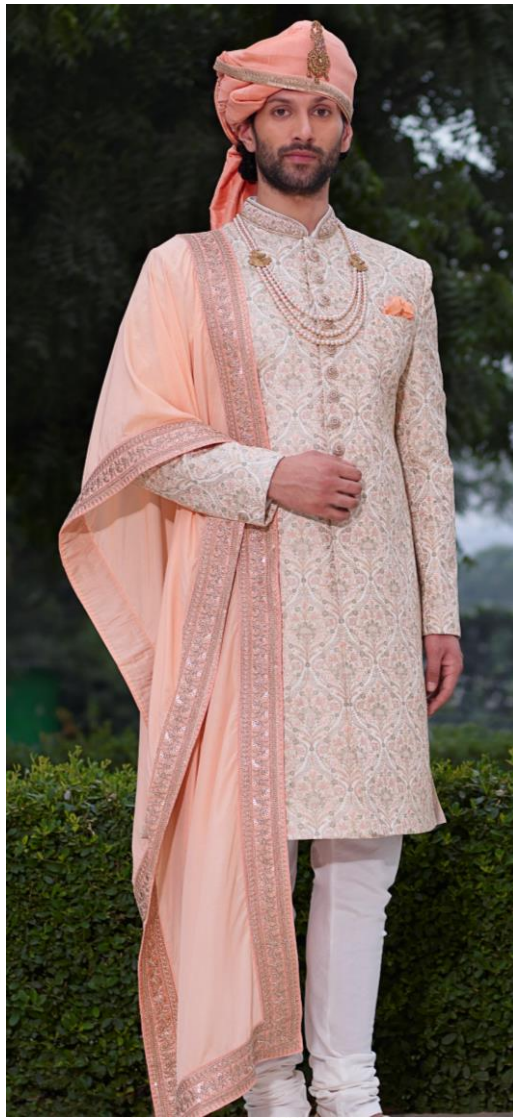




Manyavar



Mohey



twamev



Mebaz



MANTHAN

Vedant Fashions Limited

Investor Presentation November 2022

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About Vedant Fashions

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Introduction to Vedant Fashions

Indian Wedding and Celebration Wear Brands

Headquartered in Kolkata, incorporated in 2002 by Mr. Ravi Modi, Vedant Fashions offers Indian wedding & celebration wear for men, women & kids



One-stop destination with wide product portfolio for every celebratory occasion; aspirational yet value-for-money offering

Largest company in India in men's Indian wedding & celebration wear by Revenue, OPBDIT¹ & PAT*. Commands dominant position in conventionally unorganized market



Omni-channel network of EBOs, MBOs, LFS & Online (own website, mobile app & leading lateral e-commerce platforms)

Manyavar brand is category leader in branded Indian wedding & celebration wear market with pan-India presence*

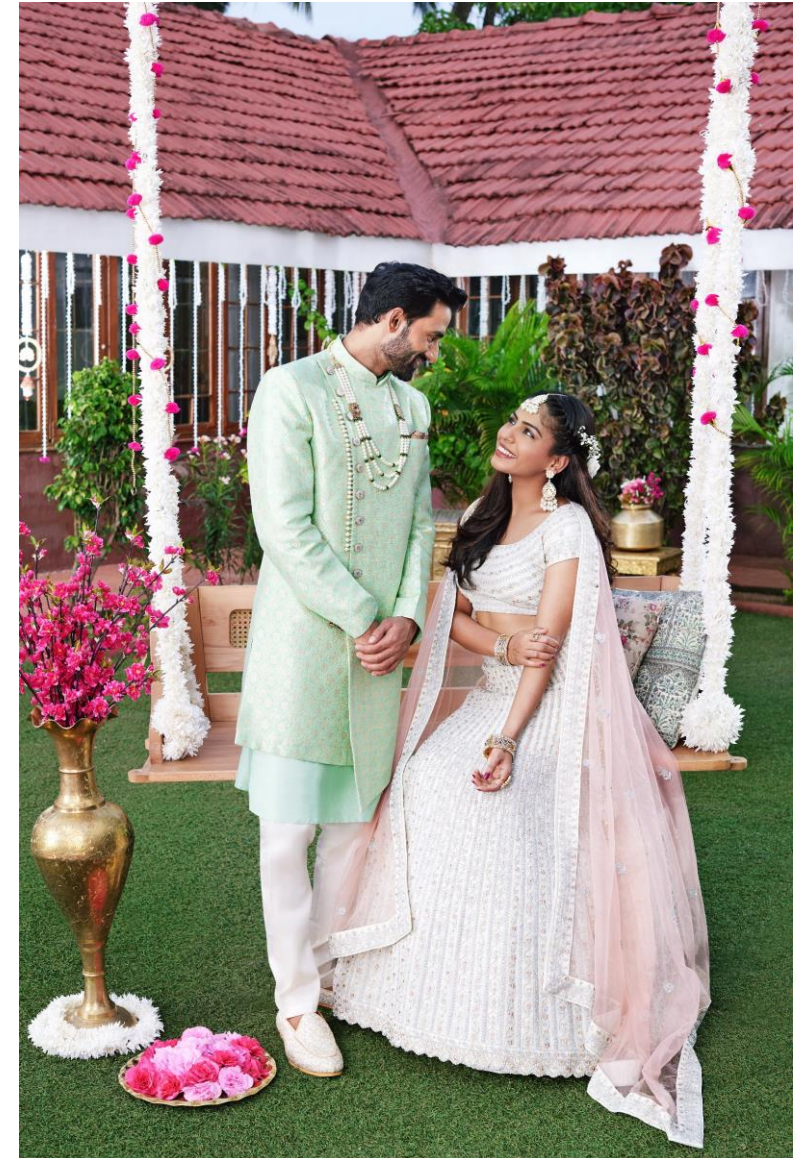


Delivers aristocratic & seamless customer experience via aesthetic franchisee-owned EBOs

Growing presence in women's Indian wedding & celebration wear with Mohey - Largest brand by number of stores with pan-India presence*



Retail footprint (Q2 FY23) of 1.3 mn sq. ft. across India (612 EBOs² in 235 cities & towns in India) and Overseas (14 EBOs in USA, Canada & UAE)



What makes Manyavar Special

Aspirational Yet Value for Money

1

- Aspirational Brand with Aristocratic & seamless customer experience
- Uniform pricing across online & offline channels in India
- No discounts/ end-of-season sales for Manyavar brand
- Multi Decade growth Opportunity for the Category from here

Multi-brand Product Portfolio

2

- One-stop destination with wide product portfolio for men, women & kids catering to all celebratory occasions across price points
- Low level of obsolete & dead stock
- 52 Week Design collection Model

Strong Control Over Entire Ecosystem

3

- Strong design capabilities with data-driven/ AI backed decision-making and demand forecasting
- Tech-driven unique supply chain & inventory mgmt. with Automated Replenishment System at pin code level
- Integrated secondary sales network with full visibility of products sold at our stores
- Having First mover advantage, VFL scaled up and organized highly unorganized and fragmented category

Curated Marketing Strategy with Multi Channel Presence

4

- Emotional connect with theme-based campaigns
- Celebrity brand ambassadors
- Omni-channel network with pan-India presence

Industry Leading Economics

5

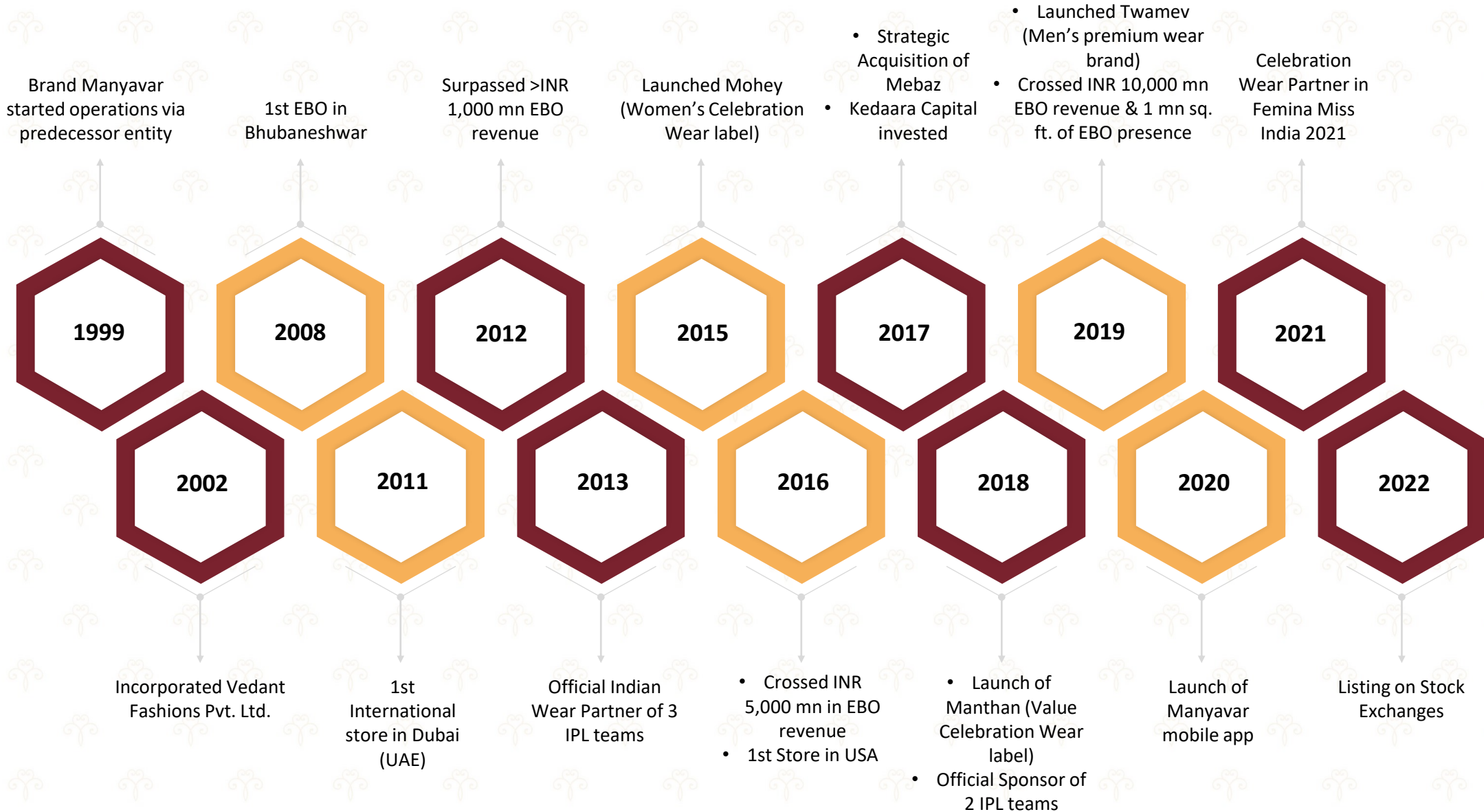
- World Class Financial Matrix in apparel retail being largest company in India in men's Indian wedding & celebration wear by Revenue, OPBDIT & PAT*
- Asset light & franchisee-led EBO distribution model with high cash conversion ratio
- Leads the peer set in terms of financial & operational metrics

Strong Corporate Governance

6

- Experienced management with rich functional expertise
- Big 4 statutory auditor coupled with eminent Board of Directors
- Embraces ESG & promotes CSR

Evolution Over the Years



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Key Investment Highlights/ Our Strengths

Large & growing Indian wedding & celebration wear market driven by an increased spending on such wear

Market leader in Indian celebration wear market with diversified brand portfolio across value spectrum for entire family

Unique business model combining asset-light brand play along with seamless purchase experience; no end of season sales/ discounts for Manyavar brand

Attractive marketing initiatives of creating connections through emotions

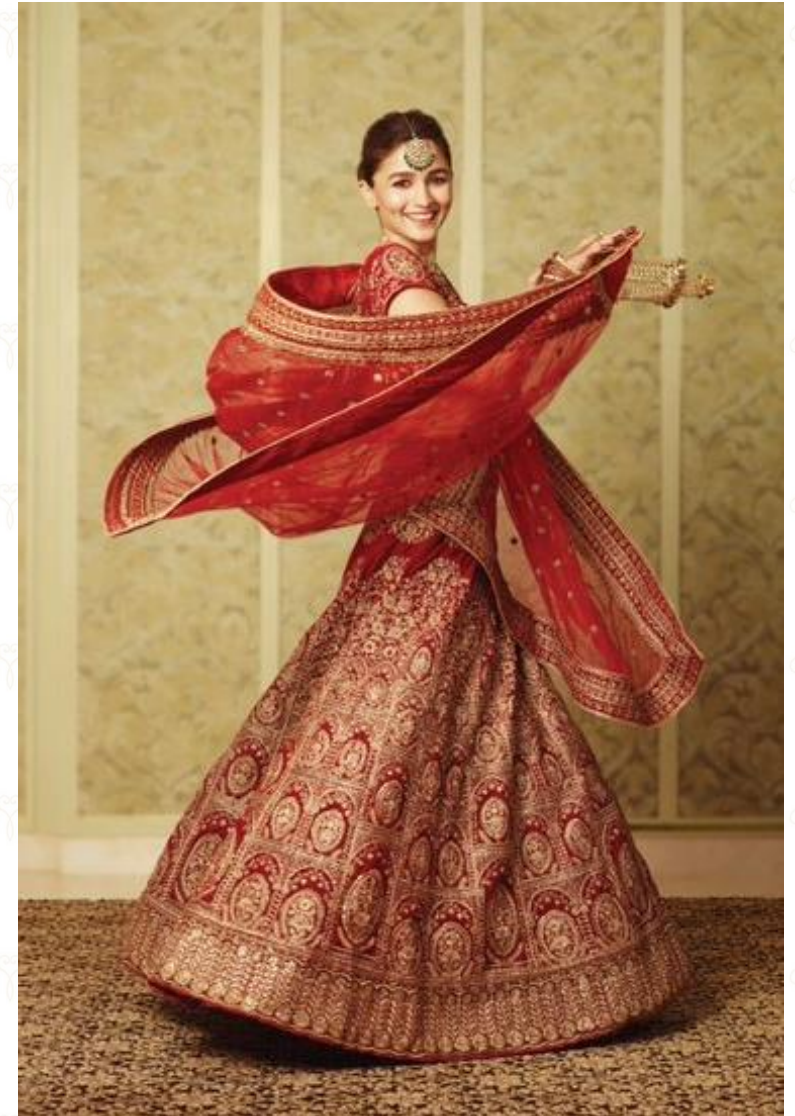
Widespread pan-India multi-channel presence through EBO network with scalable franchisee model

Technology-based supply chain network with strong processes in place

Experienced & professional leadership team

Experienced Board of Directors aided by professional partners

Strong growth trajectory with industry leading margins, return metrics & healthy cash generation



Diversified Brand Portfolio Catering to Aspirations of Entire Family

Brands					
Year	1999 ¹	2015	2019	2017 ²	2018 ³
Target Group	Men, Boys	Women	Men	Men, Women, Kids	Men
Price Spectrum	Mid-Premium	Mid-Premium	Premium	Mid-Premium to Premium	Value
Distribution	EBOs, MBOs, LFS, E-commerce	EBOs & E-commerce	EBO's	EBO's	MBOs, LFS, E-commerce
Product Portfolio	<ul style="list-style-type: none"> ❖ Men: Kurta, Indo-western, Sherwani, jacket, accessories ❖ Kids: Kurta set, jacket set, Indo-western, accessories 	<ul style="list-style-type: none"> ❖ Lehenga ❖ Saree ❖ Gown ❖ Accessories 	<ul style="list-style-type: none"> ❖ Kurta set ❖ Sherwani ❖ Indo-western ❖ Suit ❖ Accessories 	<ul style="list-style-type: none"> ❖ Men: Kurta, Indo-western, Sherwani, Jacket, Suit, Accessories ❖ Women: Lehenga, Saree, Suit, Kurti ❖ Kids: Lehenga, Gown, Frock, Kurta, Suit, Accessories 	<ul style="list-style-type: none"> ❖ Kurta
Key Attributes	<ul style="list-style-type: none"> ❖ Category leader in branded Indian wedding & celebration wear market with a pan-India presence* ❖ Other brands in the category only 1/7th the size of Manyavar ❖ No end of season sales or discounts for Manyavar brand 	<ul style="list-style-type: none"> ❖ Largest brand by number of stores, with pan-India presence focusing women's Indian wedding & celebration wear* ❖ Benefit from Manyavar's leadership position & pan-India EBO footprint ❖ Celebrity brand ambassador & campaigns like "#Dulhan wali feeling" 	<ul style="list-style-type: none"> ❖ Upscale consumer experience ❖ Cross-sell premium offering to Manyavar customers ❖ Priced between Manyavar & luxury boutique brands 	<ul style="list-style-type: none"> ❖ South India focused regional brand; strong presence in AP & Telangana ❖ One-stop shop for ethnic celebration need of entire family ❖ Rich heritage brand with strong legacy 	<ul style="list-style-type: none"> ❖ Large blend of product designs at value prices ❖ Aims to cater to sizeable number of mid-market weddings & other celebrations

Source: Crisil Report; *As of FY20 (latest available); Note: (1) Brand 'Manyavar' started operations via predecessor entity in 1999; (2) Brand 'Mebaz' was started in 2002 but was acquired by Company in 2017; (3.) Large scale operations commenced after refreshed launch in 2018;

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Our Growth Strategy

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Retail Expansion within and outside India

02

Up-selling and cross-selling initiatives

03

Enhancement of brand appeal through targeted marketing initiatives

04

Significant potential and space for growth of our emerging brands

05

Disciplined approach towards acquisitions



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Wide Pan-India Reach and Presence including International Markets

Presence (As of H1 FY23)

1.34 mn Sq. ft.

EBO's Area*

626

EBO's*

235

Cities and towns in India

Net Rollout (Q2 FY23)

62 k Sq. ft.

EBO's Area

23

EBO's

International Presence (As of H1 FY23)

3

Countries

9

Cities

30,919 sq. ft.

Total Retail Stores Space

Total EBOs: 14

7

UAE



6

USA



1

Canada



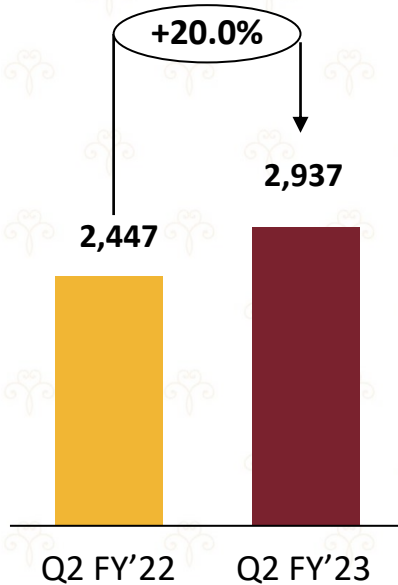
Note: 1. * Global EBO's Area and count including shop-in-shops (SIS)

Key Retail Highlights

INR in mn

Strong Retail Growth Vs FY22 (Sale of our Customers³) across Channels

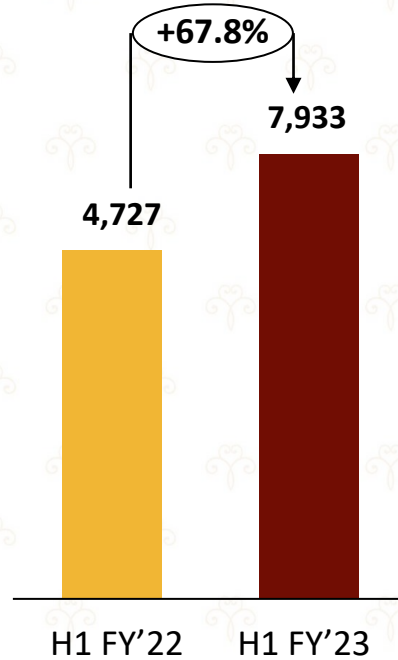
Q2 FY'23 Vs Q2 FY'22



VFL recorded SSSG^{2**} of 4.1% in Q2 FY'23 over Q2 FY'22

**SSSG of 6.7% (excl. stores under renovation)

H1 FY'23 Vs H1 FY'22

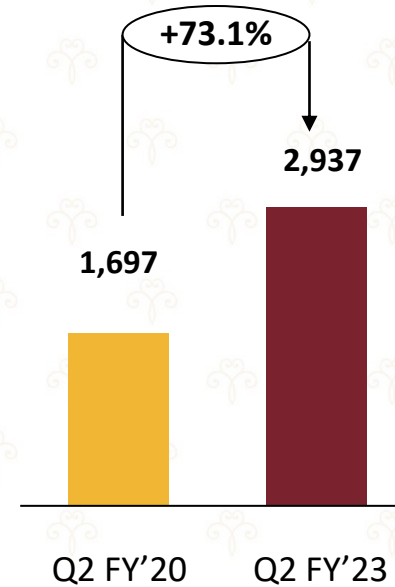


VFL recorded SSSG^{2**} of ~53.5% over H1 FY'22

**SSSG of 54.2% (excl. stores under renovation)

Strong Retail Growth Vs FY20 (Sale of our Customers³) across Channels

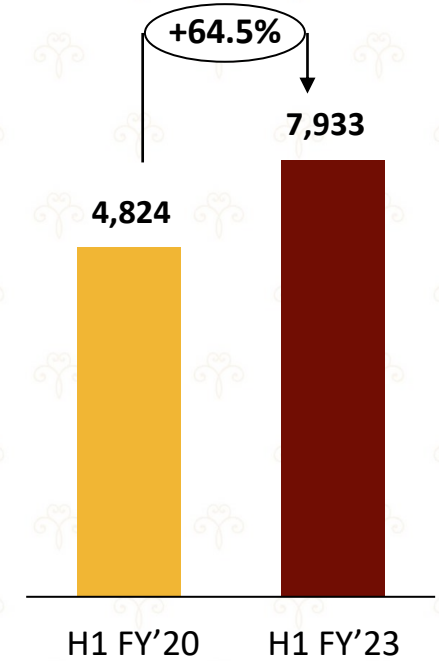
Q2 FY'23 Vs Q2 FY'20



VFL recorded SSSG^{3**} of 35.1% in Q2 FY'23 over Q2 FY'20

**SSSG of 40.8% (excl. stores under renovation)

H1 FY'23 Vs H1 FY'20



VFL recorded SSSG^{3**} of 28.2% over H1 FY'20

**SSSG of 30.8% (excl. stores under renovation)

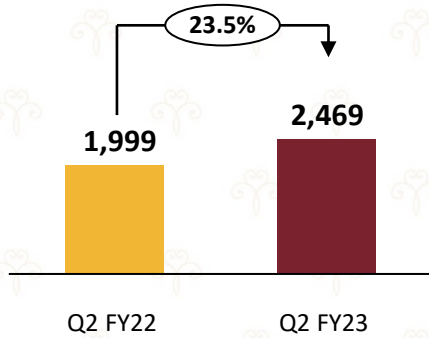
Note: (1). Sales of our customers comprises of sales of products of our brands (a) made by our EBOs, LFSs and online channel customers, and (b) made by us to MBOs (including shop in - shops) and certain lateral e-commerce platforms customers at RSP; (2) SSSG stores for comparing with Q2 FY'22 and H1 FY22 includes stores open on or before 31st Mar' 2021 and running as on 30th Sep' 2022; (3) SSSG stores for comparing with Q2 FY20 and H1 FY'20 includes stores open on or before 31st Mar' 2019 and running as on 30th Sep' 2022.

Key Financial Highlights (Consolidated)

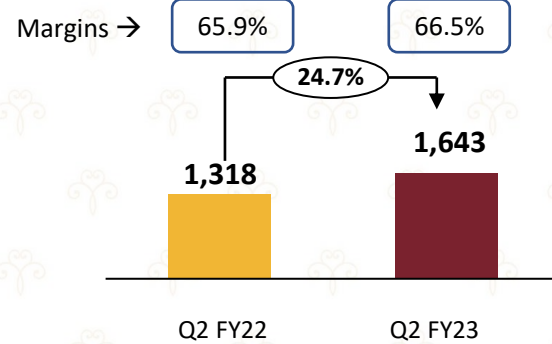
INR in mn

Q2 FY23 YoY Analysis

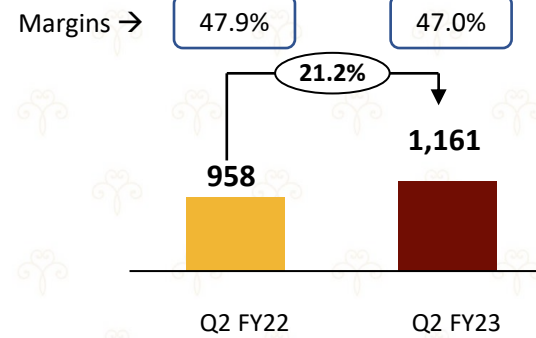
Revenue from Operations



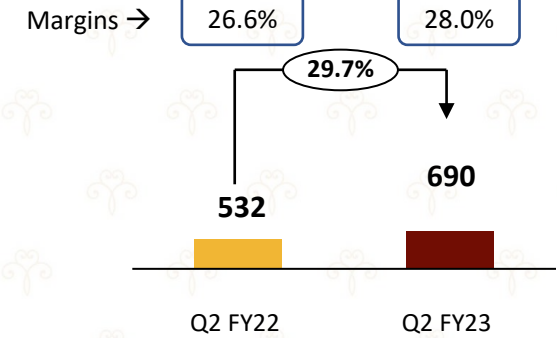
Gross Profit¹ & Gross Margin



EBITDA² & EBITDA Margin

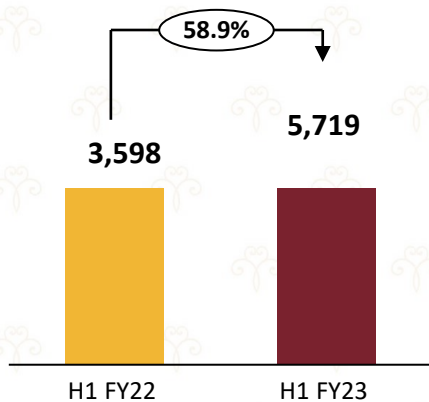


PAT & PAT Margin

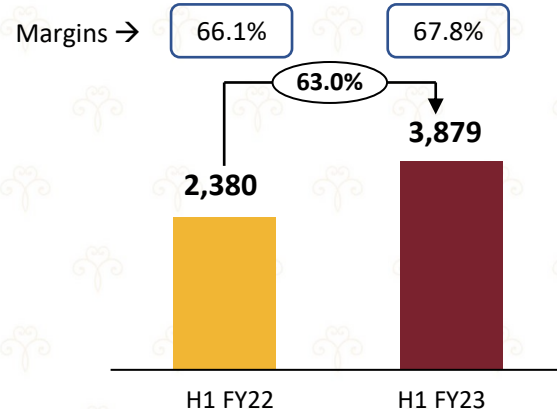


H1 FY23 YoY Analysis

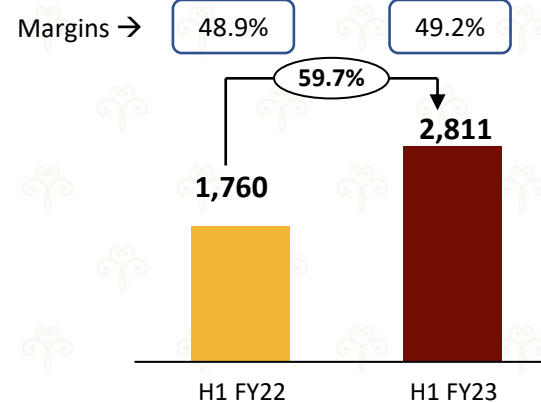
Revenue from Operations



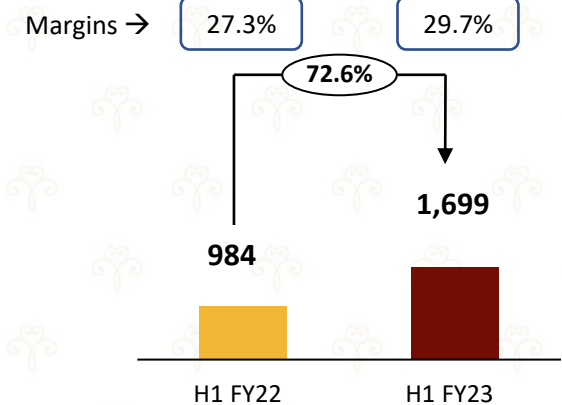
Gross Profit¹ & Gross Margin



EBITDA² & EBITDA Margin



PAT & PAT Margin



Note: (1) Gross Profit = Revenue from Operations – Cost of Goods Sold; Cost of Goods Sold = Cost of Material Consumed + Changes in Inventories of finished goods & Work-in-progress + Purchase of stock-in-trade + Job Charges; Gross Margin = Gross Profit ÷ Revenue from Operations (2) Note for EBITDA = PBT + Finance cost + Depreciation - Interest Income on fixed deposits, bonds & debentures - Dividend Income - Profit on sale of investments - Profit on fair valuation of investments carried at FVTPL

Profit and Loss Statement Q2 and H1 FY23 (Consolidated)

INR in mn

Particulars		Quarter ended		Half Year ended		Year ended
		Sep 30, 2022	Sep 30, 2021	Sep 30, 2022	Sep 30, 2021	31-Mar-22
		(Unaudited)	(Audited)	(Unaudited)	(Audited)	(Audited)
Sr.no	Income:					
I	Revenue from operations	2,469	1,999	5,719	3,598	10,408
II	Other income	97	89	168	274	499
III	Total income (I + II)	2,566	2,088	5,887	3,873	10,908
IV	Expenses:					
	Cost of materials used					
	- Raw materials	408	263	745	420	1,152
	- Accessories & packing materials	46	45	94	67	176
	Purchases of stock-in-trade	565	328	994	582	1,706
	Changes in inventories of finished goods, work-in-progress and stock-in-trade	(447)	(134)	(451)	(164)	(366)
	Employee benefits expense	135	124	265	230	575
	Finance costs	77	65	156	122	284
	Depreciation and amortisation expense	249	222	513	431	944
	Other expenses	608	462	1,287	859	2,206
	Total expenses	1,641	1,375	3,603	2,548	6,678
V	Profit before tax (III-IV)	925	714	2,284	1,325	4,230
VI	Tax expense/(credit):					
	- Current tax	209	209	586	320	1,057
	- Deferred tax charge/(credit)	26	(27)	(00)	20	24
VII	Profit for the period / year (V-VI)	690	532	1,699	984	3,149



Consolidated Balance Sheet

INR in mn

INR mn	As at 9/30/2022	As at 3/31/2022
Assets		
Non-current assets		
Fixed Assets	2,443	2,480
Right-of-use assets	2,496	2,667
Capital work-in-progress	7	-
Investments	1,483	1,003
Other non-current assets	1,396	1,207
Total non-current assets	7,825	7,358
Current assets		
Inventories	1,852	1,430
Trade receivables	4,382	3,967
Investments including Cash and bank Balance	3,613	4,160
Other current assets	662	770
Assets held for sale		13
Total current assets	10,509	10,340
Total assets	18,335	17,698
Equity and Liabilities		
Equity		
Equity share capital	243	243
Other equity	11,099	10,585
Total equity	11,342	10,827
Non-current liabilities		
Lease liabilities	1,749	1,934
Deposits	966	912
Deferred tax liabilities (net)	167	168
Other Liabilities & Provisions	437	423
Total non-current liabilities	3,319	3,438
Current liabilities		
Borrowings	-	-
Lease liabilities	874	853
Trade payables	660	730
Other current liabilities	2,140	1,849
Total current liabilities	3,674	3,432
Total equity and liabilities	18,335	17,698

Consolidated Cash Flow

INR mn	INR in mn	
	Period ended 30-Sep-22	Year ended 31-Mar-22
Cash flow from operating activities		
Profit before tax	2,284	4,230
Operating profit before working capital changes	2,814	5,050
Movement in working capital	(655)	(450)
Cash generated from operations	2,159	4,600
Net income tax (paid)	(700)	(1,090)
Net cash from operating activities	1,459	3,510
Cash flow from investing activities		
Purchase of property, plant and equipments, capital work in progress & intangible assets (including capital advances)	(15)	(23)
Proceeds from sale of property, plant and equipments & intangible assets (including advance received)	35	132
Net proceeds from sales / (purchase) of investments	353	37
Interest and dividend income and other items	27	418
Net cash flow from investing activities	401	565
Cash flow from financing activities		
Payment of Lease Liabilities (including interest)	(560)	(834)
Buy back of equity shares (including tax)	-	(3,313)
Interest paid other than lease & other items	(0)	(4)
Share application money received pending allotment	9	-
Dividend paid	(1214)	-
Proceeds from fresh equity shares issuance against vested ESOPs in Holding Company	-	47
Net cash used in financing activities	(1,765)	(4,105)
Net increase / (decrease) in Cash and cash equivalents	95	(30)
Cash and cash equivalents at the beginning of the period	36	66
Cash and cash equivalents at the end of the period	131	36

Marketing Campaign

“TAIYAAR HO KAR AAIYE”

#TAIYAAR HO KAR AAIYE campaign by Manyavar is built around savoring the truest essence of a wedding in your own ethnicity, i.e. in your favorite Indian attire.

TAP ON THE IMAGE TO WATCH THE VIDEO



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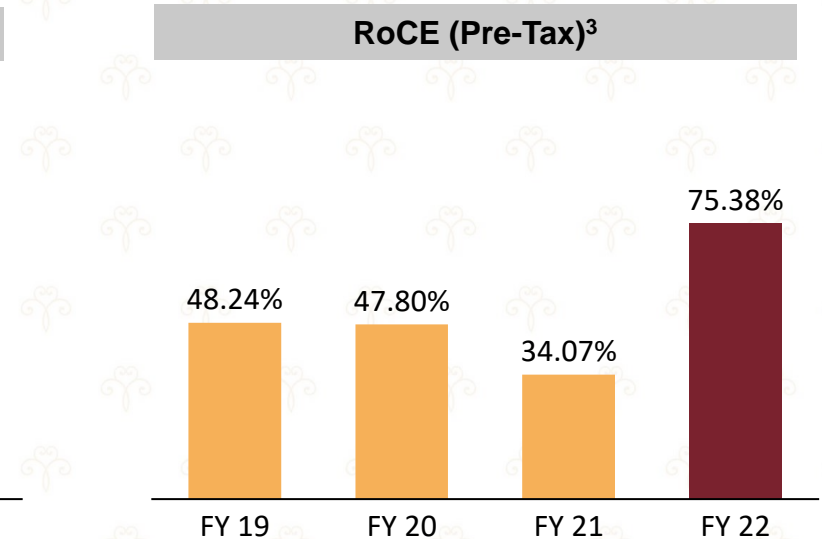
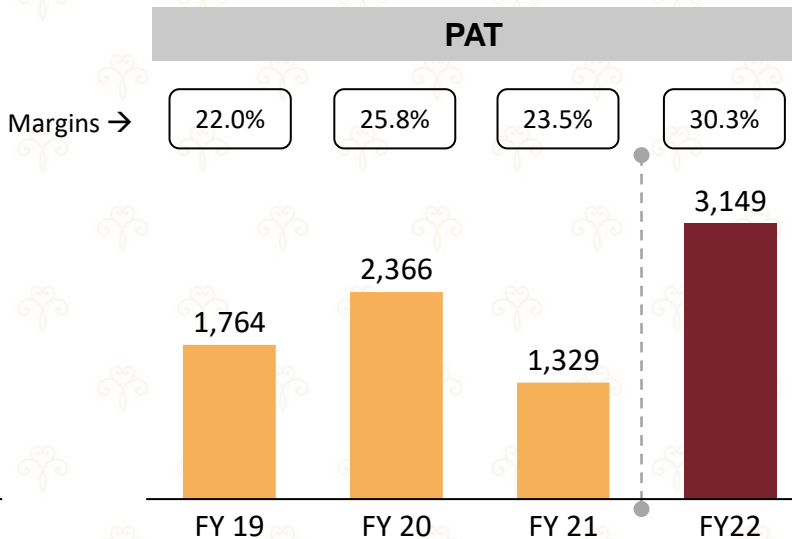
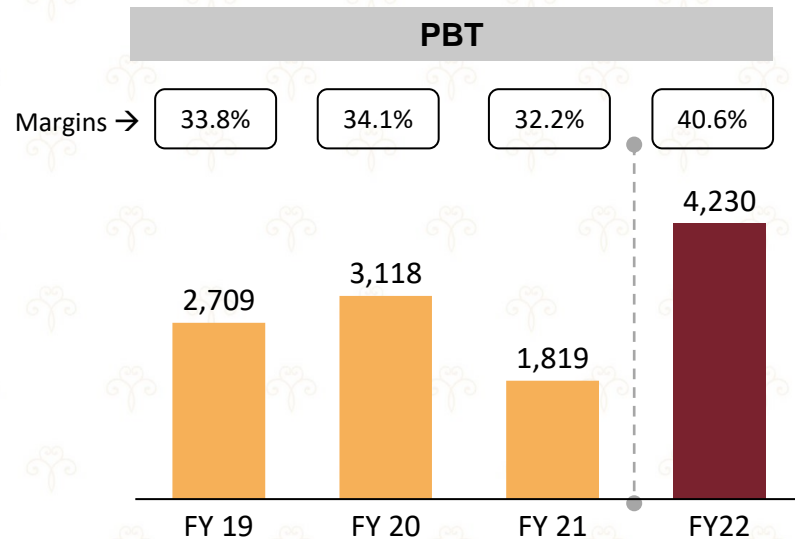
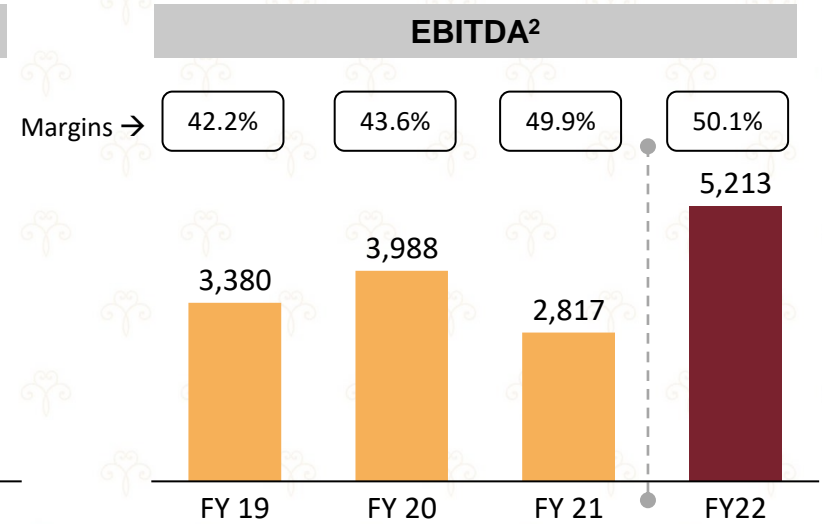
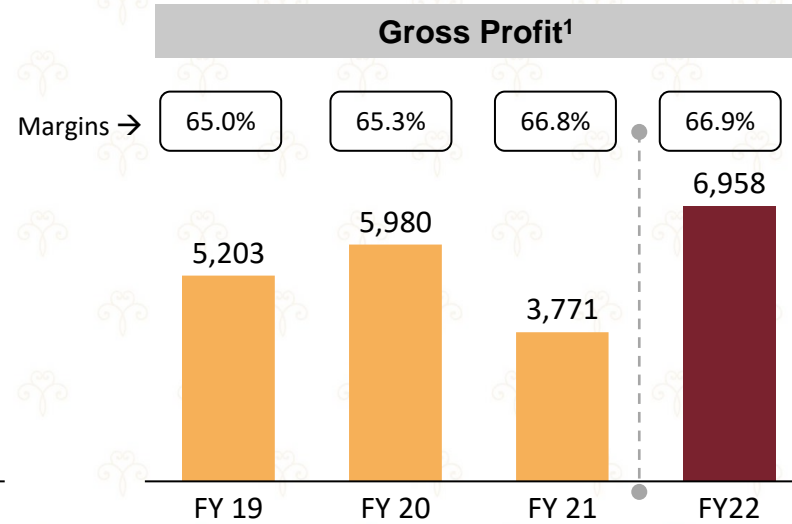
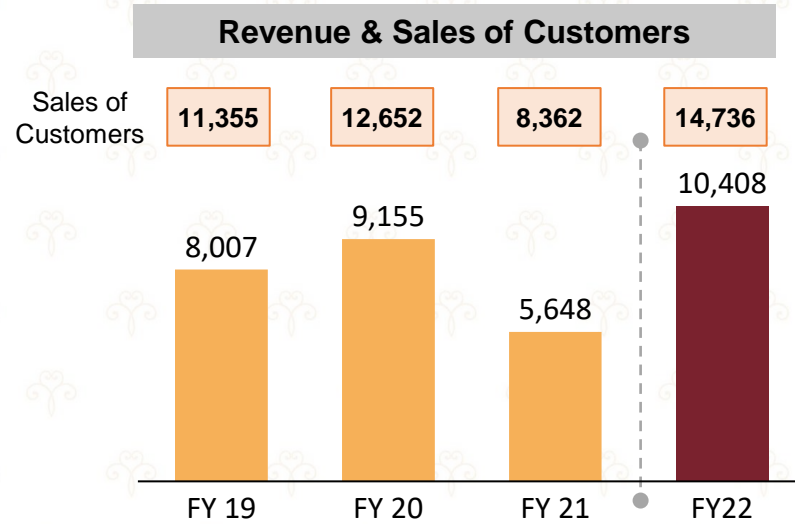
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Long Track Record of Strong Growth Trajectory

INR in mn



Note: (1) Gross Profit = Revenue from Operations – Cost of Goods Sold; Cost of Goods Sold = Cost of Material Consumed + Changes in Inventories of finished goods & Work-in-progress + Purchase of stock-in-trade + Job Charges; Gross Margin = Gross Profit ÷ Revenue from Operations (2) EBITDA = PAT + Finance costs + Total tax expense + Depreciation - Other finance income (3) ROCE = Numerator = PBT + Finance cost – (Interest income on fixed deposits, debentures + Profit on sale of investments + Profit on fair valuation of investments carried at FVTPL + Dividend income from mutual funds) Denominator = Net worth – (Current investment + Non current investment + Other bank balance)

Awards and Accolades



2022

"Dream Employer of the Year"
World HRD Congress

"The Best of Bharat" Awards
E4M Pride of India

"Most Admired Fashion Brand of the year: Men's Indianwear"
Images Fashion Award



2021

**"Most Admired Retailer of the year
Marketing and Advertising campaign"**
Mapic India

"Best Employer Branding Award"
World HRD Congress and Stars Group



2020

"Men's Indianwear"
Images Excellence Award

**"Retail Marketing Campaign of the Year
#TaiyaarHokarAaiye"**
ET Now

**"Excellence in Business Performance –
Turnover between INR 300 Crore and
1,000 Crore"**
ET Bengal Corporate Award



2019

**"Transformational Contribution to Indian
Apparel and Retail Industry"**
Ministry of Textiles and the Clothing
Manufacturers Association of India

Times Business Award for
"Best Men's Ethnic Wear Brand (East)"
Times Group

"Retail Marketing Campaign of the Year"
ET Now



2018

**"Most Admired Retailer of the Year
Marketing & Promotions Campaign"**
Images Retail Award



2017

**"Most Admired Fashion Brand of the year:
Men's Indian Wear"**
Images Fashion Award



2015

"National Retailer of the Year"
4th Annual Indian Retail & Indian eRetail
Awards

**"Excellence in Supply Chain Management
& Fulfillment"**
Images Retail Tech Award

**"Highest Job Creator - above INR 300
crore to INR 1000 crore"**
ET Bengal Corporate Award



2014

**"Fastest Growing Company-maximum
turnover INR 300 crore"**
ET Bengal Corporate Award

"Pioneer in Ethnic Retail Business"
ABP News



2008-2010

"Iconic Men's Ethnic Brand"
Central Icons



2004-2008

"Best Men's Ethnic Wear Brand"
Central Icons

Glossary

Term	Description
Company	Vedant Fashions Limited
Crisil Report	The report titled “Assessment of the apparel industry with a special focus on Indian wedding and celebration wear market in India” dated Sep-2021 as updated by the addendum dated December 2021 prepared by CRISIL
EBO	Exclusive brand outlets of a brand or company
ERP	Enterprise resource planning system
Indian wedding & celebration wear	Apparel worn on special occasions such as weddings; close-knit family functions like puja, house warming, etc.; festivals such as Diwali, Eid, Holi and Rakshabandhan; and other events such as Independence Day and Republic Day
Indo-western	Combination of traditional Indian ethnic apparel & western wear
LFS	Large format stores
MBO	Multi-brand outlets
Men’s ethnic wear or apparel	Apparel including Kurtas, Indo-westerns, Sherwanis, jackets & other accessories
OPBDIT	Operating profit before depreciation, interest & tax
Ready-to-wear	Apparel made for general market & sold through shops rather than made to order for an individual customer
RSP	Retail selling price
Sales of Customers	Includes sales of products of Company’s brands (a) made by Company’s EBOs, LFSs & online channel customers, & (b) made by Company to MBOs (including shop-in-shops) & certain lateral e-commerce platforms customers at RSP
SIS (Shop-in-shops)	An arrangement where a separate retail space is allocated in stores for retailing Company’s products
Women’s ethnic wear or apparel	Apparel such as lehengas, sarees & stitched suits



Thank You

Company :



Vedant Fashions Limited
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