

Avendus Capital advises promoters of Dixcy in selling a significant stake to Advent International

Mumbai, July 27, 2017

Dixcy Textiles Pvt. Ltd. (“Dixcy”), a leading innerwear brand in India, announced a stake sale to Advent International, one of the largest and most experienced global private equity investors. Avendus Capital was the exclusive financial advisor to the promoters of Dixcy for this transaction.

Dixcy’s Founder and Managing Director, Prem Prakash Sikka, will retain a stake in the company and continue as the Chairman following the completion of the transaction. Financial terms were not disclosed.

Located in Tirupur, India, Dixcy was founded in 1982 by Mr. Sikka with a vision of creating a strong innerwear brand that caters to all segments of the hosiery market. Today the company is the exclusive manufacturer and marketer of several leading innerwear brands, including Dixcy Scott, Dixcy Scott UNO, Dixcy Josh, Dixcy and Slimz.

Through its network of more than 1000 distributors, Dixcy supplies products to over 120,000 retail outlets across the country. The company employs over 3,500 people and generated sales of INR 7.84 billion (US\$120million) in fiscal year 2017.

The company recently launched a premium range of products further adding track pants, shorts and polo t-shirts to its product portfolio. Additionally, Dixcy has begun to expand internationally by placing its products in stores across the Middle East, and Singapore.

“We are excited to partner with Advent, a leading global investor with strong knowledge of the Indian market and significant experience in the retail and consumer sector,” said **Prem Prakash Sikka, Founder and Managing Director of Dixcy**.

“Dixcy is a well-positioned brand within the innerwear segment with a strong distribution network in an attractive industry,” said **Shweta Jalan, Managing Director and Head of India for Advent International**. “The innerwear market in India is expected to grow at double-digit rates over the next five years, driven by increased per capita spending and consumer demand for premium products. We see significant opportunities to create value by professionalizing the business, investing in distribution, sales and product innovation, and improving procurement and plant efficiency.”

Commenting on the transaction, **Mr Ritesh Chandra, Executive Director and Head, Consumer, FIG and Business Services Group, Avendus Capital** said, “The stake sale to Advent is a transformative transaction for Dixcy. The Company has demonstrated market leading growth rates and return ratios over the years. We believe that, with this transaction, the company has an opportunity to become one of the leaders in the space in the coming years.”

About Avendus Capital Pvt. Ltd. (“Avendus Capital”)

The Avendus Group (Avendus) is a leading provider of financial services with an emphasis on customized solutions in the areas of Financial Advisory, Wealth Management, Structured Credit Solutions and Alternative Assets Management. Avendus relies on its extensive experience, in-depth domain understanding and knowledge of the regulatory environment, to offer customized solutions that enable clients to meet their strategic aspirations. Avendus Capital has consistently been ranked among the leading financial advisors by overall number of deals. It has a strong track record of cross-border transactions and has helped multiple clients benefit from opportunities across geographies. Avendus’s wide range of clients is testimony to its ability to serve its corporate clients throughout their life cycle – from growth stage funding to complex, large sized transactions later in the cycle. Avendus Capital Inc. and Avendus Capital (UK) Pvt. Ltd. located in New York and London respectively are wholly owned subsidiaries offering M&A and Private Equity syndication services to clients in the respective regions.

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About Dixcy

Founded in 1982 and located in Tirupur, Dixcy is the exclusive manufacturer and marketer of several leading innerwear brands in India, including Dixcy, Dixcy Scott UNO, Dixcy Josh and Dixcy & Slimz. The company caters to all segments of the market across multiple price points through these focused brands. It has created demand for its collections by offering high-quality products and securing endorsements from leading Indian actors such as Salman Khan, Sonakshi Sinha, Puneeth Rajkumar and Jiva. Through its network of more than 1,000 distributors, the company supplies products to over 120,000 retail outlets across the country. Over the years, Dixcy has transformed itself from an innerwear brand to a broader apparel brand.

For more information, visit www.dixcy.co.in.

About Advent International

Founded in 1984, Advent International is one of the largest and most experienced global private equity investors. The firm has invested in over 325 private equity transactions in 40 countries and as of March 31, 2017, had \$39 billion in assets under management. With offices on four continents, Advent has established a globally integrated team of over 190 investment professionals across North America, Europe, Latin America and Asia. The firm focuses on investments in five core sectors, including business and financial services; healthcare; industrial; retail, consumer and leisure; and technology, media and telecom. After more than 30 years dedicated to international investing, Advent remains committed to partnering with management teams to deliver sustained revenue and earnings growth for its portfolio companies.

For more information, visit www.adventinternational.com.

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