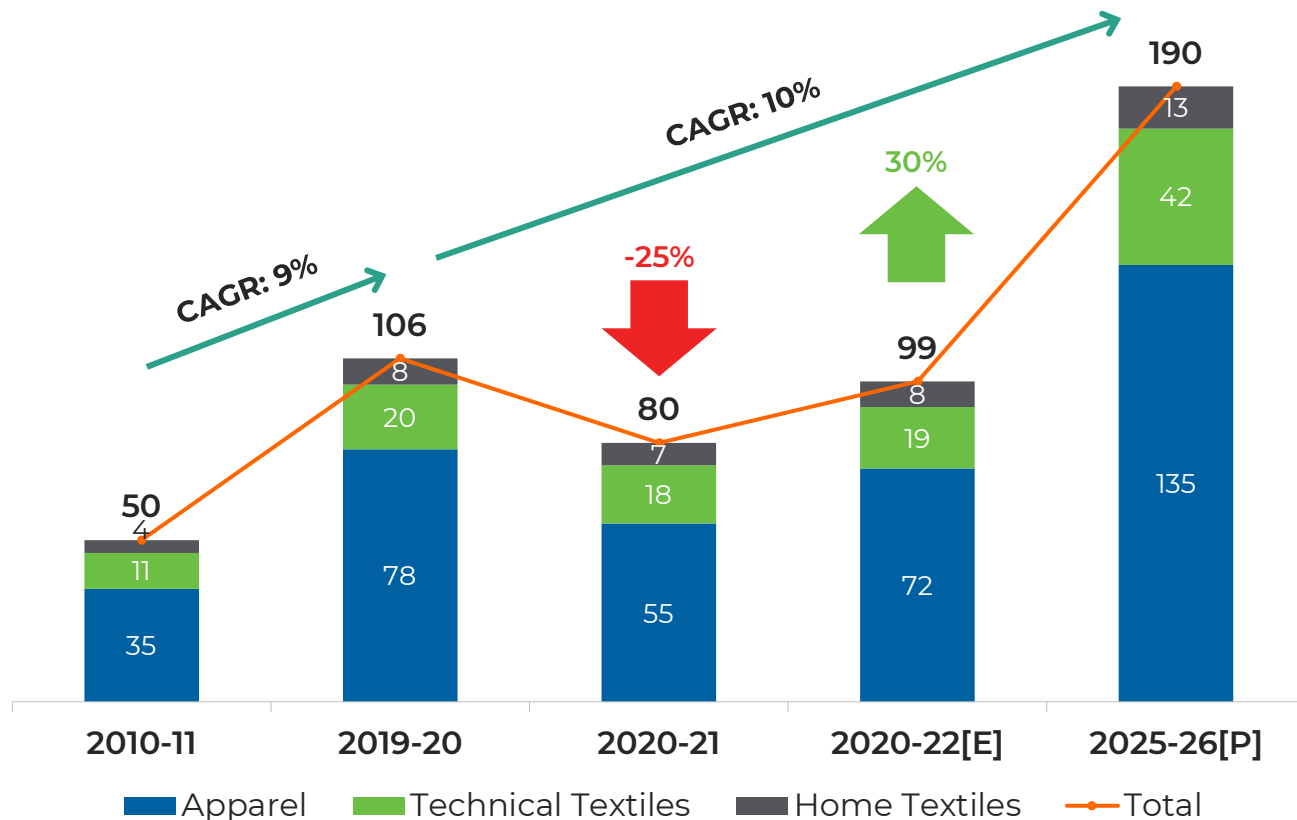


**Iris Clothings Limited**



# 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

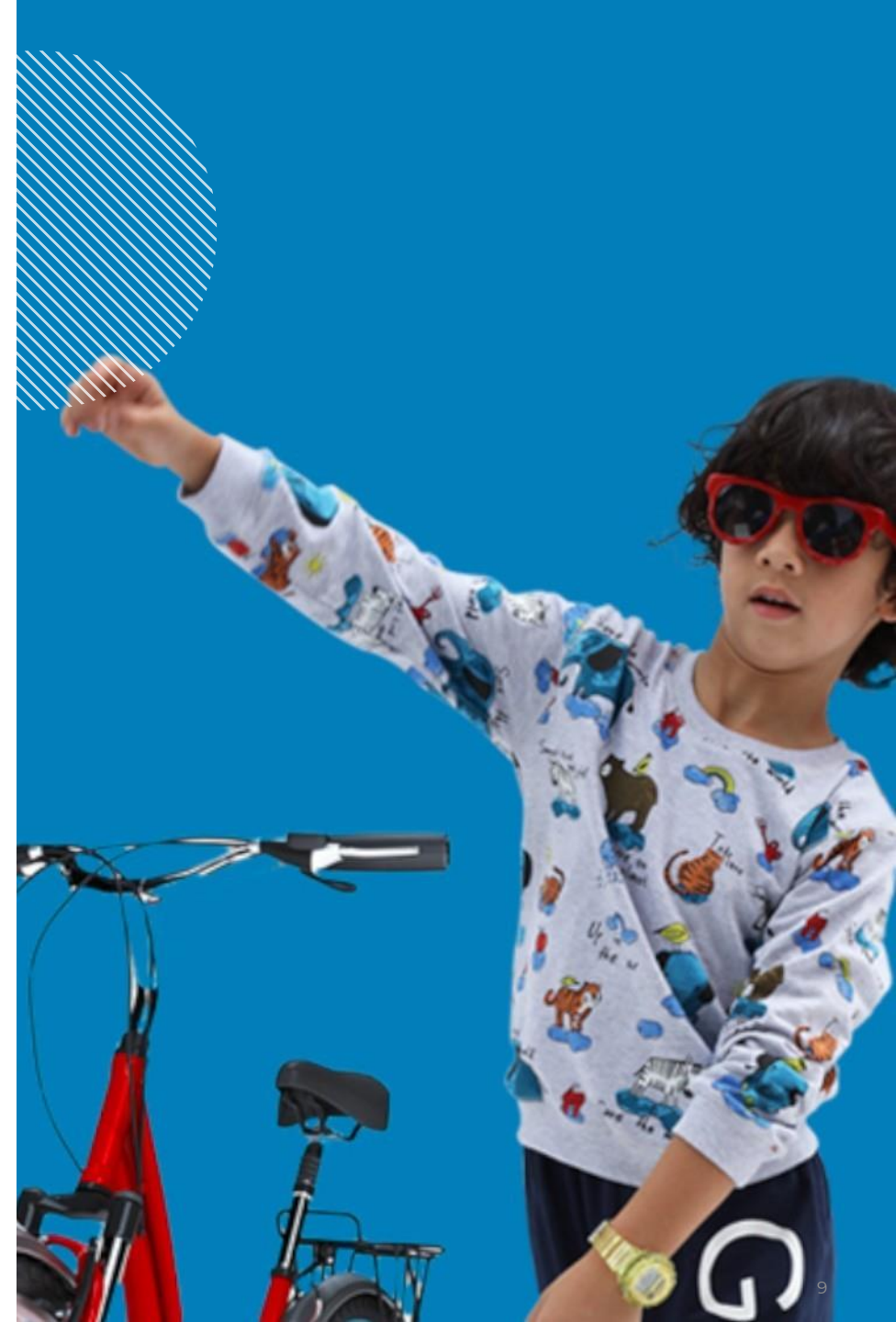


**Increasing** personal disposable income and **growing** working population are key growth drivers

# Investor Presentation

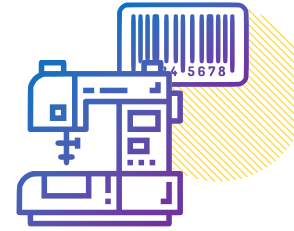
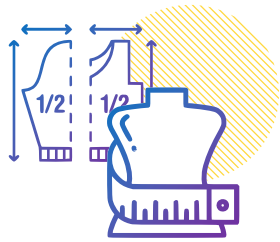
Q4 FY 2022

## 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

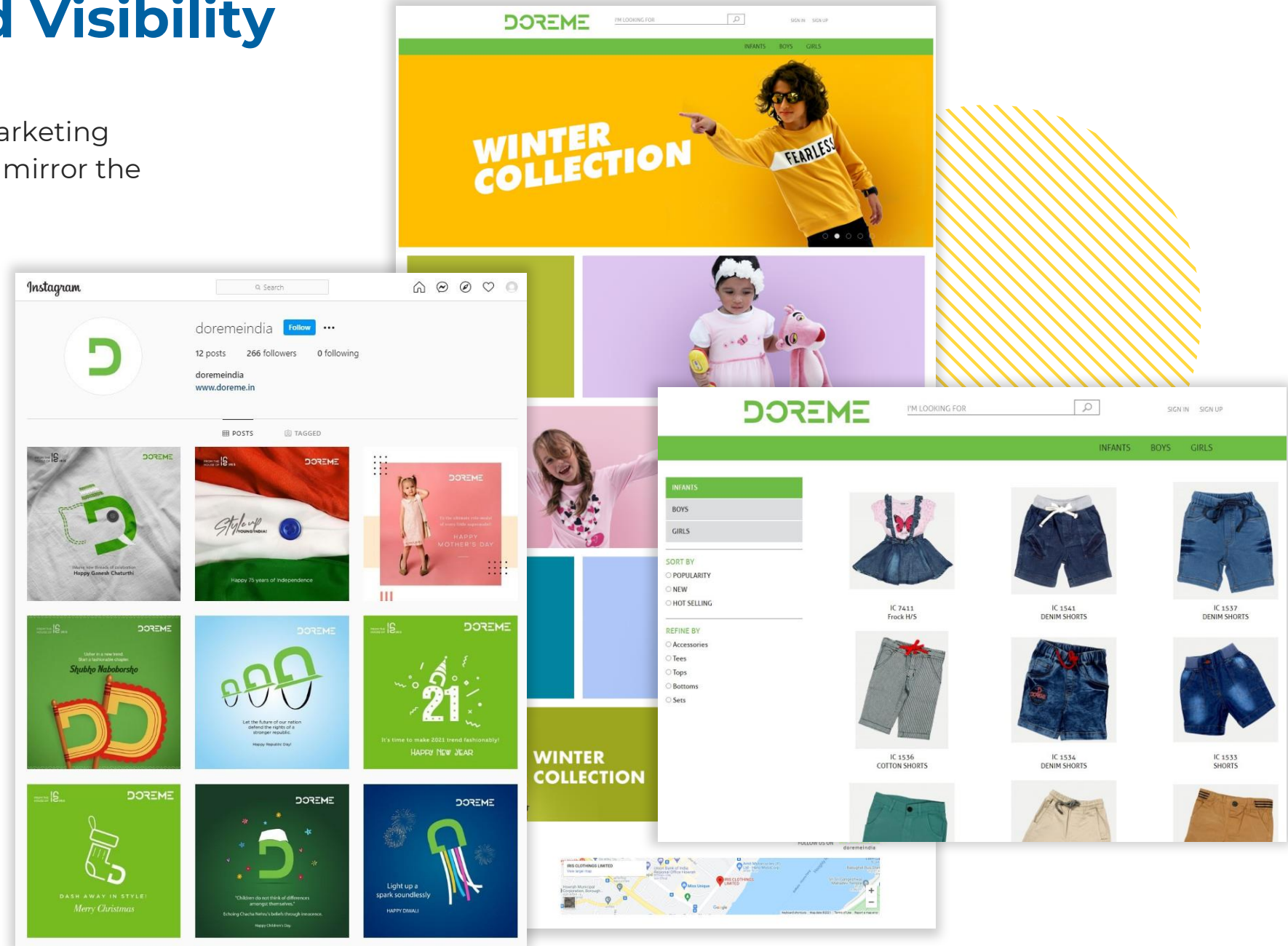
**15x** manufacturing capacity growth in **16 years**





# 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



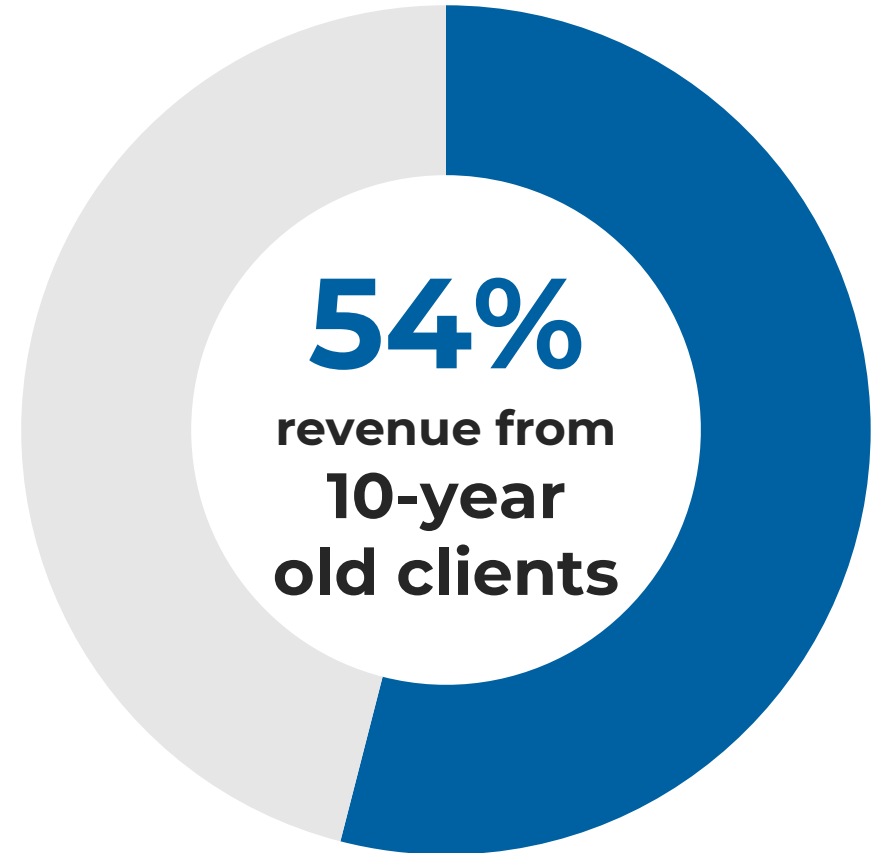
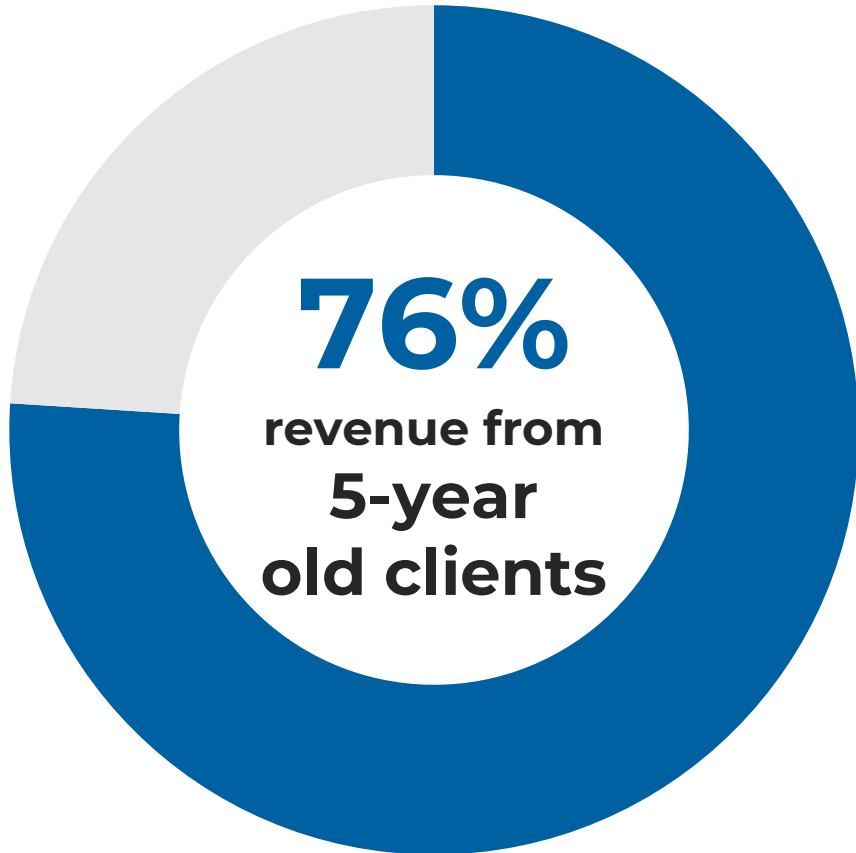
*"Our association with DOREME is since its inception. We have the privilege to introduce their quality products in Maharashtra and since then our journey of growth has been phenomenal for both of us. We congratulate them and wish them many more successful years of togetherness."*

**HEMANT & PANKAJ PAREKH**

Pamposh Marketing  
Mumbai

# Quality Consciousness

Iris ensures adherence to the desired standards of quality and specifications for its products and processes by undertaking adequate and stringent quality checks. This has helped the company in building strong customer trust and securing repeat business.



# Sustainability

## Environmental

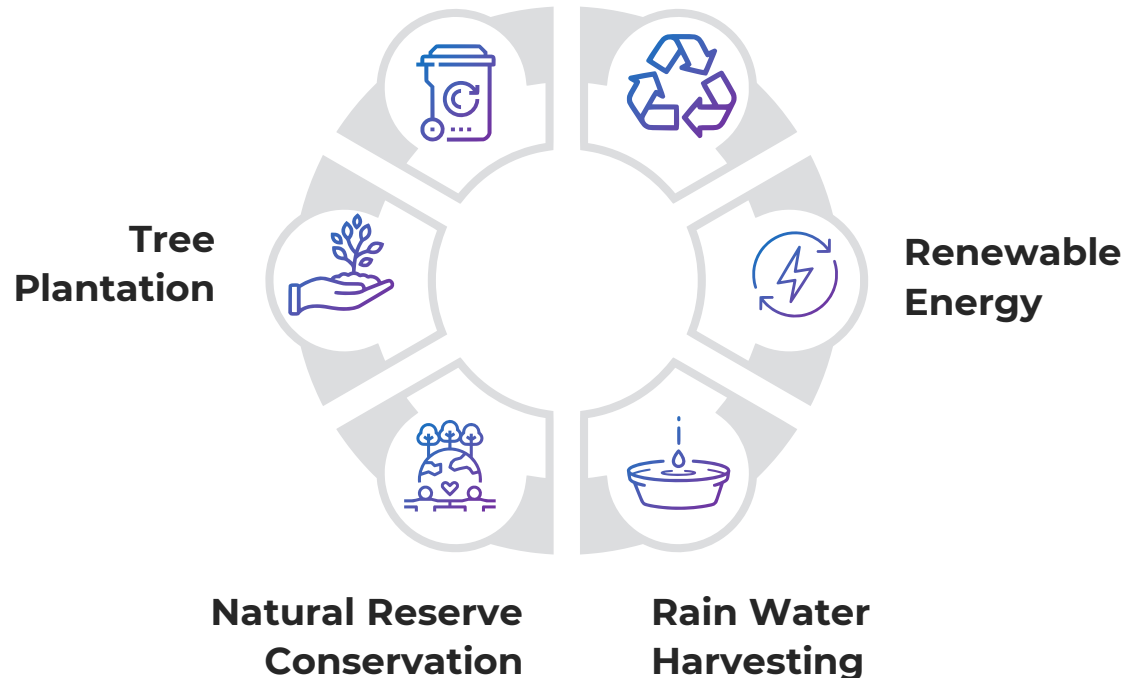
Iris follows a strict ecological policy that comprises of 6 features

### Waste Reduction

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

### Recycling

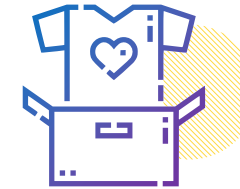
Iris uses printing materials that is eco-friendly, recyclable and devoid of lead.



## Social



No Child Labour



Provided clothes to 2000+ underprivileged children



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

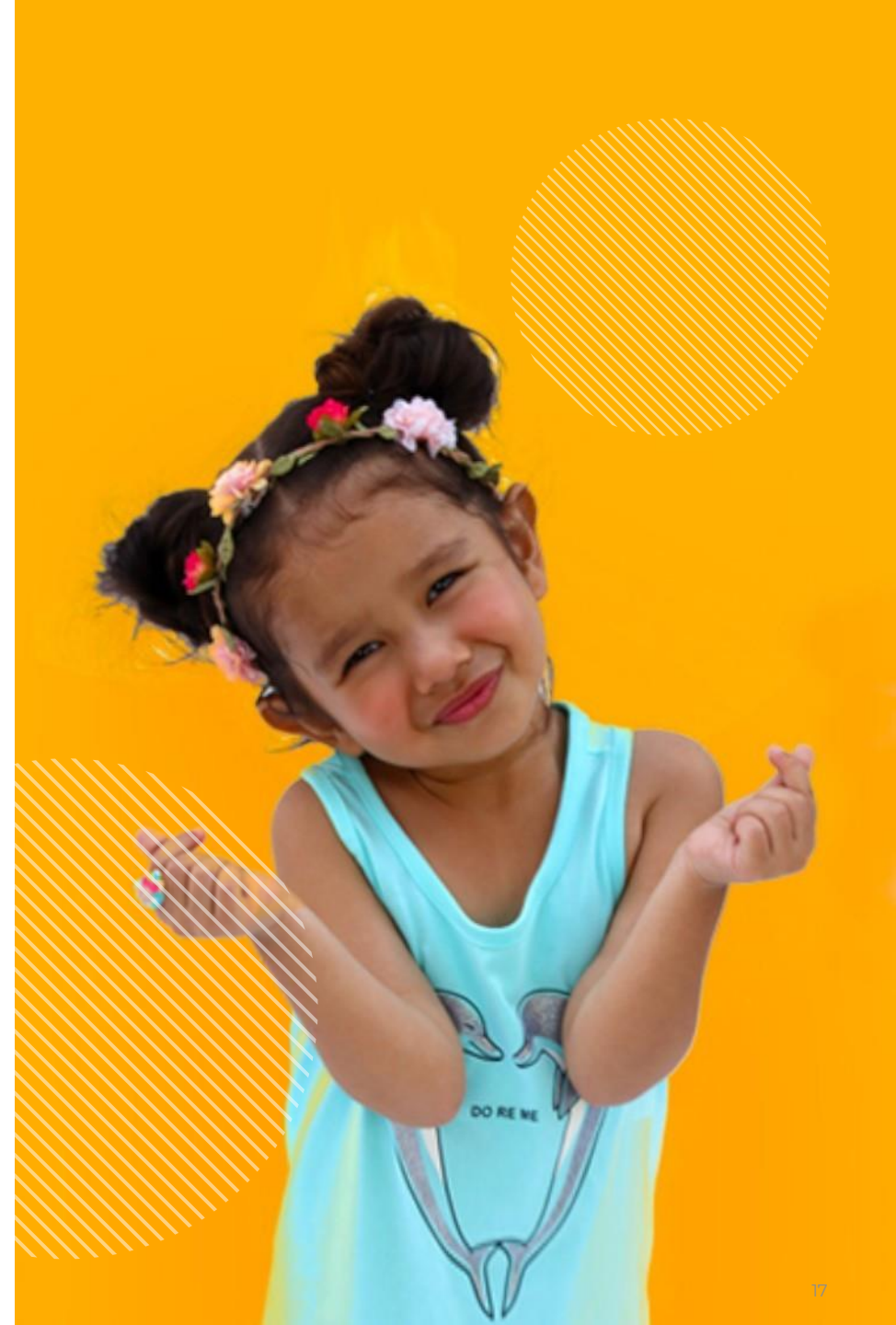
# Investor Presentation

Q4 FY 2022

## Financial Highlights



**Iris Clothings Limited**



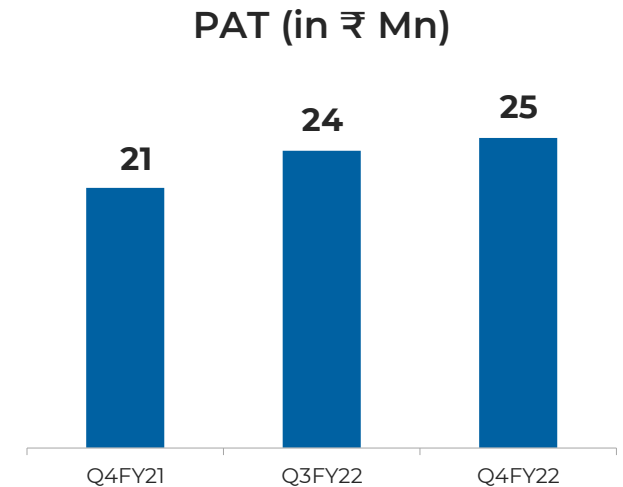
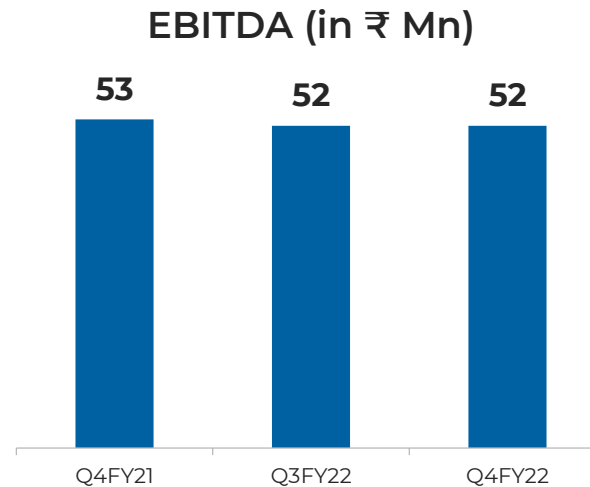
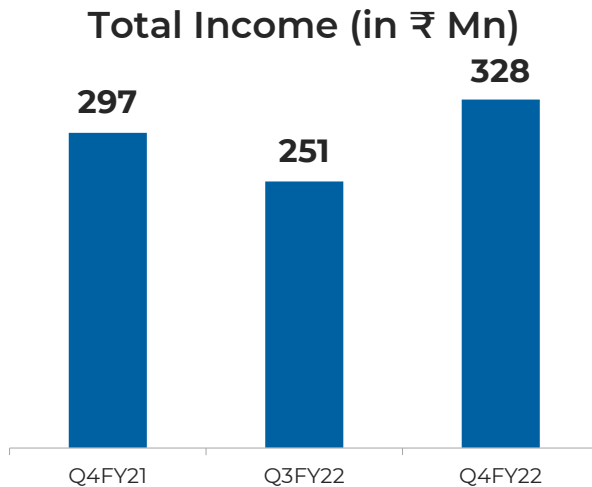
# Q4FY22 Update

## Business Update

- Revenues were up 31% QoQ on the back of growth in volumes
- Raw material prices led to decrease in margins; expected to normalize as the pass through happens in Q1FY23
- High stock pile-up was on account of undergarments and sportswear, both these items will hit the markets in June 2022
- Developing a B2B platform for wholesalers to take orders instantly that will go live in May 2022, and our B2C e-commerce portal that will be launched by June 2022
- Out of the accessories line of the infant vertical, mother bags will be launched in May 2022 and the rest of the items by June 2022
- Target capex will be ₹3 crores that will increase our production capacity by 10% by FY23

## Financial Update

- Total Income stood at ₹32.8 crores, up 10.2% YoY
- EBITDA margin is at 15.9% compared to 18.0% in Q4FY21, down 206 bps
- PAT margin stood at 7.6%, against 7.0% in Q4FY21



# Q4 & FY22 Highlights – P&L

in ₹ Crores

	Q4FY22	Q4FY21	YoY (%)	Q3FY22	QoQ (%)	FY22	FY21	YoY (%)
Total Income	32.8	29.7	10.2%	25.1	30.7%	111.8	88.2	26.7%
Total Expenses	29.5	26.3	12.2%	21.9	35.1%	98.2	79.4	23.6%
EBITDA	<b>5.2</b>	<b>5.3</b>	<b>(2.5)%</b>	<b>5.2</b>	<b>(0.4)%</b>	<b>21.6</b>	<b>17.1</b>	<b>25.8%</b>
D&A	1.4	1.4	0.6%	1.5	(6.4)%	5.6	5.3	5.4%
EBIT	<b>3.8</b>	<b>4.0</b>	<b>(3.5)%</b>	<b>3.8</b>	<b>1.9%</b>	<b>16.0</b>	<b>11.8</b>	<b>34.9%</b>
Finance cost	0.6	0.6	5.9%	0.6	6.5%	2.4	3.0	(20.9)%
PBT	<b>3.2</b>	<b>3.4</b>	<b>(5.1)%</b>	<b>3.2</b>	<b>1.0%</b>	<b>13.6</b>	<b>8.8</b>	<b>54.0%</b>
Total Tax expense	0.8	1.3	(42.4)%	0.8	(8.1)%	3.4	2.3	50.2%
PAT	<b>2.5</b>	<b>2.1</b>	<b>18.6%</b>	<b>2.4</b>	<b>4.2%</b>	<b>10.1</b>	<b>6.5</b>	<b>55.3%</b>



# FY22 Highlights – Balance Sheet

in ₹ Crores

	FY22	FY21
<b>Total non-current assets</b>	<b>32.9</b>	<b>32.5</b>
Inventories	33.7	25.3
Trade Receivables	23.7	14.9
Cash & cash equivalents (incl. bank balances)	1.4	1.5
<b>Total Current Assets</b>	<b>60.9</b>	<b>43.4</b>
<b>Total Assets</b>	<b>93.8</b>	<b>75.9</b>
<b>Equity</b>	<b>48.7</b>	<b>38.8</b>
Lease Liabilities	6.6	6.8
<b>Total Non-current Liabilities</b>	<b>6.6</b>	<b>6.8</b>
Short-term Borrowings	25.5	20.3
Trade Payables	10.8	8.4
<b>Total Current Liabilities</b>	<b>38.5</b>	<b>30.3</b>
<b>Total Equity &amp; Liabilities</b>	<b>93.8</b>	<b>75.9</b>

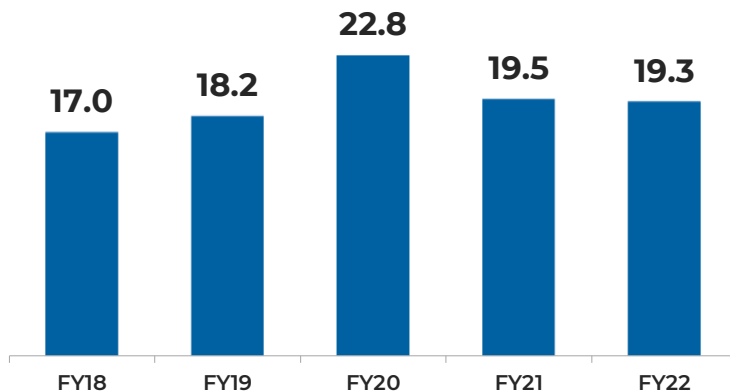
# Financial Highlights

in ₹ Crores

	FY18	FY19	FY20	FY21	FY22
<b>Total Income</b>	53.1	62.2	60.9	88.2	111.8
<b>PAT</b>	3.3	5.0	3.9	6.5	10.1
<b>EBITDA</b>	9.0	11.3	13.8	17.1	21.6
<b>Net Worth</b>	10.1	28.6	32.1	38.8	48.7
<b>Debt</b>	21.0	20.1	24.6	20.3	25.5

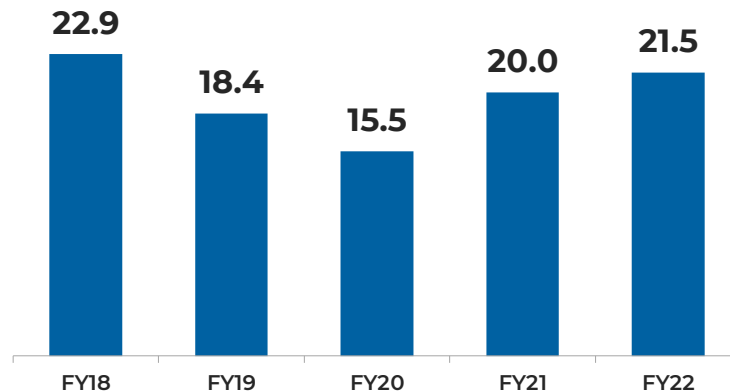
# Ratio Analysis

### EBITDA Margin (in %)

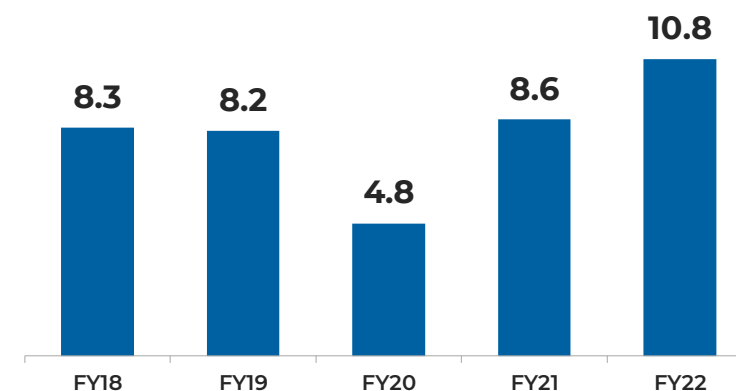


Decrease in the ratio has been due to significant increase in raw material costs.

### Return on Capital Employed (in %)

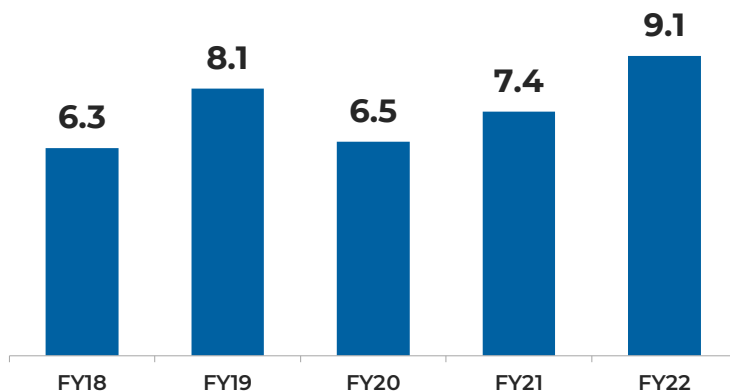


### Return on Assets (in %)

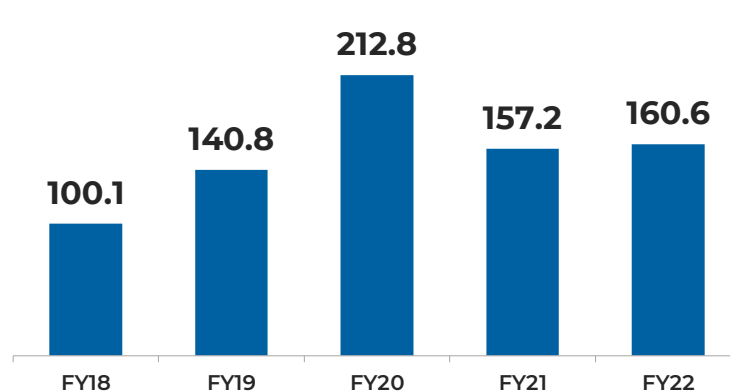


Recovery in FY21 was mainly driven by a 45% increase in revenues.

### PAT Margin (in %)

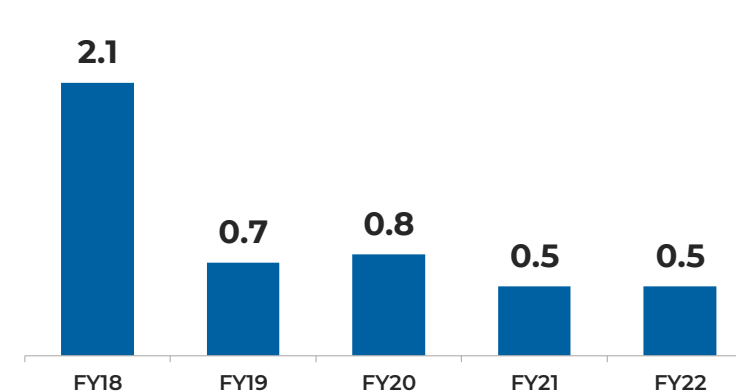


### Working Capital Days (in days)



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

Q4 FY 2022

## 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

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

**IS**  
Iris Clothings Limited

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# Thank You

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