



SINGER
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INDIA LIMITED

INVESTOR PRESENTATION



May 2018

Board of Directors



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Paresh Nath Sharma
Chairman (Independent & Non executive)



Rajeev Bajaj
CEO & Managing Director



Gavin Walker
Director



Deepak Sabharwal
Independent Director



Madhu Vij
Independent Director

Key Management Team



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Mr. Subhash Chand Nagpal
(Chief Financial Office)



Mr. R K Kamath
(AVP – Sewing business
(South))



Mr. Hridayesh Kumar Vyas
(AVP – Sales & Marketing
Sewing business (NEW) &
Domestic Appliances)



Mr. B M Sharma
(AVP – Manufacturing &
After Sales Service)



Mr. Pankaj Mahajan
(AVP – Institutional Sales)



Mr. Richin Sangwan
(Company Secretary)



Mrs. Alpana Sarna
(DGM – HR, CSR &
Advertising)



Mr. Jai Kumar Seth
(General Manager-
Logistics/Marketing
Services)



Mr. Prashant Aggarwal
(Head –Sourcing &
Technical (Sewing
business))



Mr. Sanjay Shukla
(General Manager –
Sourcing & Technical
(Domestic Appliances))



Mr. Sudhir Mohan
(General Manager –
Business Development
(Sewing))

Company Profile



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Industry

Distribution of sewing products and home appliances

Revenue¹

US\$65m / INR4.2bn

Net income¹

US\$1.4m / INR89m

Distribution points²

19,112

Number of employees²

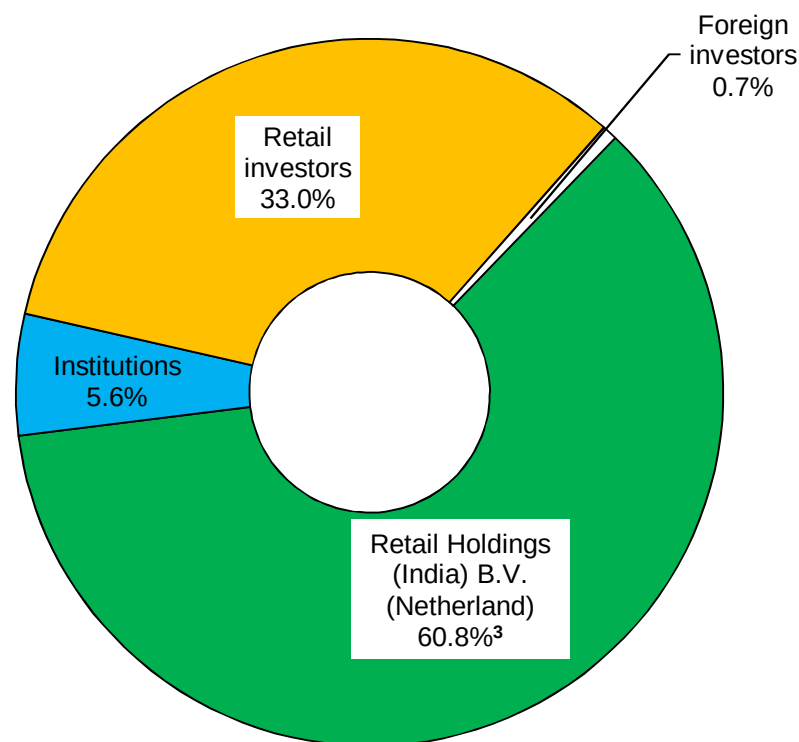
408

Number of shareholders²

14,736

Shareholder structure²

(Listed on BSE since 1982)



Note:

1. For 12 months ended 31 March 2018

2. As at 31 March 2018

3. Details of the group structure are provided in Appendix 1

Key Growth Drivers



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1. Robust economic fundamentals

- Vast market size
- Low product penetration

2. Strong brand

- 148 years in India
- Strong brand recognition

3. Focused product portfolio

- Sewing products
- Home appliances

4. Extensive distribution

- Over 19,000 sales points
- Multiple sales channels

5. Pan India service network

- Over 120 home appliance service points

Focused product portfolio – Sewing products



Market share of 42% (branded sector) / 26% entire market²



**Zig-Zag
model**



**Straight
stitch model**



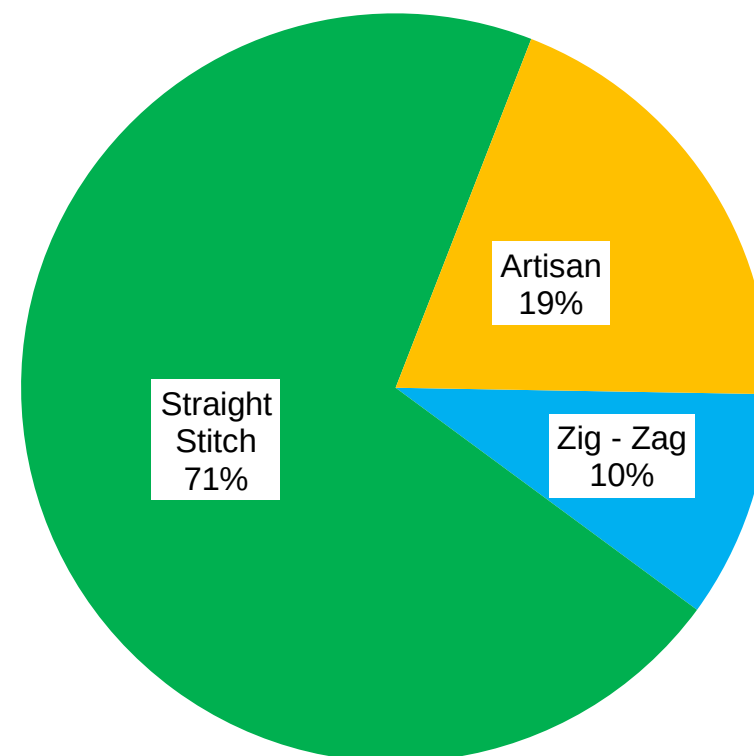
**Artisan
models**

Total number of households in India **250 million**

**Number of households owning a sewing
machine (mostly straight stitch)** **100 million²**

- **Low sewing machine penetration**
- **Upgrade to portable zig zag models**
- **Large rural market**
- **Skills development programs**
- **State Governments Woman empowerment programs**

**Sewing machine unit sales
762,000 units¹**



Note:

1. For 12 months ended 31 March 2018

2. Singer India estimates

3. Singer India has an assembly facility that supplements purchases of sewing machines from third parties

Focused product portfolio – Home appliances



Vast market potential – Current market share 1% to 2% for each product category²

Air coolers



Fans



Geysers



Irons



Washing Machines



Food processors



Kettles



Induction cookers



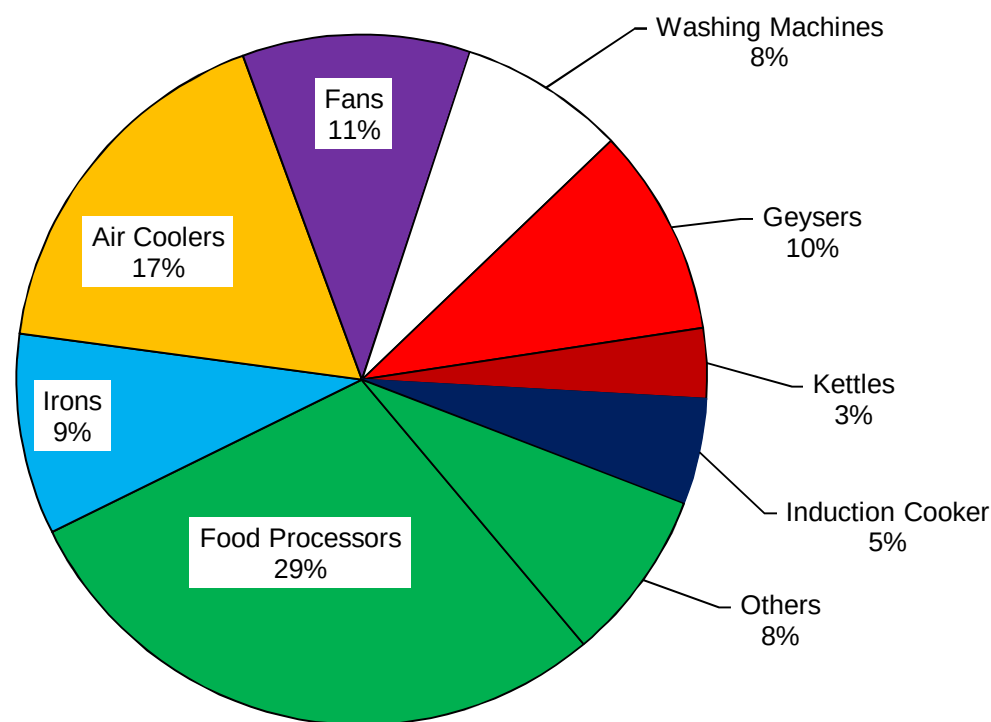
Grills



Sandwich makers



Home Appliance Sales¹
1,052,000 units¹



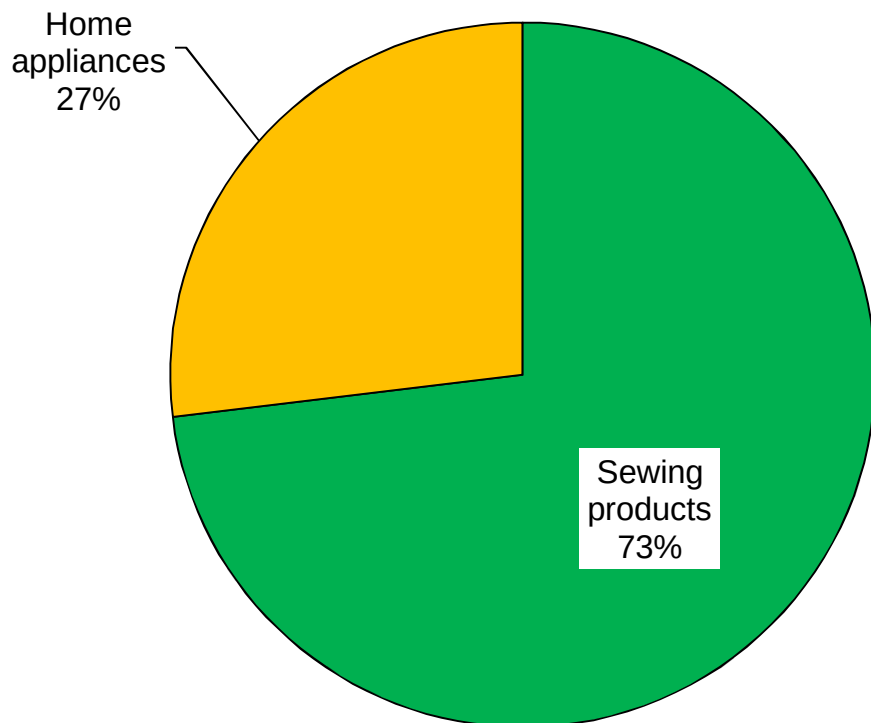
Note:
1. Pie chart is based on sales value for 12 months ended 31 March 2018. Total unit sales is for same 12 month period
2. Singer India estimates

Sales mix % - Home appliance sales increasing

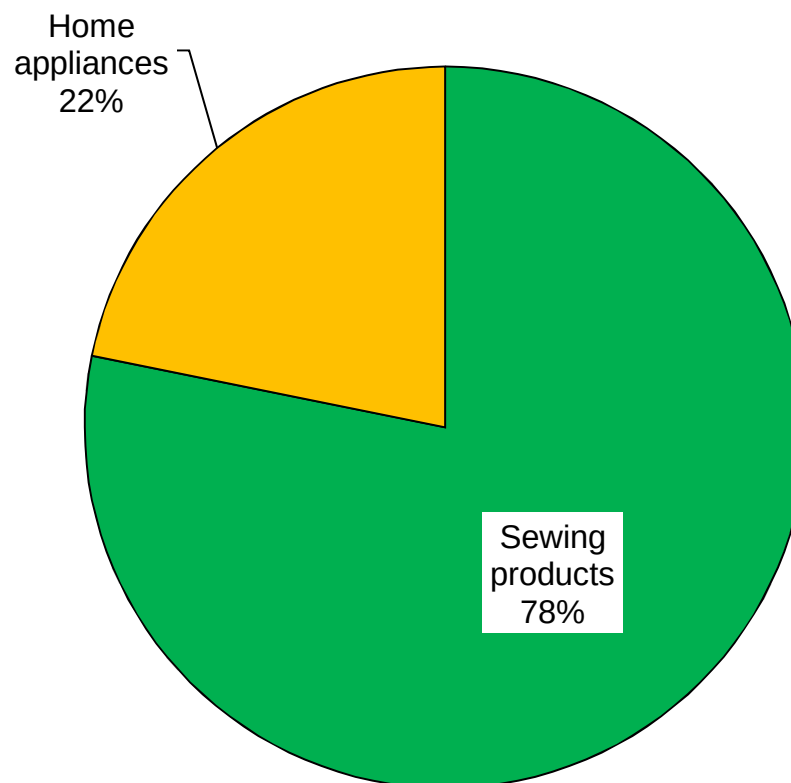


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2018



2017

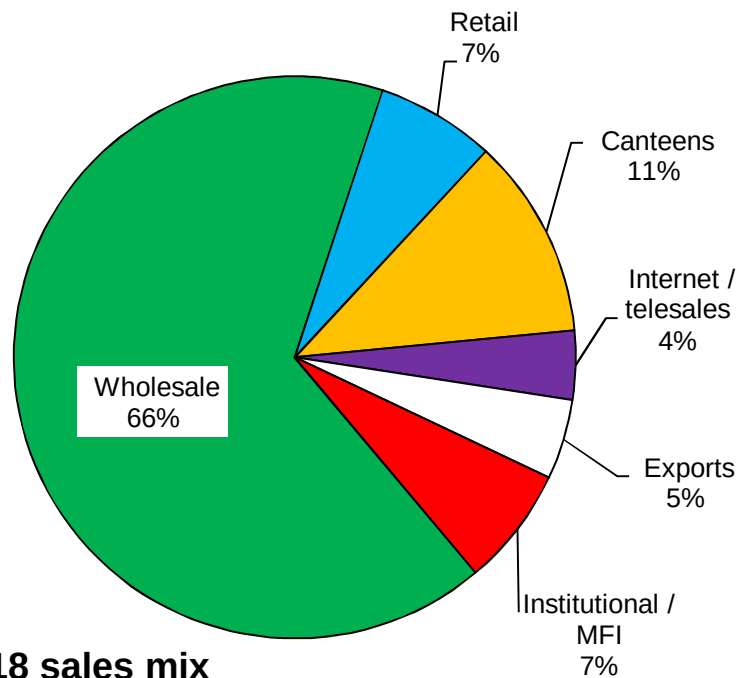


**Home appliances expected to comprise
50% of revenue within 4 years**

Note:

1. For 12 months ended 31 March

Extensive distribution – Over 19,000 sales points



2018 sales mix

Wholesale sewing

- 3899 dealer sales points
- 392 sewing schools

Wholesale appliances

- 13475 dealer sales points

Retail²

- 49 brand shops (including 15 'shop-in-shop')

E-commerce / telesales

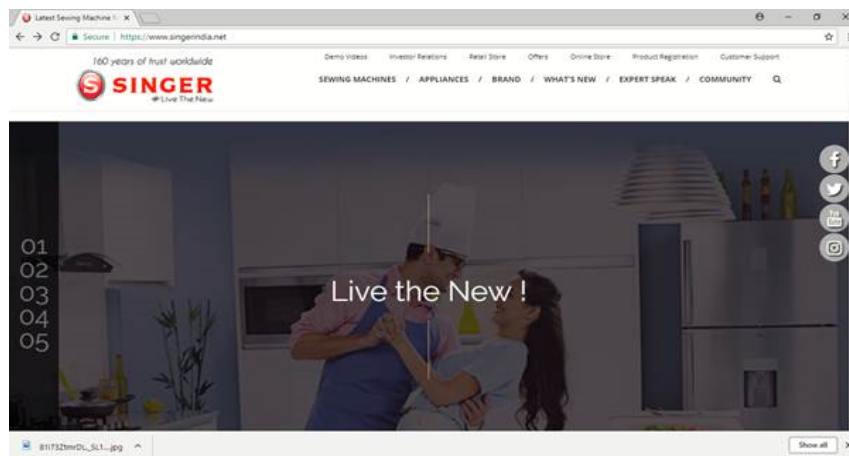
- Mostly via 3rd party websites
- HomeShop 18 channel

Canteens (police & military)

- 1,689 canteen points

Institutional / MFI

- Micro finance industry
- Corporate sales



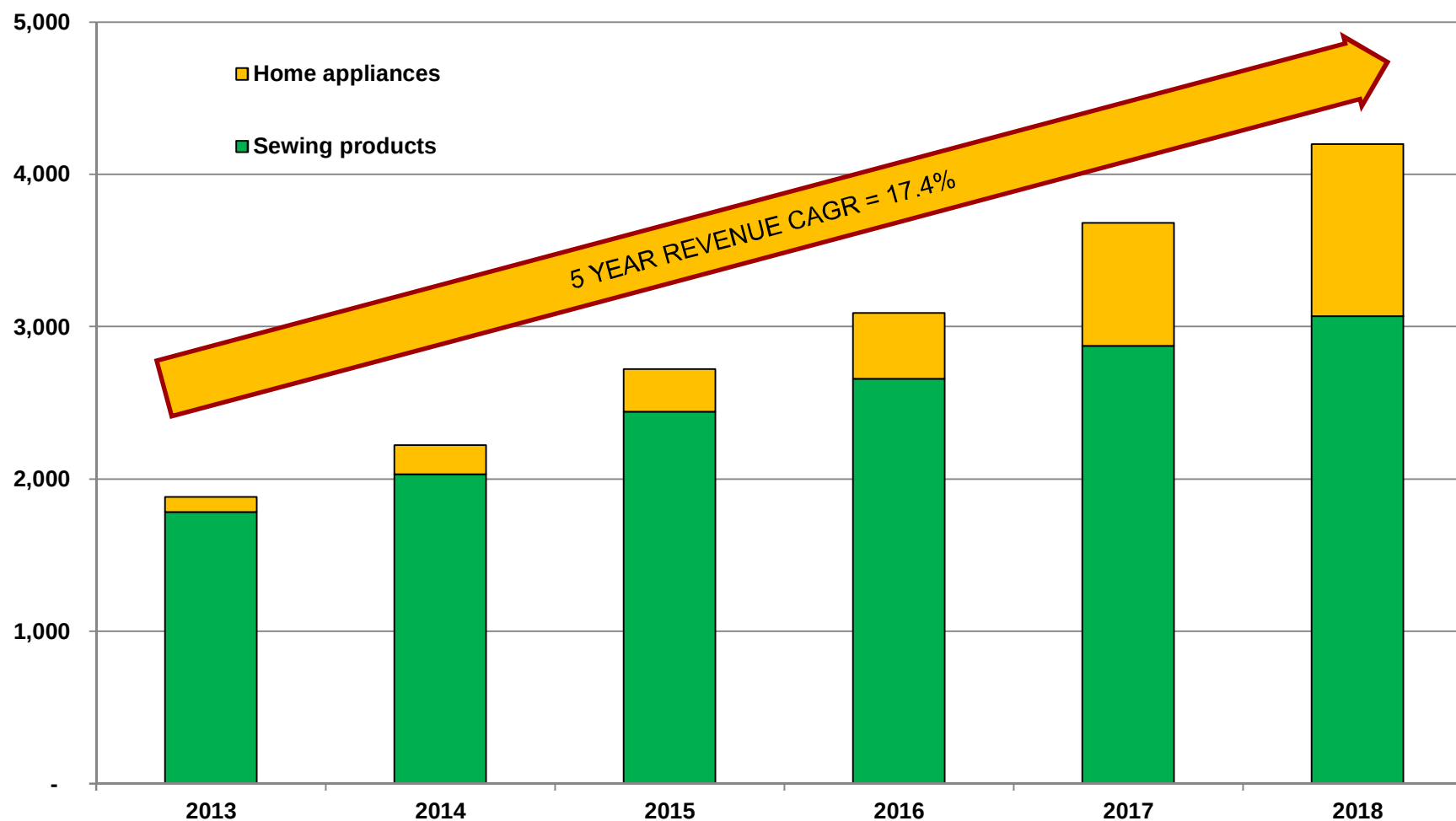
Note:

1. All information as at / or for the 12 months ended 31 March 2018

Significant revenue growth (INR million)



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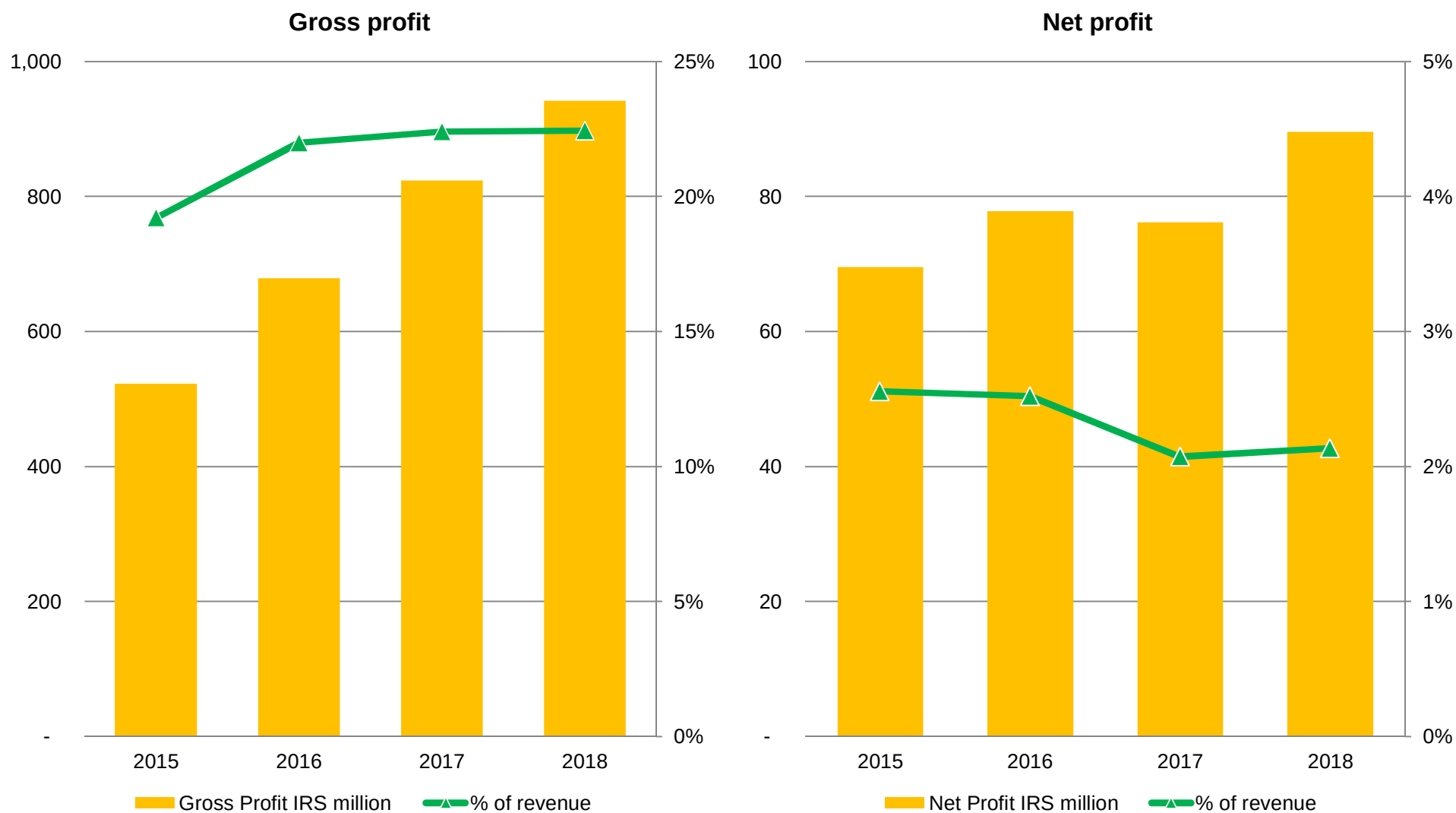
Note:

1. Revenue for 12 months ended 31 March

Profitability ratios (INR million)



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Note:

1. For 12 months ended 31 March

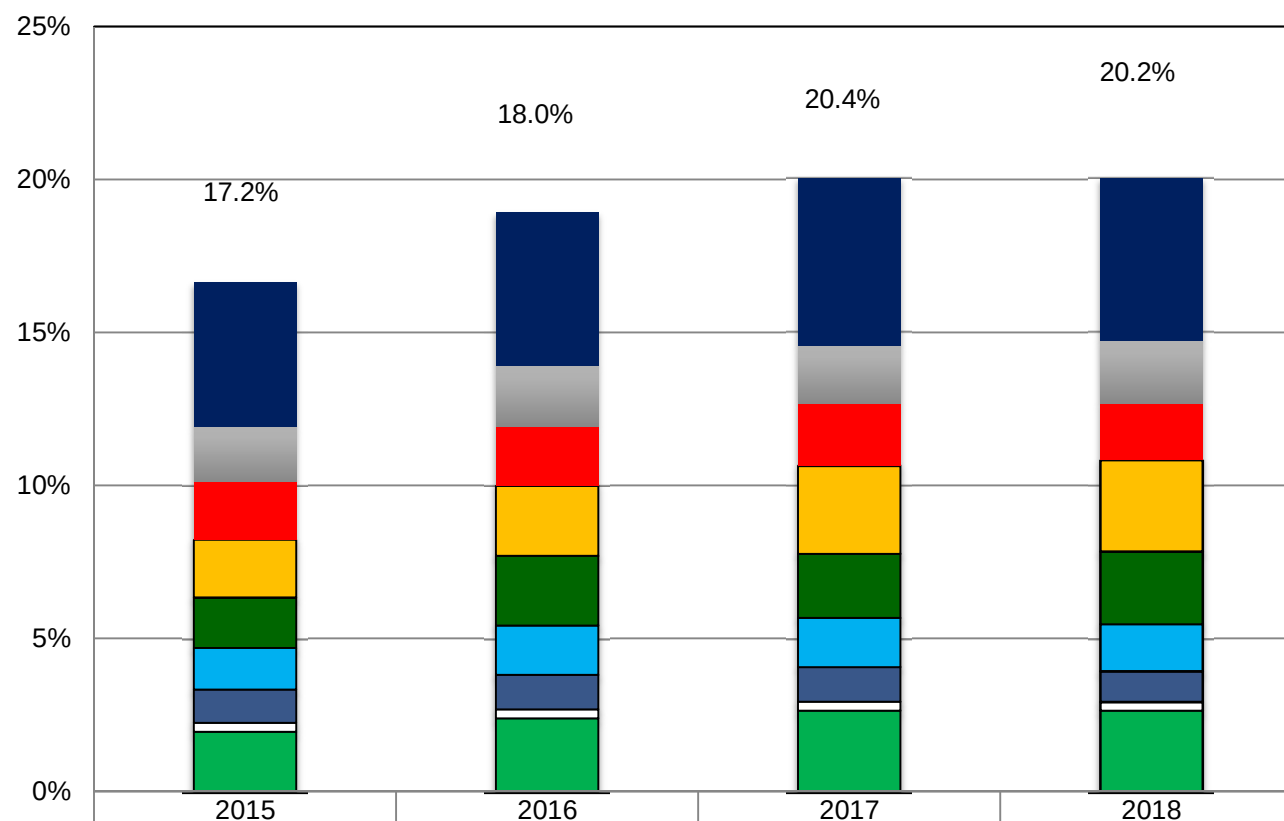
Analysis of overheads as a % of revenue



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Increased costs on account of:

- Sales and service infrastructure / personnel required for the home appliance business, which is expected to reach critical mass in 2018
- Additional distribution costs and commissions for MFI business (offset by additional margin)



	2015	2016	2017	2018
Employee benefits	4.7%	5.0%	5.5%	5.3%
Advertising & promotion	1.8%	2.0%	1.9%	2.0%
Rent and occupancy	1.9%	1.9%	2.0%	1.9%
Freight Outward	1.9%	2.3%	2.9%	3.0%
Selling Commission	1.6%	2.3%	2.1%	2.4%
Travel & Conveyance	1.4%	1.6%	1.6%	1.5%
Royalty	1.1%	1.1%	1.1%	1.0%
Depreciation & amortization	0.3%	0.3%	0.3%	0.3%
Others	2.0%	2.4%	2.6%	2.6%

Notes:

1. 'Others' comprises items such as product warranty costs and other sundry expenses

Financials - Summary



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INR million (unless otherwise indicated)

Income statement for 12 months ended March*	2018	2017	2016	2015
Revenue	4,229	3,707	3,116	2,745
Revenue growth (%)	14.1%	19.0%	13.5%	
Operating profit	119	95	100	78
Operating profit growth (%)	25.3%	-5.0%	28.2%	
Net profit	90	76	78	70
Net profit growth (%)	18.4%	-2.6%	11.4%	
Balance sheet as at end March	2018	2017	2016	2015
Cash & cash equivalents	52	53	125	84
Total trade receivables – net	479	340	234	189
Inventory	662	542	392	309
Total interest bearing borrowings	139	33	-	8
Total trade payables	616	457	376	171
Shareholders' equity	572	528	484	467
Debt to equity ratio (times)	0.2	0.1	0.0	0.0

Notes:

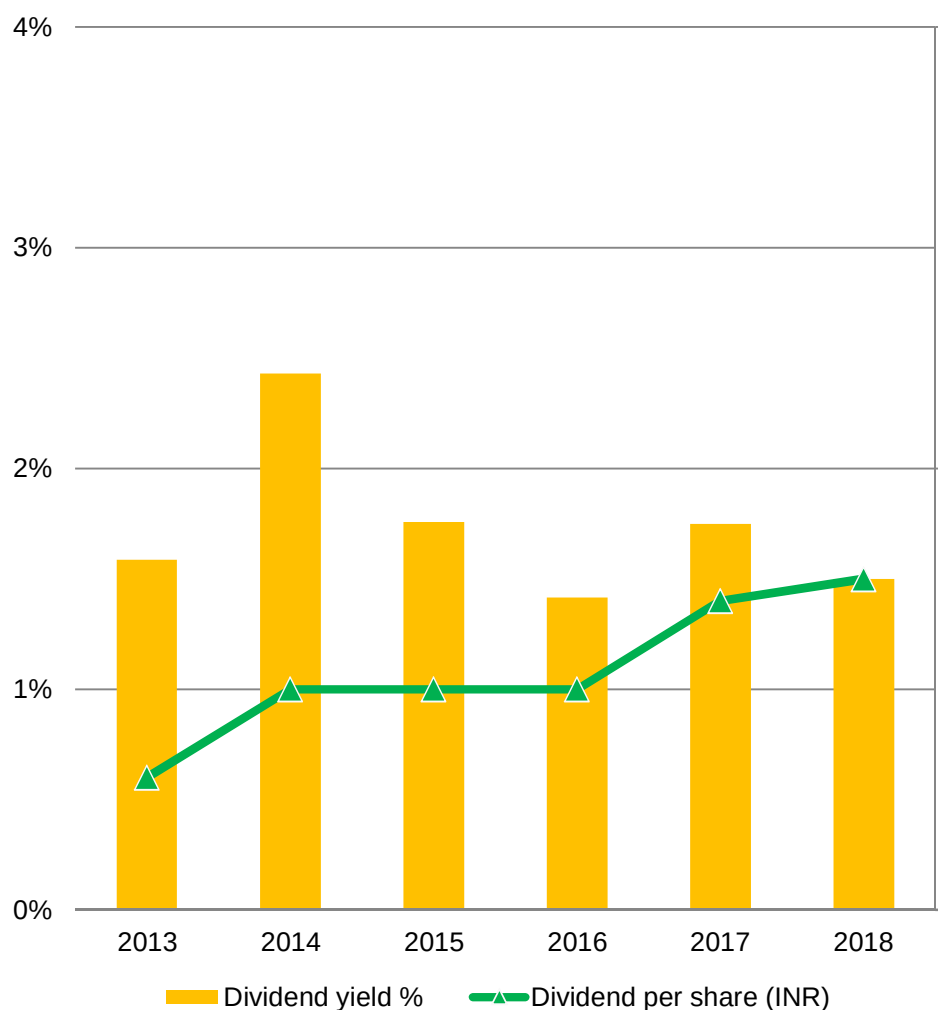
- *Income statement for 12 months period ended 31 March
- FY 2018 & FY 2017 figures are as per Ind AS and past year figures regrouped wherever necessary to make it comparable with the current period

Regular dividend flow

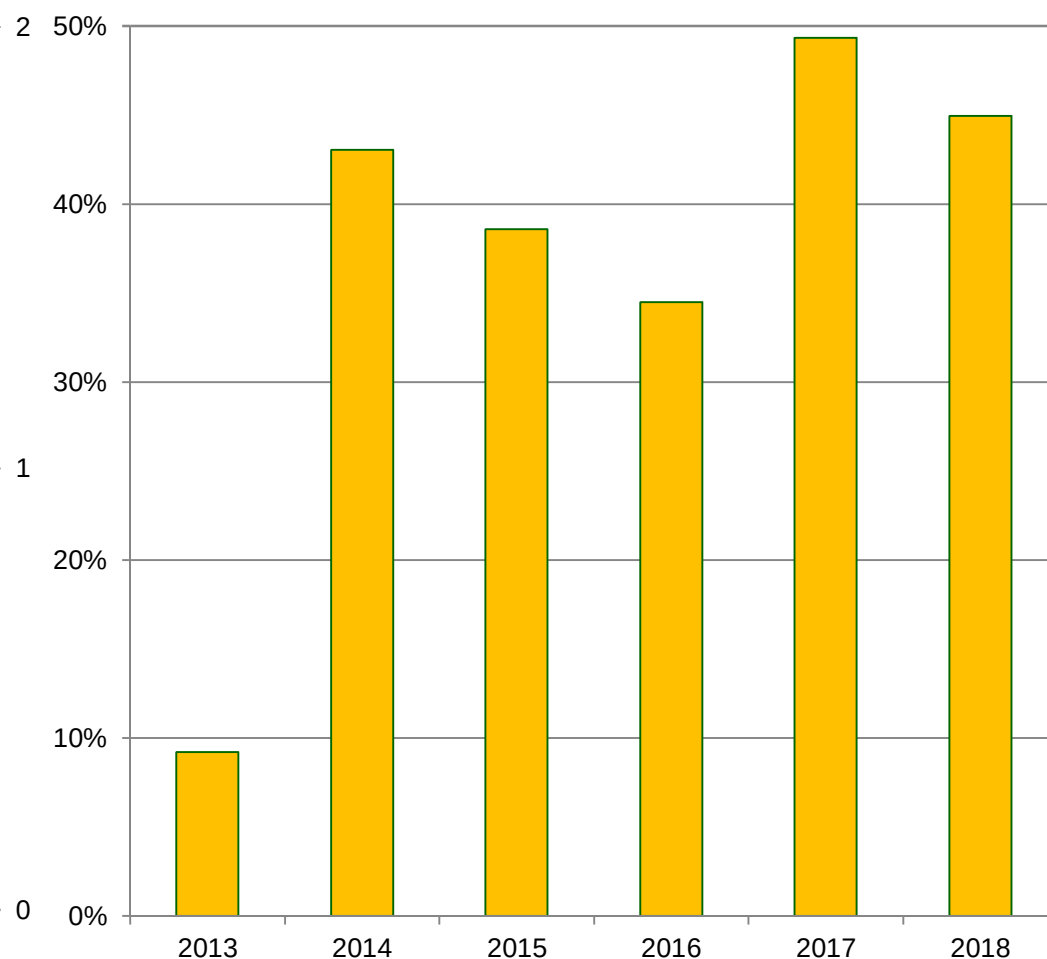


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Dividend yield % and dividend per share



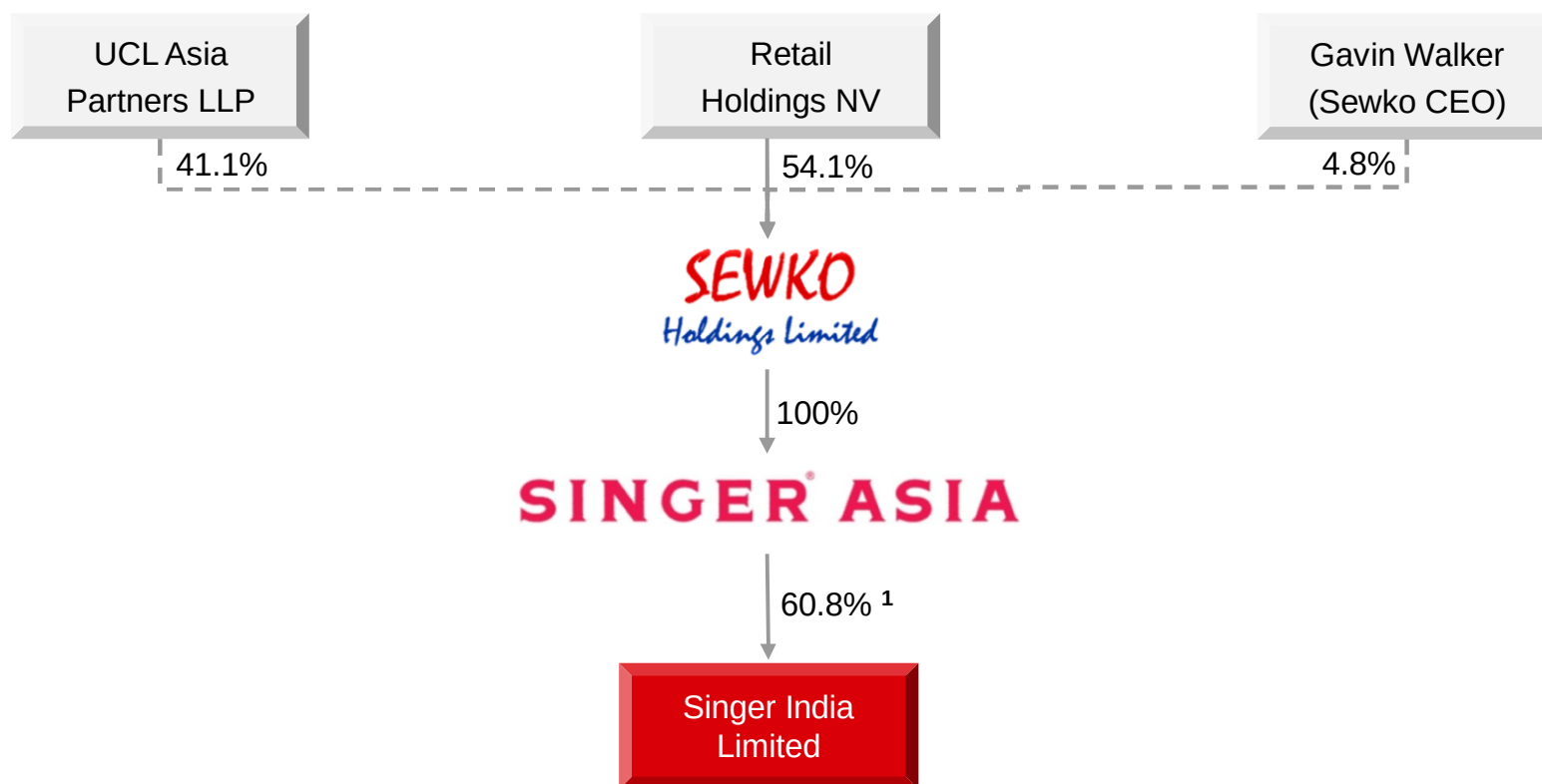
Dividend % of net profit



Notes:

1. Based on the 12 months ended March share price or net profit and the dividend of the following year
2. Includes cash dividends only and dividend per share of past years computed on face value of Rs. 2 per share.

Appendix 1 – Group structure



Note:

1. As at 31 March 2018, Singer Asia Limited shares in Singer India Limited are held via wholly owned intermediate holding companies, with the immediate shareholder being Retail Holding (India) B.V. (Netherlands), (Formerly known as Singer India B.V. (Netherlands))



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Thank you

