PDS Announces Q1 FY24 Earnings and Ted Baker Acquisition

Global fashion powerhouse, PDS Limited, known for its bespoke solutions spanning product creation, sourcing, production, and brand administration, has revealed its financial performance for the quarter ending June 30, 2023.

PDS registered a quarterly topline of ₹2,115crs. Furthermore, the company's gross merchandise value saw a 13% YoY rise, reaching ₹3,025cr. Gross margins also experienced growth from 15.9% in the prior year's first quarter to 18.7% in this fiscal year. With an EBITDA of ₹67crs (a margin of 3.2%), the profit after tax stood at ₹23crs. Notably, ROCE and ROE recorded at 37% and 27%, respectively.

A significant event this quarter was PDS's strategic acquisition of the Ted Baker Design Group business. This acquisition has already proven lucrative, generating ₹30cr in the topline within just 15 days, with an impressive 9% bottom line. This move is expected to herald more such prosperous ventures.

Segment-wise, the company's sourcing division showcased a topline of ₹2,031crs with a 38% ROCE. The manufacturing segment reported a revenue of ₹117crs, an EBIT margin of 3.5%, and a 6% ROCE. Moreover, in a green initiative, PDS's factory in Bangladesh, Green Smart Shirts Ltd, has transitioned to solar energy, promising cost savings. Infrastructure upgrades, such as enhanced fire resistance, were also made to cater to US clientele.

Pallak Seth, PDS's Executive Vice Chairman, commented, “While upcoming months may pose challenges, we remain optimistic for the medium to long-term horizon. We're proactively enhancing our capabilities, scouting for strategic growth avenues.”

Adding to this, Sanjay Jain, Group CEO, stated, “Our resilient infrastructure has allowed us to navigate global fashion challenges. We remain dedicated to providing unparalleled value to our stakeholders.”

With a legacy of growth and innovation, PDS is dedicated to redefining the fashion industry, fostering strong partnerships with global brands and retailers.