

Kewal Kiran Clothing Limited

Q1 FY2022 : Financial Results Review Presentation



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KKCL : An Integrated Brand Play



Roots dating back to **1980**, KKCL prides itself in contribution to the evolving **Denim culture** in India



Integrated Play with presence across Value Chain : **Designing - Manufacturing - Branding - Retailing**



Amongst the few home grown successful Apparel Fashion Brands : **KILLER**  having high top of mind recall value



Balanced Distribution Play Strategy keeping Business Profitability in mind : **320+ Exclusive Brand Outlets** and **125+ Distributors** covering apprx. **4,500 MBOs** spread across India





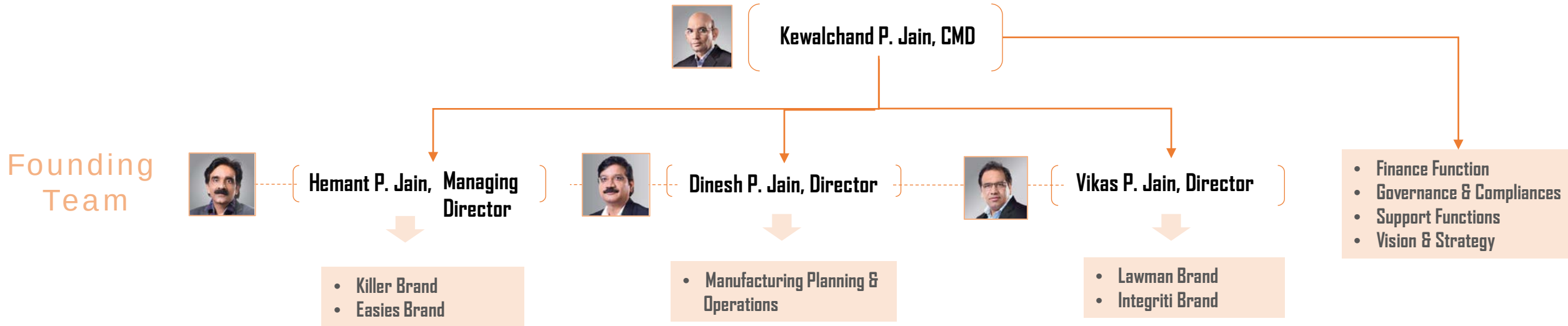
IMMORTAL
by
Integriti



LAWMAN Pg3
BE THE STAR



Focused & Experienced Management



MISSION :

- ❖ Driving excellence through our people, business partners and other stakeholders
- ❖ Focusing on consumer satisfaction and executing a customer-centric business module
- ❖ Adopting international standards and best practices across our operations
- ❖ Executing the business based on the three core growth principles of: Stability, Sustainability and Scalability



VISION :

To be a world-class business organization which enables value, best services and enhancement of net worth for all the stakeholders.

Proficient Board Independence with Diversified Skillset



from India's Fashion house of ...



Dr. Prakash A. Mody
Independent Director



- Chairman and Managing Director of Unichem Laboratories Limited and brings onboard rich experience in marketing, research and production
- A doctorate in Organic Chemistry from University of Mumbai and pursued Marketing Management from Jamnalal Bajaj Institute of Management Studies, University of Mumbai;
- Graduate alumnus of the Harvard Business School, following attending the Owner Presidents' Management Programme.

Mr. Nimish G. Pandya
Independent Director



- Founding Partner at Pandya Juris LLP, International Lawyers & Tax Consultants and Proprietor at Pandya and Co. Advocates and Notary
- Trustee of Shree Sathya Sai Trust, Maharashtra and All India President of Shree Satya Sai Seva Organisation, India
- Member of the Bar Council of Maharashtra and was appointed as a Notary Public by the Government of Maharashtra in 1993
- Specialises in Mergers and Acquisitions, Litigation and Arbitration, Trusts and Charities, Corporate, Commercial and Financial Planning and Execution, including Transaction Support and Contracts, Intellectual Property, Technology, Media and Communications, Competition and Trade, Conveyancing and Real Estates and Family and Personal Law

C.A. Mr. Yogesh A. Thar
Independent Director



- Senior Partner in Banshi S. Mehta & Co., a reputed Chartered Accountancy firm in Mumbai
- Member of the Direct Tax Committee of the Chamber of Tax Consultants
- Member of the Institute of Chartered Accountants of India and with 31+ years of experience in Business Mergers, Acquisitions and Restructuring, Business Valuations, Corporate Taxation and Taxation of Non-resident Citizens and Foreign Companies

C.A Ms. Drushti R. Desai
Independent Director



- Partner in Banshi S. Mehta & Co., a reputed Chartered Accountancy firm in Mumbai
- Member of the Institute of Chartered Accountants of India with 20+ years of experience in Valuation of Shares, Businesses and Intangibles, Advisory Services on Schemes relating to Mergers, Acquisitions, Spin-offs and other forms of Corporate Restructuring and Family Settlements, Financial and Management Advice, Corporate and Individual Taxation (Income-tax, Wealth-tax, Gift-tax)



**BUSINESS
ETHOS**

MORALITY

RIGHTNESS

ETHICAL PRACTICES



DET-EST
TO #SHOWYOURINTEGRITI



KILLER X

NEW COLLECTION

OUT



from India's Fashion house of ...

KKCO
KEWAL KIRAN CLOTHING LIMITED**LIVE
OUT OF
THE
BOX**

SS 20 COLLECTION

easies
BY **KILLER****SHOP NOW**

Q1FY2022 : Financial Performance Highlights >>>

Q1FY22 : Standalone Financial Performance



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Particulars		Quarter Ended			Year Ended
		30-Jun-21	31-Mar-21	30-Jun-20	31-Mar-21
		Audited	Audited	Audited	Audited
	Revenue:				
a.	Revenue from Operations	9,155	11,070	701	30,273
b.	Other Income	370	266	567	1,704
	Total Revenue (I + II)	9,525	11,336	1,268	31,977
	Expenses:				
a.	Cost of materials consumed	6,473	3,496	693	9,365
b.	Purchase of stock in trade	468	916	160	1,899
c.	Change in inventories of finished goods, work in progress and stock in trade	(2,841)	1,531	(647)	4,607
d.	Employee benefit expenses	1,718	1,654	1,067	5,264
e.	Finance cost	115	108	198	681
f.	Depreciation and amortisation expenses	176	160	176	670
g.	Manufacturing and operating expenses	1,391	665	203	2,134
h.	Administrative and other expenses	700	1,064	729	3,277
i.	Selling and distribution expenses	454	728	112	1,860
	Total Expenses	8,654	10,322	2,691	29,757
	Profit/(Loss) before exceptional and extraordinary items and tax (III - IV)	871	1,014	(1,423)	2,220
	Exceptional Items	-	-	-	-
	Profit/(Loss) before extraordinary items and tax (V-VI)	871	1,014	(1,423)	2,220
	Extraordinary items	-	-	-	-
	Profit/(Loss) before tax (VII- VIII)	871	1,014	(1,423)	2,220
	Tax Expense:				
a.	Current tax	290	245	(170)	622
b.	Deferred tax	(273)	22	(371)	(267)
c.	(Excess)/Short provision for taxes of earlier years	-	(77)	-	(77)
	Profit/(Loss) for the period (IX - X)	854	824	(882)	1,942
	Other Comprehensive Income (OCI)				
A.	Items that will not be reclassified subsequently to profit or loss				
	Remeasurement [gain / (loss)] of net defined benefit liability	(32)	119	29	269
	Effect [gain / (loss)] of measuring equity instruments at fair value through OCI	26	10	12	189
	Income tax on above	(11)	(10)	(7)	(48)
B.	Items that will be reclassified subsequently to profit or loss				
	Income tax relating to items that will be reclassified subsequently to profit or loss	-	-	-	-
	Total of Other Comprehensive income	(17)	119	34	410
	Total Comprehensive income for the period (XI+XII)	837	944	(848)	2,352
	Paid up Equity Capital (Face Value of Rs. 10/- each)	1,233	1,233	1,233	1,233
	Reserves excluding revaluation reserves	-	-	-	42,064
	Earnings Per Share (EPS) in Rs				
a.	Basic	6.93	6.69	(7.16)	15.76
b.	Diluted	6.93	6.69	(7.16)	15.76



Q1FY22: Resilient Performance despite Second Wave Impact

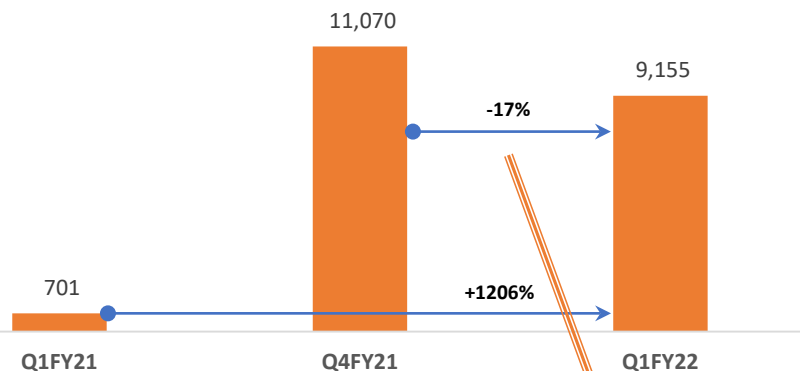


from India's Fashion house of ...

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KEWAL KIRAN CLOTHING LIMITED

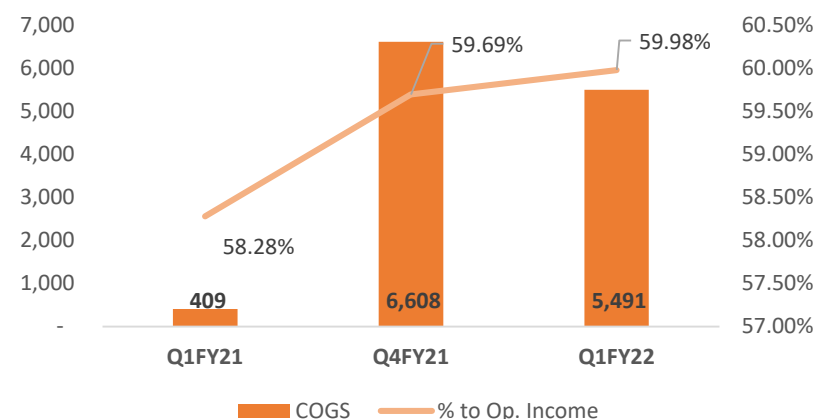
Q-o-Q Operating Sales

INR Lakhs



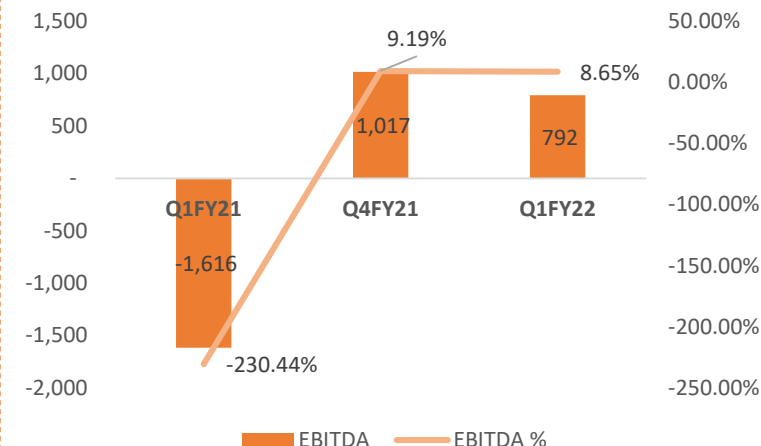
Q-o-Q COGS

INR Lakhs

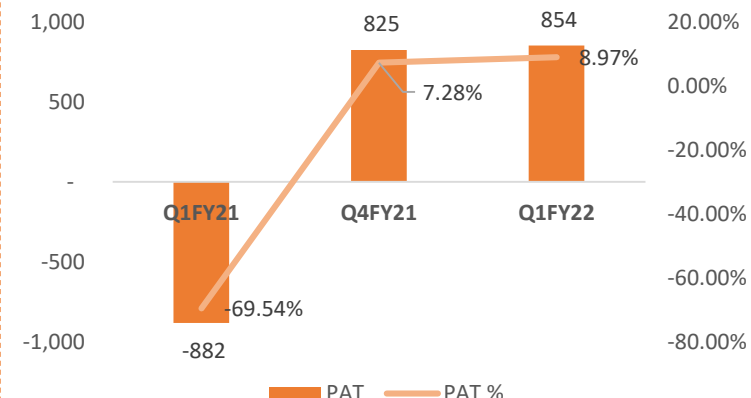


Q-o-Q EBITDA (excl. Other Income)

INR Lakhs



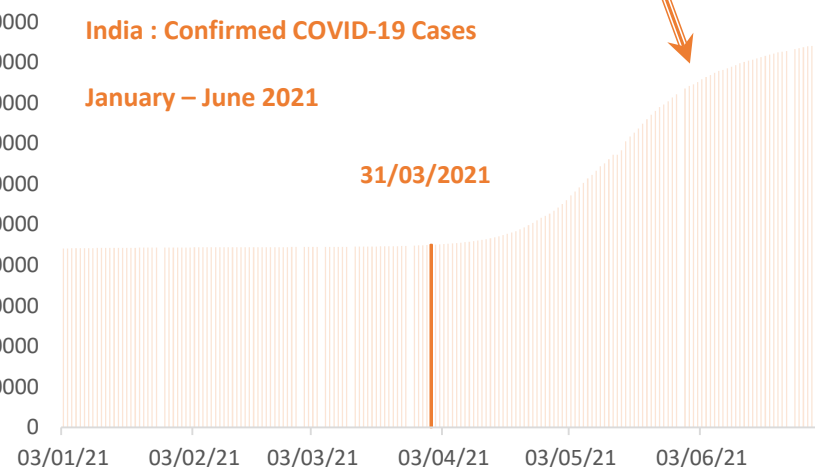
Q-o-Q PAT



India : Confirmed COVID-19 Cases

January – June 2021

31/03/2021



Source: prsindia.org / Ministry of Health and Family Welfare, Government of India

- **Operating Income:** Despite significant rise in COVID-19 cases & effected lockdown due to second wave, the Company was **able to achieve in Q1FY22 nearly 83% of its Q4FY21 Sales**
- **COGS:** COGS saw a rise as % to Operating Income, albeit insignificantly, **primarily on account of rise in raw material prices (viz. Fabric costs)** which could not be passed on to the customers on the back of subdued demand and unfavorable business environment
- **PAT Margins :** On the back of effective cost saving measures on account of administrative costs and Selling & Distribution expenses and rise in treasury income, despite a fall in sales, there was an improvement in PAT on an absolute basis as well as margin wise

Q1FY22: Resilient Performance despite Second Wave Impact

KILLER

LAWAN Pg3

easies

Integrati

DESI BELLE



from India's Fashion house of ...

KKCO
KEWAL KIRAN CLOTHING LIMITED

Particulars (INR Lakhs)*	Q1FY22	Year ended FY21
Revenue from Operations	9,155	30,273
Other Income	370	1704
Total Revenues	9,525	31,977
EBITDA (excl. Other Income)	792	1,867
EBITDA Margins (%)	8.65%	6.17%
Depreciation	176	670
Finance Costs	115	681
Exceptional Items Gain / Loss	-	-
PBT	871	2,220
PBT Margins (%)	9.15%	6.94%
PAT	854	1,942
PAT Margins (%)	8.97%	6.07%
Total Comprehensive Income	837	2,352
EPS Basic	6.93	15.76
EPS Diluted	6.93	15.76



Note : Corresponding **Q1FY21 Financials are not comparable** and were an aberration on account of an unprecedented COVID-19 pandemic which was declared a public health emergency of international concern by WHO in early 2020 leading to stringent nationwide lockdowns that resulted in larger disruptions to economic activity

Brand Wise Performance

KILLER >K

LAWMAN Pg³

easies

Integrati

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KKCO
KEWAL KIRAN CLOTHING LIMITED

Sales Contribution (INR Lakhs)
(% Contribution to Total Sales)

		Q1FY22	Q4FY21	Q1FY21*
KILLER >K ➡		5,585 (61%)	6,186 (56%)	273 (40%)
Integrati ➡		1,651 (18%)	1,521 (14%)	108 (16%)
LAWMAN Pg³ ➡		768 (8%)	1,057 (10%)	73 (11%)
easies ➡		401 (4%)	517 (5%)	20 (3%)
Others ➡		700 (8%)	1,722 (16%)	212 (31%)



*Q1FY21 Financial Data is not comparable and were an aberration on account of an unprecedented COVID-19 pandemic which was declared a public health emergency of international concern by WHO in early 2020 leading to stringent nationwide lockdowns that resulted in larger disruptions to economic activity

Product Wise Performance

Apparel Sales & Avg. Sales Realisation

	Q1FY22	Q4FY21	Q1FY21**
Apparel Sales Qty (Units in Lakhs)	10.87	11.29	0.95
Apparel Sales Realisation* (INR per unit)	779	822	495

* Calculated at WSP (Wholesale Sales Price)

Product Wise Performance (% Contribution to Total Apparel Qty Sold)

	Q1FY22	Q4FY21	Q1FY21**
Jeans	45%	48%	49%
Shirts	27%	27%	15%
Trousers	8%	9%	2%
T-Shirts	18%	14%	22%
Others	1%	1%	12%

****Q1FY21 Financial Data is not comparable** and was an aberration on account of an unprecedented COVID-19 pandemic which was declared a public health emergency of international concern by WHO in early 2020 leading to stringent nationwide lockdowns that resulted in larger disruptions to economic activity during that period





Strategic Retail Presence

Extensive footprint of directly operated and franchise stores, along with a presence in large format stores, carefully selected multi-brand outlets (MBOs)

Exclusive Retail Store Count (As on June 30, 2021)

	COCO	COMFO (COCO)	FOFO	Total
K-Lounge	2	16	204	222
EBOs	-	4	96	100
Factory Outlet	-	1	-	1
Total	2	21	300	323

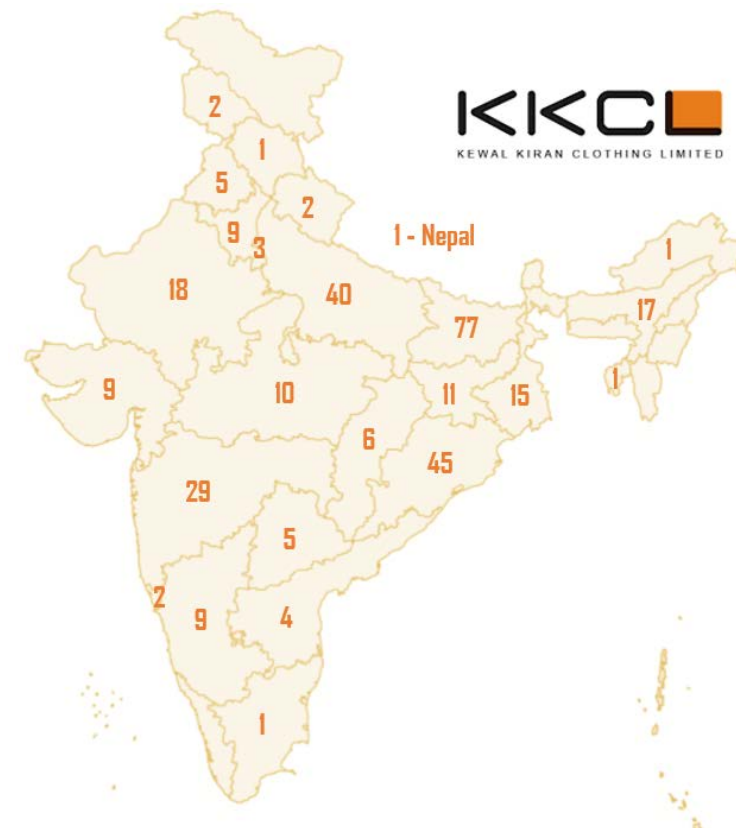
- COCO - Company Owned Company Operated
- COMFO - Company Owned Management Franchisee Operated
- FOFO - Franchisee Owned Franchisee Operated

Exclusive Retail Store Count : Changes

Particulars	No.
Existing (As on March 31, 2021)	378
Newly Opened	16
Relocated / Closed	15
Work in Progress	55
Total Exclusive Retail Store Count (As on June 30, 2021)	378



Exclusive Retail Store Count : India Coverage



125 Distributors spread across India covering apprx. 4,500 MBOs covering 217 cities/towns

Chairman's Message

At KKCL, we are well-prepared to make the best of the available opportunities, by catering to both the visible and latent needs of consumers. With our clear proposition of **value combined with the motto of creating a stylish nation, we are ready to take on the opportunities.**

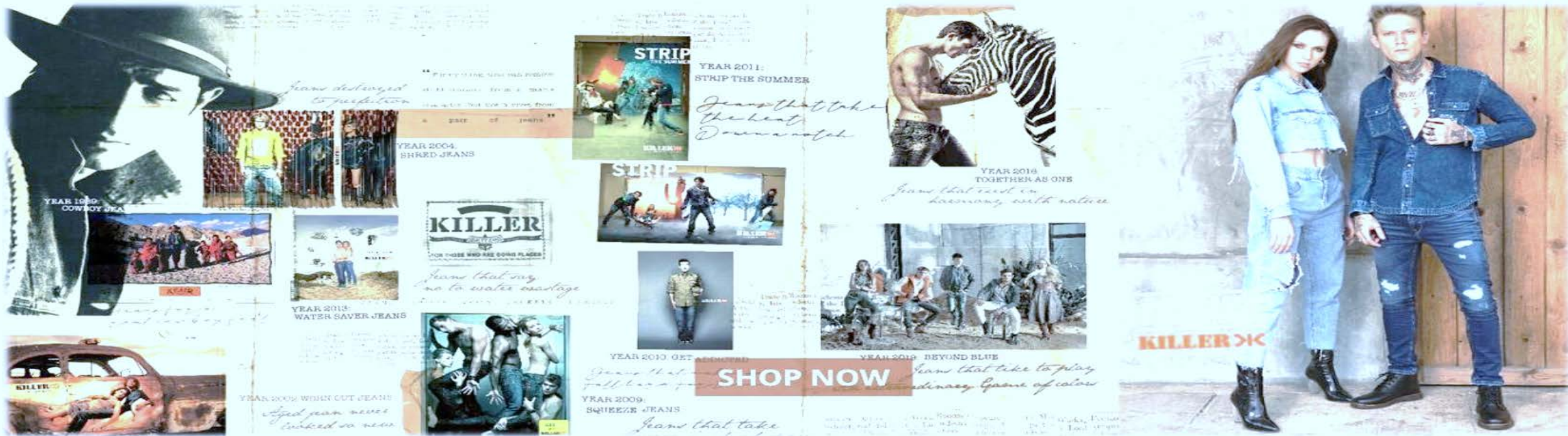
As the number of COVID-19 cases subside and with planned easing of restrictions and return of normalcy, **we are optimistic than ever of the enormous opportunity ahead of us**, albeit risk of a third wave in the rise of COVID-19 cases reinstating lockdown situation creating an economic retrenchment

With a **strong balance sheet**, resilient business fundamentals, strong brands, robust infrastructure, well-entrenched distribution and a culture of innovation, **we are geared and expect to achieve double digit growth in the coming years, subject to a conducive business environment**



Kewalchand P. Jain

Chairman & Managing Director



THANK YOU

Kewal Kiran Clothing Limited

460/7, I.B. Patel Road,
Kewal Kiran Estate,
Goregaon (East), Mumbai 400063

KKC
KEWAL KIRAN CLOTHING LIMITED

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