

Investor Presentation – February 2016



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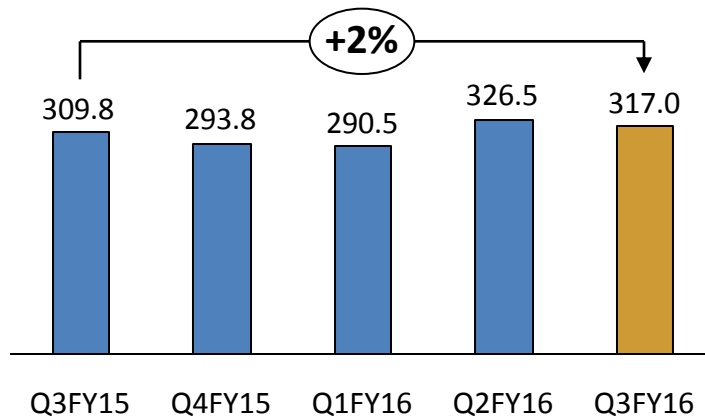


► Q3 FY16 Result Highlight

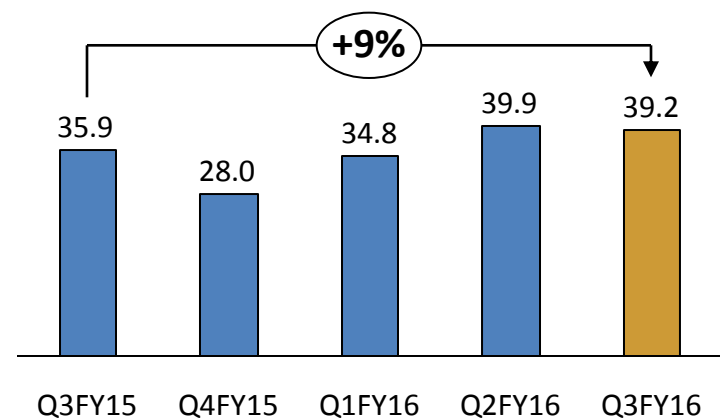
Strong Sequential Recovery Underway - Consolidated



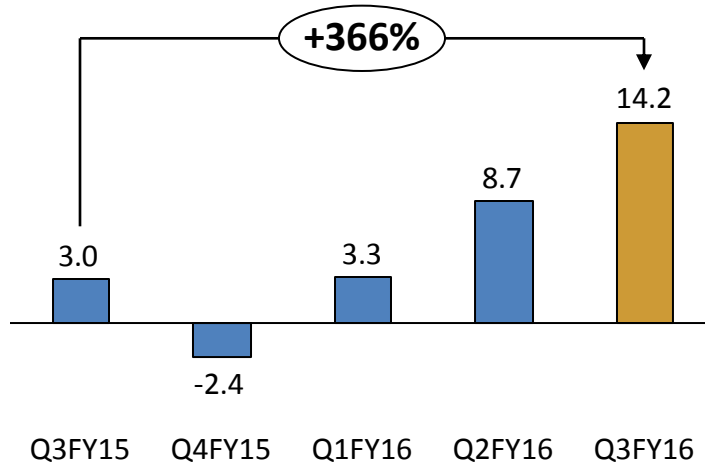
Production Valu Rs crs



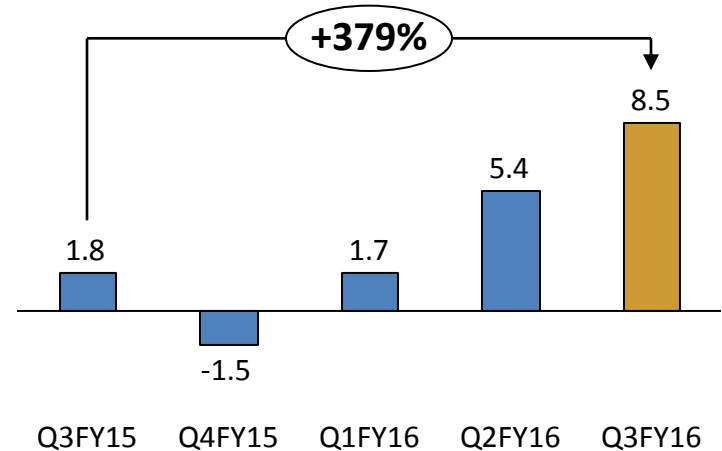
EBIDTA Rs crs



PBT Rs crs



PAT Rs crs



Q3 FY16 Results Highlights



- ▶ Production value growth of 2% to Rs. 317 crores
 - Pass on of lower commodity prices leading to lower realisation & revenue growth
- ▶ Improvements in Gross Margins is due to higher weightage of Garmenting & Fabric in the product mix
- ▶ EBITDA grew by 9.35% to Rs. 39.2 crores
 - EBITDA margin expanded by 110 bps to 3.15%
- ▶ Finance expense lower by 32.7% to Rs. 13.8 crores
 - Regular debt repayment as per schedule
 - Received additional 3% interest rebate under New Interest Equalisation Scheme effective from 1st April 2015
 - The Rebate pertaining to the Interest Equalisation Scheme amounted to Rs 1.3 crs per quarter totally to Rs 3.9 crores for 9M FY19 fully charged in Q3 FY16
- ▶ PAT grew by 379% to Rs. 8.5 crores
- ▶ Focus on high margin Garmenting and Fabric business
- ▶ Entry into new geography of Japan, USA & Europe witnessing good traction

Consolidated Q3 & 9M FY16 P&L Highlights

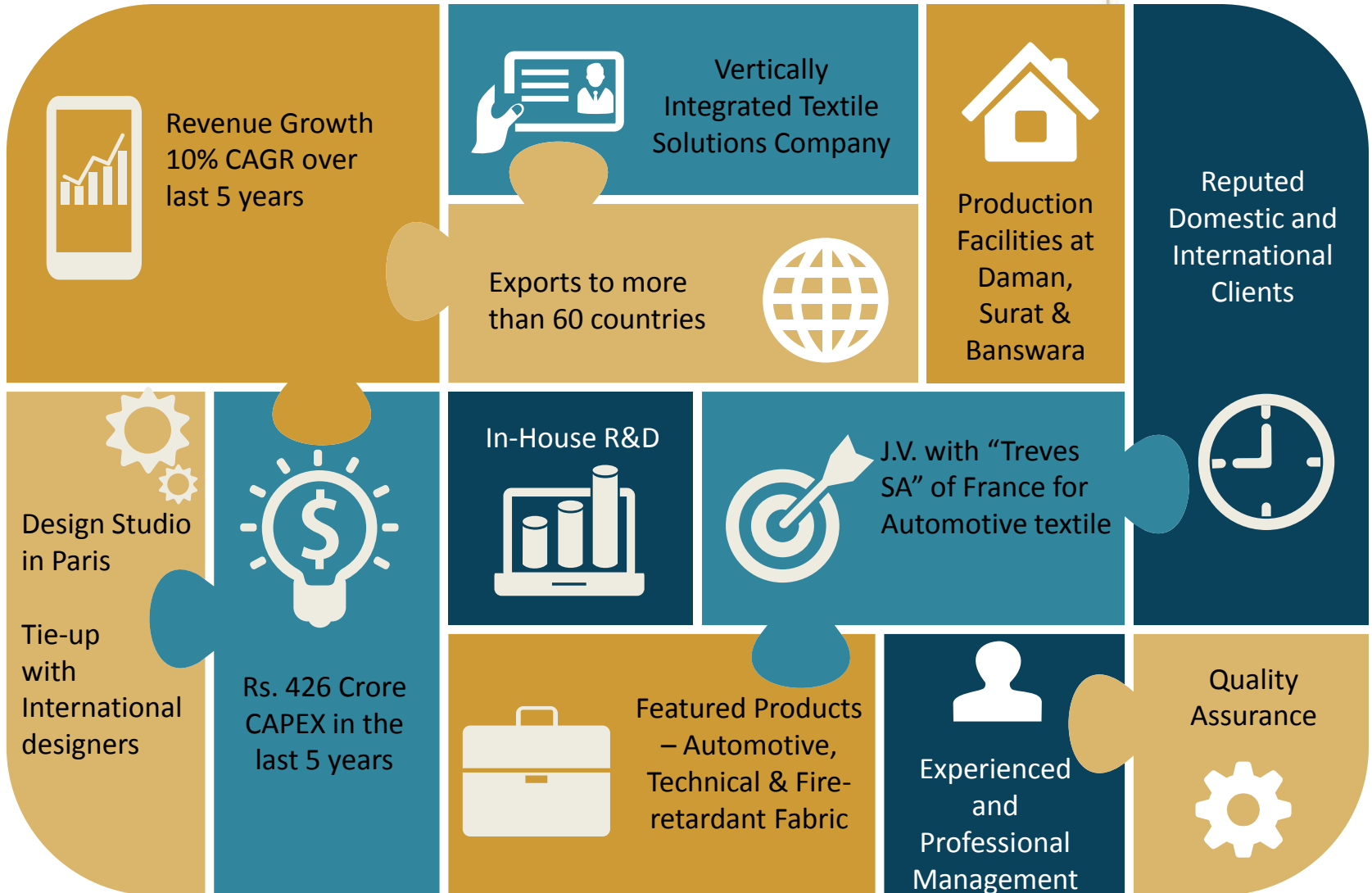


| Rs Crs | Q3 FY16 | Q3 FY15 | Y-o-Y | 9M FY16 | 9M FY15 | Y-o-Y |
|-------------------------------|---------------|---------------|----------------|---------------|---------------|---------------|
| Total Operating Income | 300.5 | 300.0 | 0.18% | 916.3 | 920.7 | -0.48% |
| Raw materials | 133.8 | 142.8 | | 431.5 | 455.4 | |
| Employee Exp | 52.3 | 44.8 | | 147.4 | 133.9 | |
| Other Expenses | 75.2 | 76.6 | | 223.4 | 220.9 | |
| EBIDTA | 39.2 | 35.9 | 9.35% | 114.0 | 110.5 | 3.18% |
| Margin % | 13.05% | 11.95% | | 12.44% | 12.00% | |
| Other Income | 3.3 | 2.8 | | 8.5 | 11.6 | |
| Depreciation | 14.5 | 15.1 | | 43.0 | 44.2 | |
| Finance Cost | 13.8 | 20.5 | | 53.3 | 60.9 | |
| PBT | 14.2 | 3.0 | 366.45% | 26.1 | 17.0 | 53.61% |
| Tax | 5.7 | 1.3 | | 10.5 | 7.3 | |
| PAT | 8.5 | 1.8 | 379.11% | 15.6 | 9.7 | 60.97% |
| PAT Margin | 2.81% | 0.59% | | 1.70% | 1.05% | |



► About Banswara Syntex Ltd

Business Snapshot



Vertically Integrated Textile Solutions Company



Yarn

- Produces blends of viscose staple fibre, polyester staple fibre, acrylic staple fibre, lycra, cotton, linen and wool
- Production Capacity – 35,460 tons pa
 - 33,300 tons - polyester blended dyed yarns
 - 2,160 tons - wool mix yarn

Fabrics

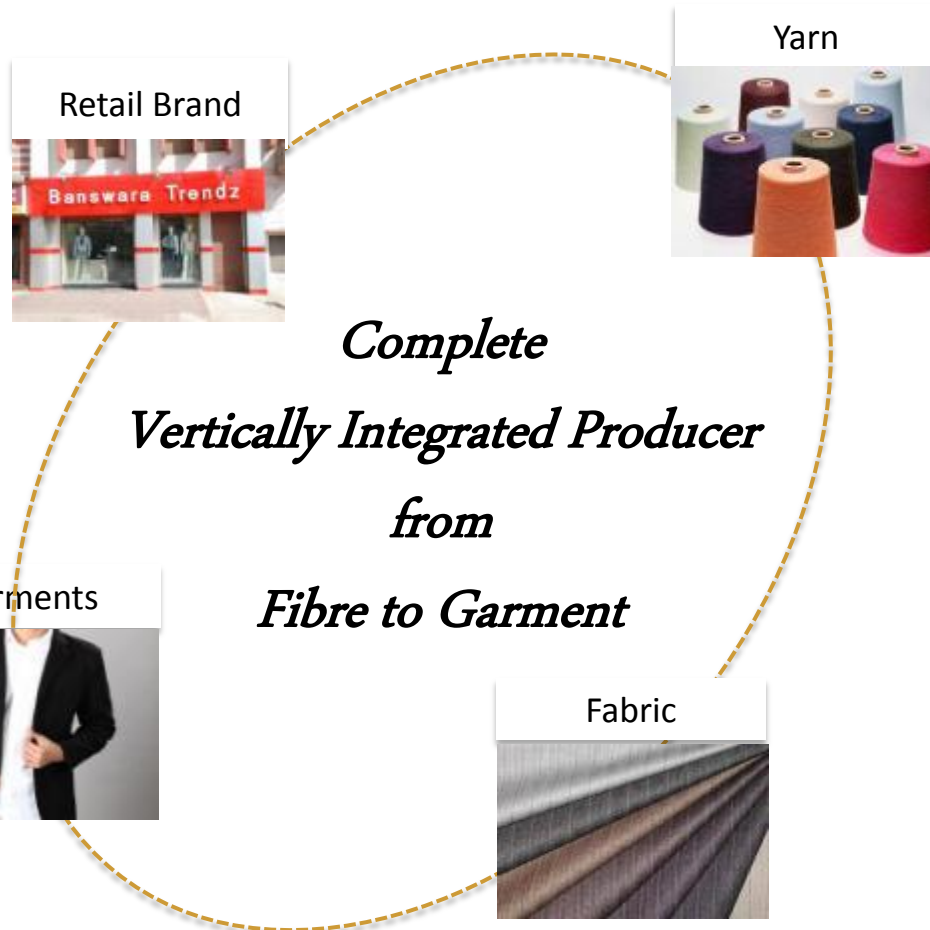
- Produce Hi-Quality Hi- Performance Textile wear finished fabric
- Manufactures 3 mn mts p.m. of suiting fabric for Domestic & Exports Markets

Garments

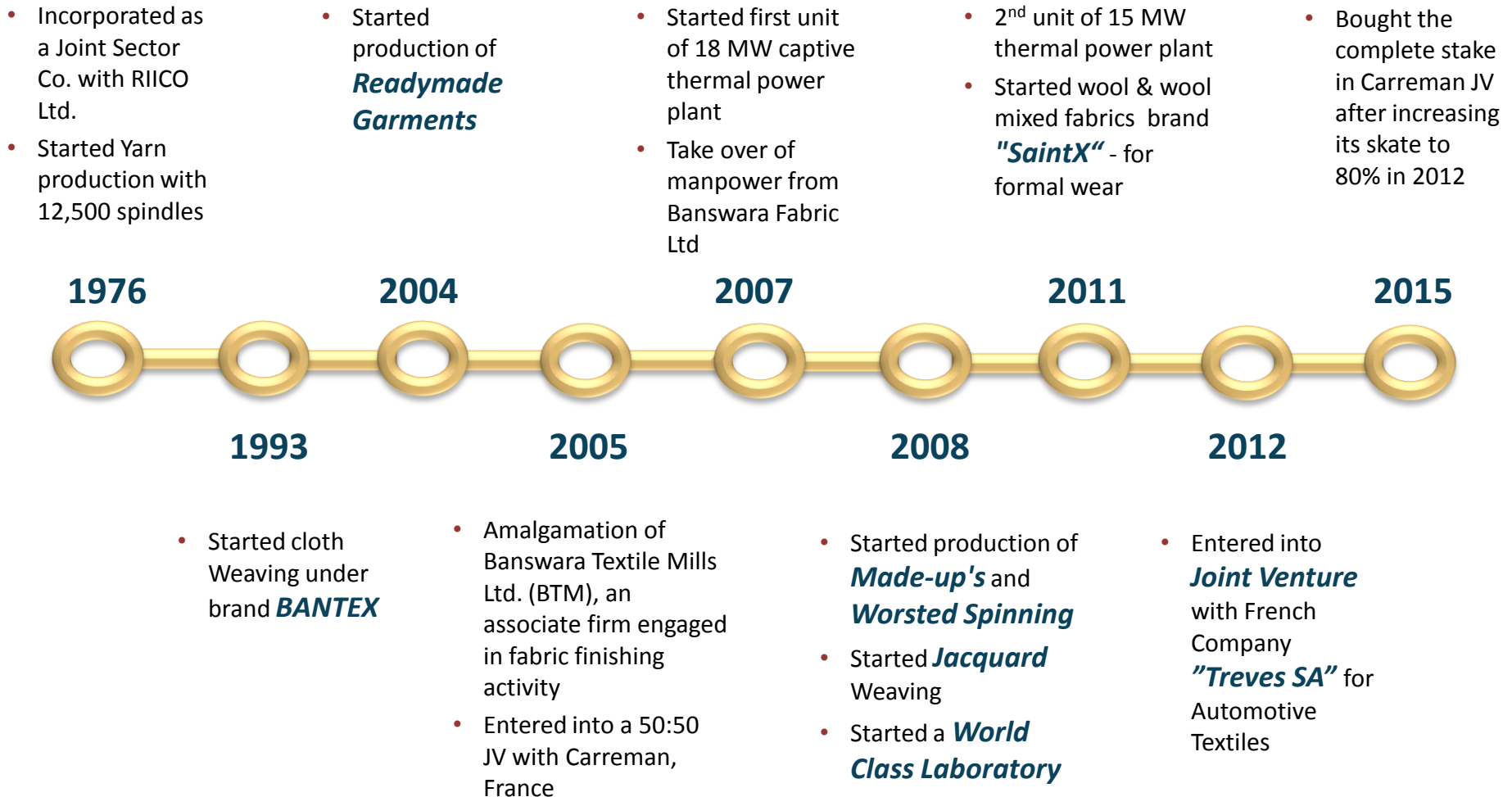
- Garmenting Units: Daman & SEZ Surat
- Specialise in Trousers , Jackets & Waist Coat production
- Manufacturing Capacity pcs/ month
 - Trousers & Suiting's– 3,45,000
 - Jackets & Waist Coats - 38,000

Power Generation

- 2 Thermal Power Plants with capacity of 33 MW



Evolution – Complete Textile Vertical



Leadership Team



1

Mr. R L Toshniwal – Chairman

- Masters degree in Textiles from Leeds University, UK
- 52 years experience in Textile Industry
- On the board of four other companies
- Held the positions of Chairman of RTMA and SRTEPC
- Ex-President of Indian Spinners Association

2

Mr Rakesh Mehra – Vice Chairman

- Chartered Accountant from ICAI
- 29 years experience in Textile Industry
- Responsible for the entire commercial and financial activities with an emphasis on yarn Export and Automotive Fabric Business
- Holds the position of Chairman of SRTEPC

3

Mr. Ravindra Kumar Toshniwal – Managing Director

- B.Tech (Chem.) from IIT, Mumbai
- Undertaken OPM Course of Harvard University, USA
- 25 years of experience in Textile Industry
- Responsible for the overall activities of the company with an emphasis on export of fabrics

4

Mr. Shaleen Toshniwal – Joint Managing Director

- Business Management from Bentley College, USA
- Over 11 Years of experience in Textile Industry
- Responsible for Readymade Garment business of the Company

Board of Directors



Mr. R. L Toshniwal
Chairman

Mr. Rakesh Mehra
Vice-Chairman

Mr. Ravindra Kumar Toshniwal
Managing Director

Mr. Shaleen Toshniwal
Joint Managing Director

Mr. Parduman Kumar
Independent Director

Mr. D P Garg
Independent Director

Dr. S B Agarwal
Independent Director

Mr. Vijay Kumar Agarwal
Independent Director

Mr. Kamal Kishore Kacholia
Independent Director

Mr. Vijay Mehta
Independent Director

Mr. A N Jariwala
Independent Director

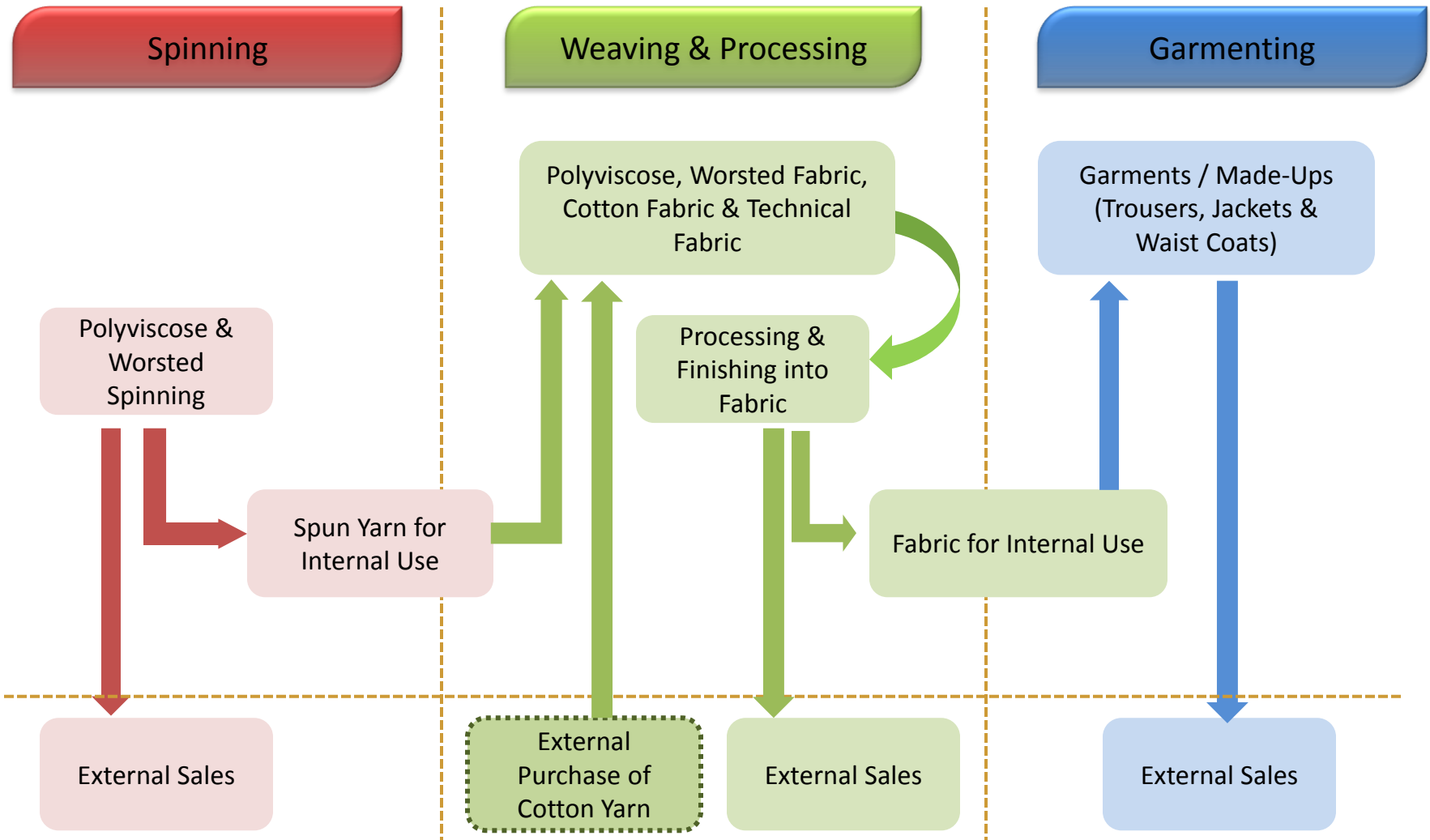
Dr. Vaijayanti Pandit
Independent Director

Mr. Arun Agarwal
Additional Director



► Business Overview

Business Model (Process)



- ▶ One of the largest single-mill setups producing spun fibre-dyed yarns in Asia
- ▶ Specialties include :
 - P/V Dyed Yarn - Rigid and Lycra, 100% Acrylic Yarn, Worsted Yarn with blends like P/W and P/W/Lycra
 - Specialty Yarn - Grindle and Slub in Dyed form
- ▶ 90% of production consists of fibre-dyed yarns
- ▶ Capacity – 35,460 tons yarn p.a.

Polyester Yarn



Acrylic Yarn



Poly Viscose Yarn



Woollen Yarn



- ▶ Hi-Quality Hi-Performance Textile wear finished fabric for both Domestic and Exports
 - Leadership in Poly Viscose and Poly Viscose Lycra for Suiting
 - **Presence Across:** *Worsted, Wool Specialties, Viscose, Poly Viscose, Poly Viscose Lycra, Cotton Suiting and Shirting*
- ▶ Our Speciality Textiles include:
 - **Technical Textile** - Coatings & Lamination on fabrics
 - Shiny & Waxy Coating
 - PU coating on Fabric for Water Repellent and Stain Release
 - Breathable Water Proof membrane coating on Fabric
 - Expertise in Three-Layer Fabric for Defence
 - **Flame Retardant Fabric**
- ▶ 50:50 J.V. with “Treves S.A.” of France for **Automotive textile**
 - Fabric Cut Panels used for Automobile
 - Laminated Fabric for Interior of Automobiles
- ▶ **In-House Design Studio** for Fabric Design and Development in India and Paris

Poly Viscose Fabric



Worsted Fabric



Cotton Fabric



Fire Retardant



Automotive



Technical Fabric



Readymade Garments



- ▶ Specialties:
 - **Formal Trousers** – Water Repellent and Stain Release
 - **Suits** – In depth know-how in Lined and Unlined 3-Piece Suiting
 - **Casuals** - Enzyme Washed/Bleached Casual Bottoms & Jackets
- ▶ Garmenting units – Daman and Surat SEZ
 - Installed capacity for 3.45 lakh Trousers & Suiting's and 37,500 Jackets & Waist Coats p.m
- ▶ Retail Focus:
 - A completely vertically integrated Mill with Specialized line dedicated to Trouser and Jacket Production
 - Own Formal & Casual merchandise under “**Integration**” and “**SaintX**” brands
 - Operates 4 factory outlet stores in India



Domestic Clientele



ARROW

VAN HEUSEN

JOHN MILLER

MAKE IT LOOK EASY

WILLS
CLASSIC

INDIGO NATION

MEGA MART
Love brands. Love value.

max
Look good. Feel good.

UNITED COLORS
OF BENETTON.

Allen Solly

BELMONTE
SUITS YOUR STYLE

PETER ENGLAND

EXCALIBUR

Louis Philippe
The upper crest.

SCULLERS

URBANA
THE MASTERPIECE

raymond
Premium Apparel

Reid & Taylor
BOND WITH THE BEST

PARK AVENUE

MADURA GARMENTS

E-Commerce Clients:

MYNTRA.com

Flipkart



International Clientele



PEERLESS CLOTHING

JCPenney

PVH

PHILLIPS-VAN HEUSEN CORPORATION



Kira Plastinina



PERRY ELLIS®

DUNNES STORES



KOHL'S
expect great things

DOCKERS



★ macy's



YOUR M&S

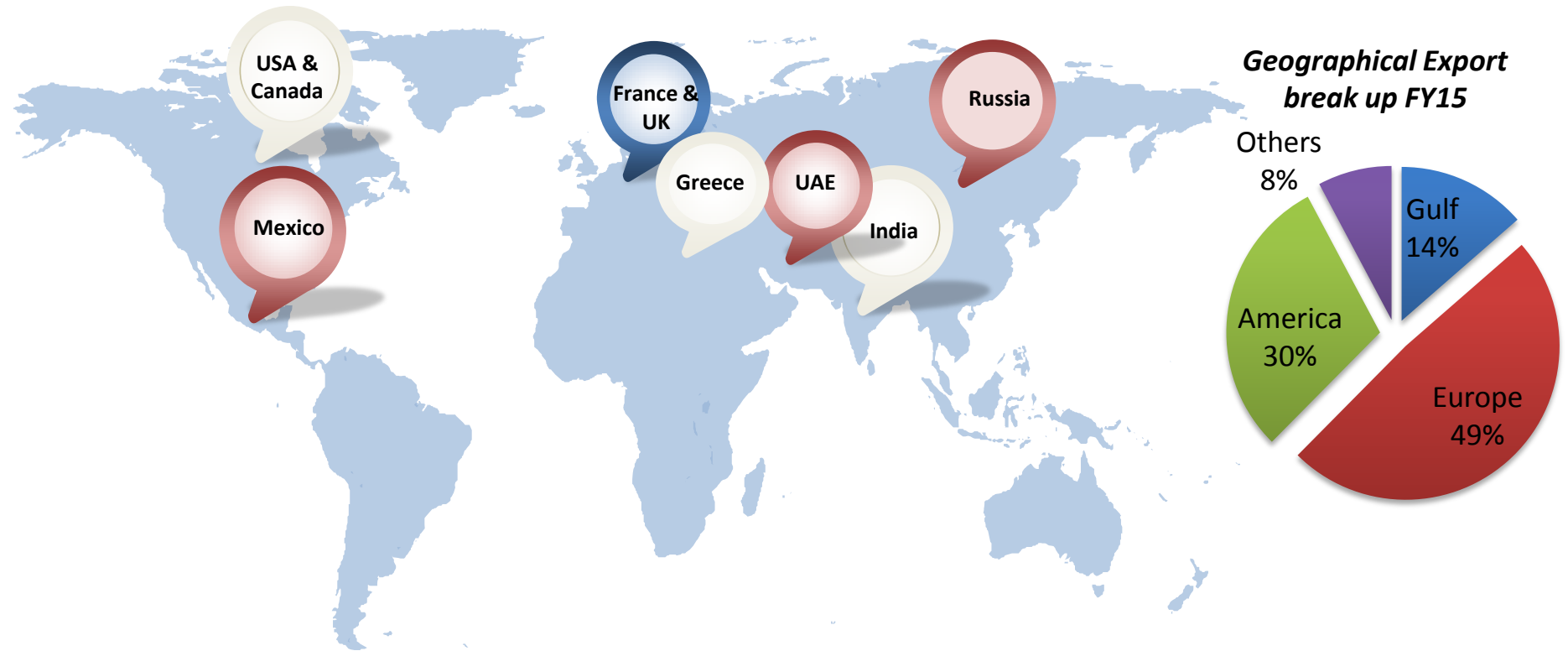
DOUGLAS & GRAHAME
GENTLEMEN'S CLOTHIERS SINCE 1926

TESCO



Increasing presence in Garmenting Space

Global Presence



Exports to more than 60 countries



► Manufacturing Capability

Manufacturing Facilities



Surat SEZ Unit



Thermal Power Plant



Daman Facility



Banswara Facility

Invested over Rs. 14 crores towards expansion and modernization of Surat SEZ over 5 years

Manufacturing Capabilities



Spinning Unit



Weaving Unit



Dyeing Unit



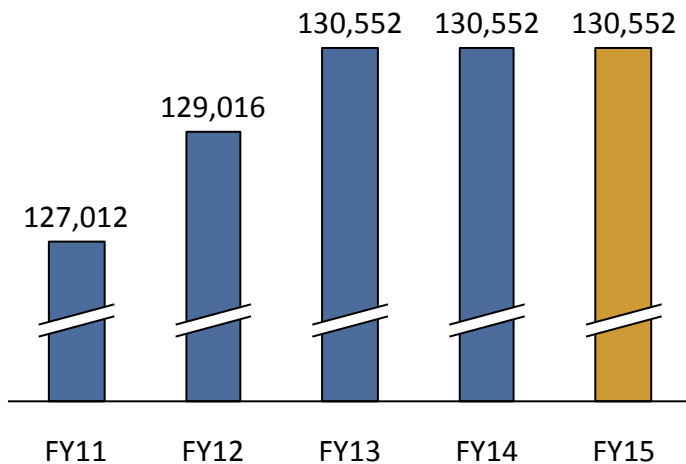
Garmenting Unit

Invested over Rs. 425.7 crores towards expansion and modernisation during the last 5 years

Spinning and Yarn

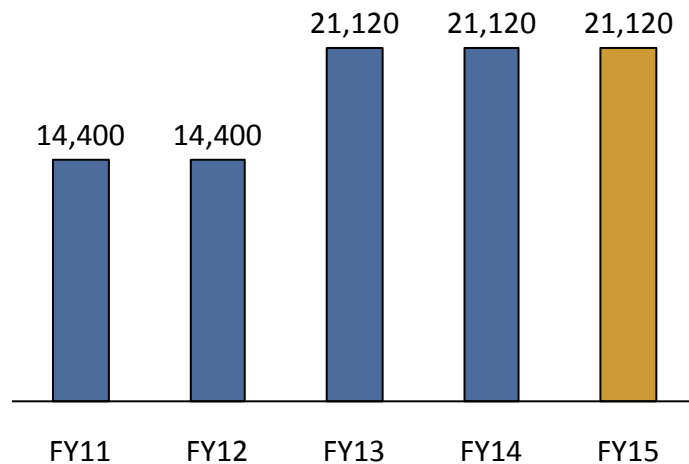


Synthetic Blended Yarn

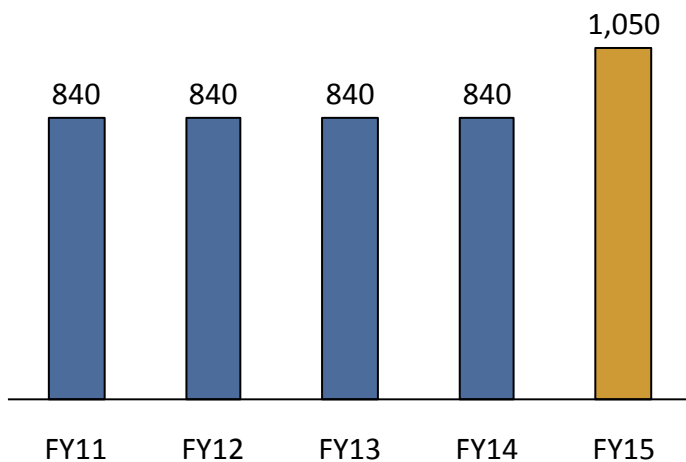


Spinning
(Spindles)

Worsted Yarn

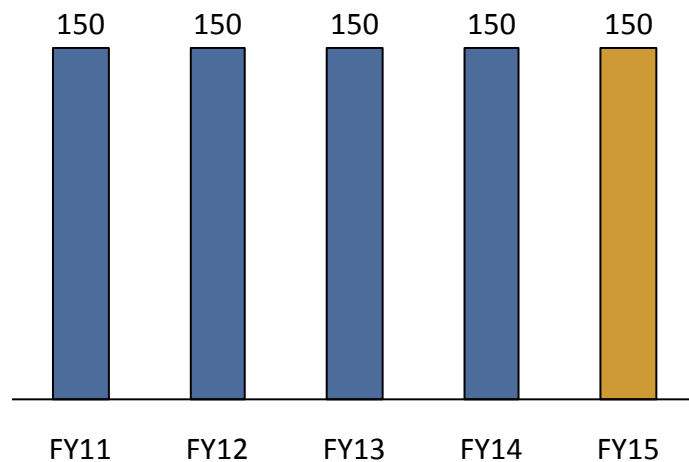


Fiber & Wool Dyeing



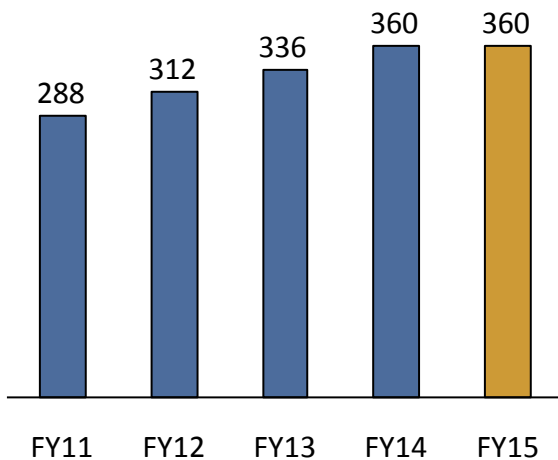
(MT/month)

Yarn Dyeing



Capacity in Lac Mtrs/Year

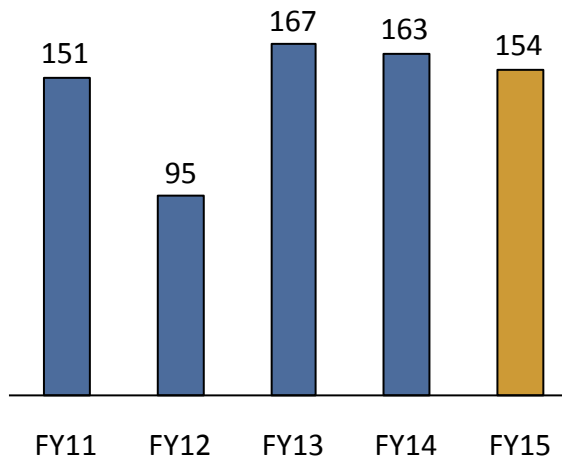
Fabric Weaving



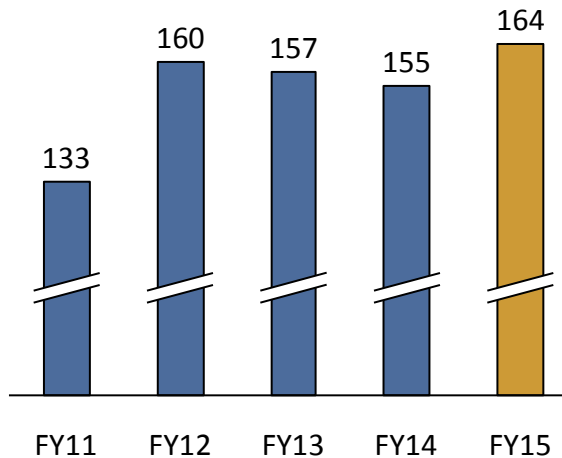
**Fabric Processing Capacity
of 600 Lac Mtrs/Year**

Sales in Lac Mtrs/Year

Commodity Fabric

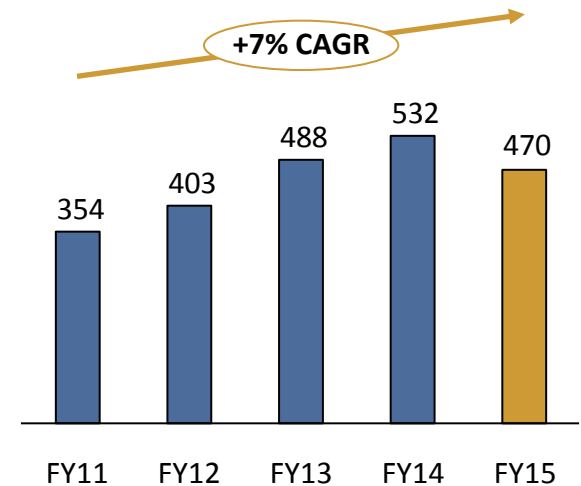


Value Added Fabric



Revenue in Rs Crores

Fabric Weaving

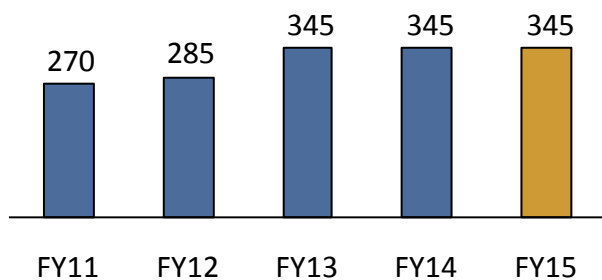


Garmenting

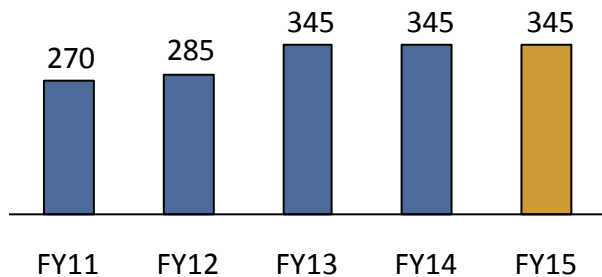


Capacity in '000 pcs/month

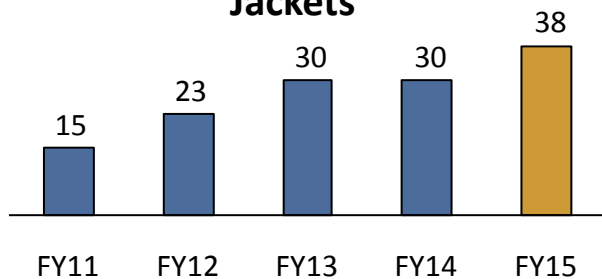
Trousers



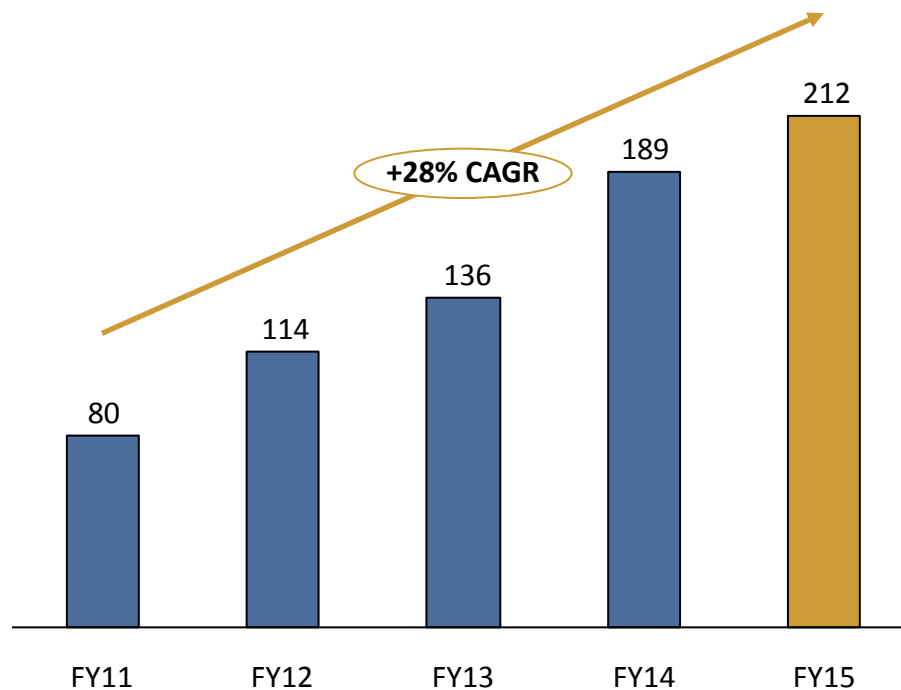
Suiting



Jackets



Garmenting Sales (Rs Crores)



In-House Research & Development



- ▶ World class fabric testing laboratory as per ISO, AATCC, ASTM, LS & Co., M & S etc. testing protocol
- ▶ Achieved accreditation of Levis & Co., Marks & Spencer and undergoing ISO 17025 NABL accreditation
- ▶ Computer software for developing new designs for manufacturing of Jacquard fabric
- ▶ In House Design Studio in India and France





- ▶ First laboratory in the country to be approved by Marks & Spencer, UK and Levis Strauss & co., USA
- ▶ Golden trophy for BEST EXPORTER of "Synthetic and Rayon Spun Fabric Silver Trophy for SECOND BEST Exporter
- ▶ Accredited partner for Semi-Luxury bag brand "Coach" for three years in a row from India

Highest Export performance awards from The Synthetic & Rayon Textile Export Promotion Council in the Following Categories

2011-12 / 2012-13 / 2013-14: Best Export Performance in Synthetic & Rayon Spun Fabrics

2010-11: Best Export Performance in Synthetic & Rayon Spun Fabrics

2009-10: Best Export Performance in Man-Made Fibre Blended Fabrics

2008-09: Best Export Performance in Acrylic Yarn

2008-09: Best Export Performance in Man-Made Fibre Blended Yarn

2008-09: Best Overall Export Performance SRTEPC Special Award



► Business Strategy

Business Initiatives...



Impacting Profitability

Major Capex Completed

Established Own Design Studio and Marketing Network in Europe

Consolidating Product Portfolio in Fabrics

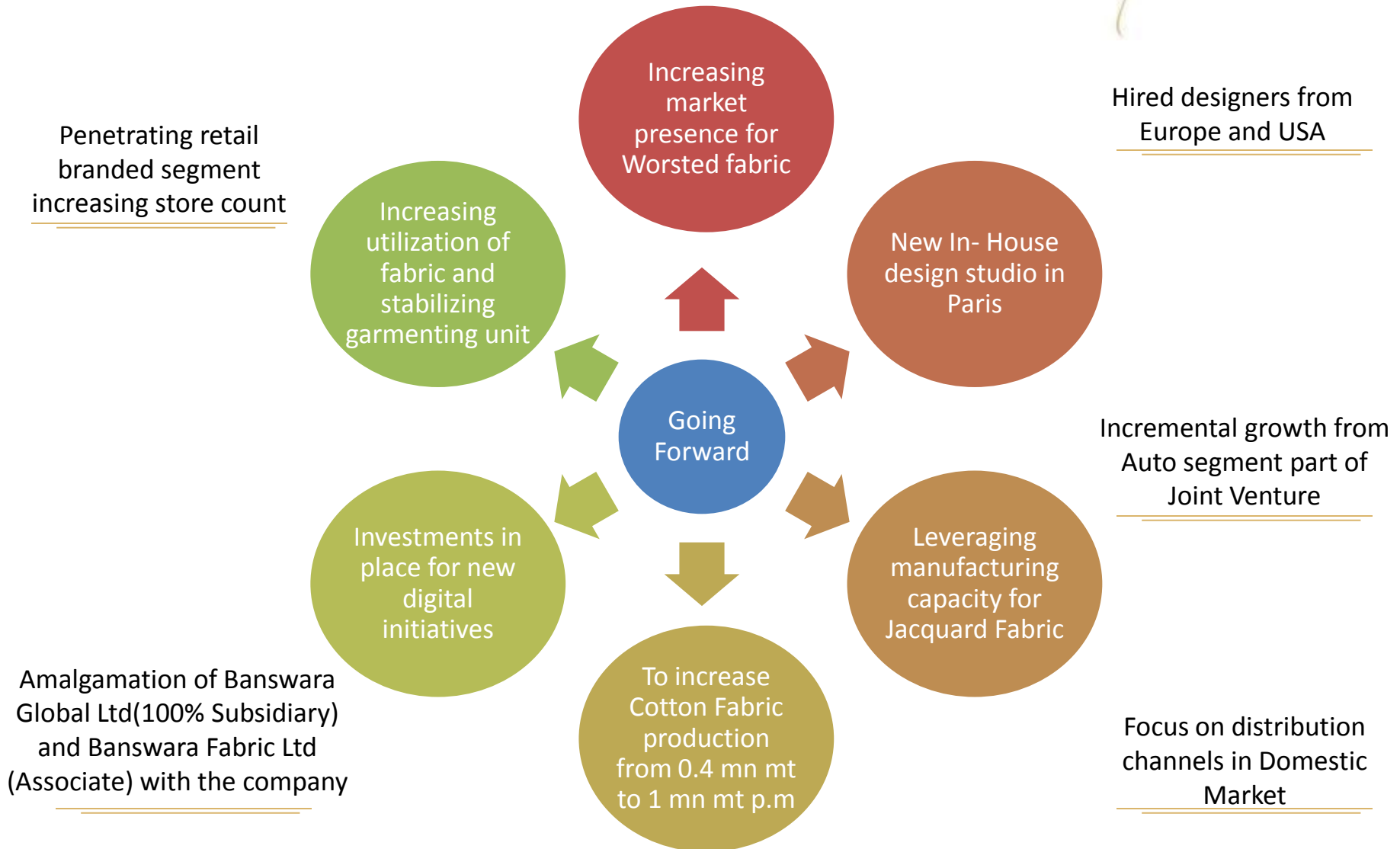
Established worsted & Cotton fabric Marketing

Value added Technical Textile

Utilisation of increased capacities in Jackets & Suites

Entered 50:50 JV with for Automotive Textiles

...creating Future Drivers





► Detailed Financial Performance

Standalone Quarterly P&L Highlights



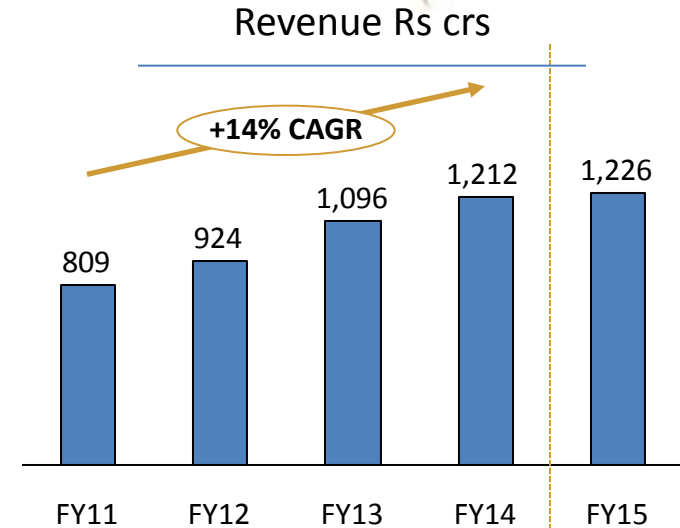
| Rs Crs | Q3 FY16 | Q3 FY15 | Y-o-Y | 9M FY16 | 9M FY15 | Y-o-Y |
|-------------------------------|--------------|--------------|----------------|--------------|--------------|---------------|
| Total Operating Income | 301.0 | 300.0 | 0.33% | 916.3 | 920.7 | -0.48% |
| Raw materials | 133.8 | 142.8 | | 431.5 | 455.4 | |
| Employee Exp | 52.3 | 44.8 | | 147.4 | 133.9 | |
| Other Expenses | 75.0 | 74.9 | | 223.4 | 214.0 | |
| EBIDTA | 39.2 | 37.5 | 4.53% | 114.0 | 117.4 | -2.89% |
| Margin % | 13.0% | 12.5% | | 12.4% | 12.7% | |
| Other Income | 3.3 | 1.1 | | 8.4 | 4.7 | |
| Depreciation | 14.5 | 15.1 | | 43.0 | 44.2 | |
| Finance Cost | 13.8 | 20.5 | | 53.3 | 60.9 | |
| PBT | 14.2 | 3.0 | 373.33% | 26.1 | 17.0 | 53.53% |
| Tax | 5.7 | 1.3 | | 10.5 | 7.3 | |
| PAT | 8.5 | 1.8 | 372.22% | 15.6 | 9.7 | 60.82% |
| PAT Margin | 2.82% | 0.59% | | 1.70% | 1.05% | |

Standalone Operating Performance



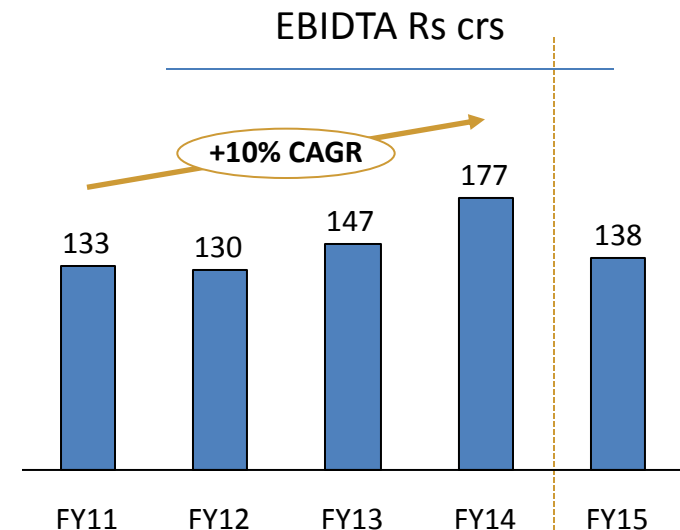
FY15 Revenue impacted due to

- ▶ Delay in stabilization of Worsted fabric unit
- ▶ Loss of Coach Logo business to the tune of Rs 50 crores
- ▶ Dissolved Joint Venture with Carreman



FY15 EBIDTA impacted due to

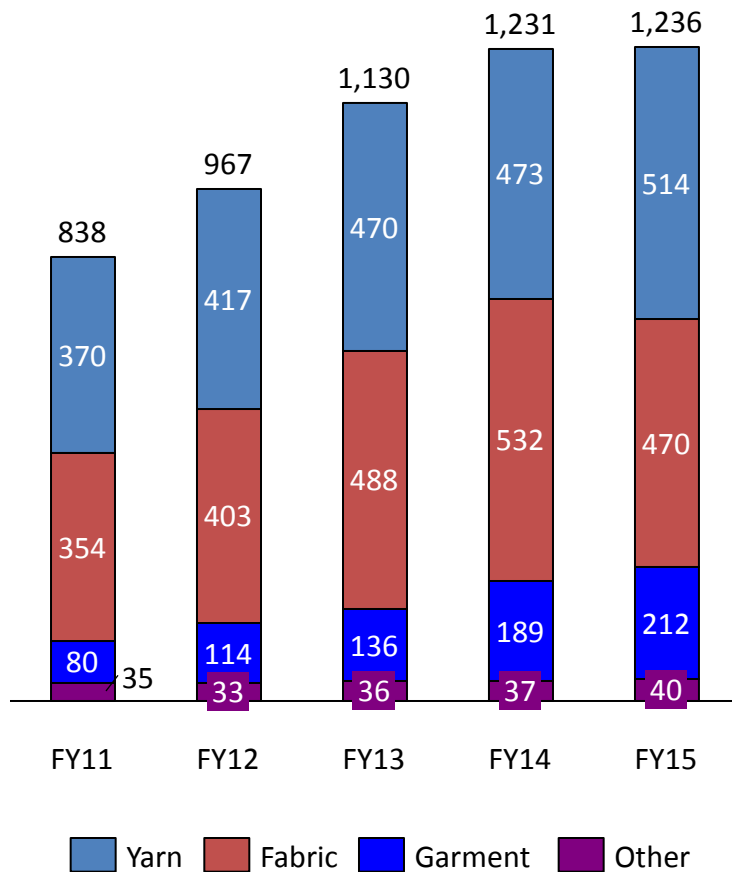
- ▶ Investments in employee base in Garmenting, Retailing and Design Studio
- ▶ Discontinuation of High margin Coach Logo Business and Carreman JV
- ▶ Lower Realization and Inventory loss due to fall in Polyester prices



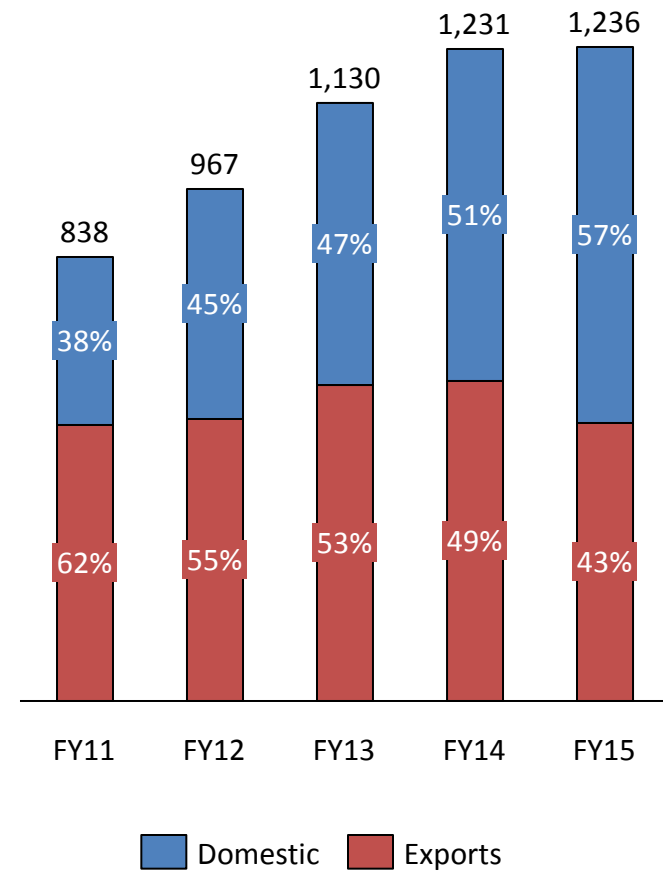
Standalone Revenue Performance



Segment Gross Revenue Rs crs



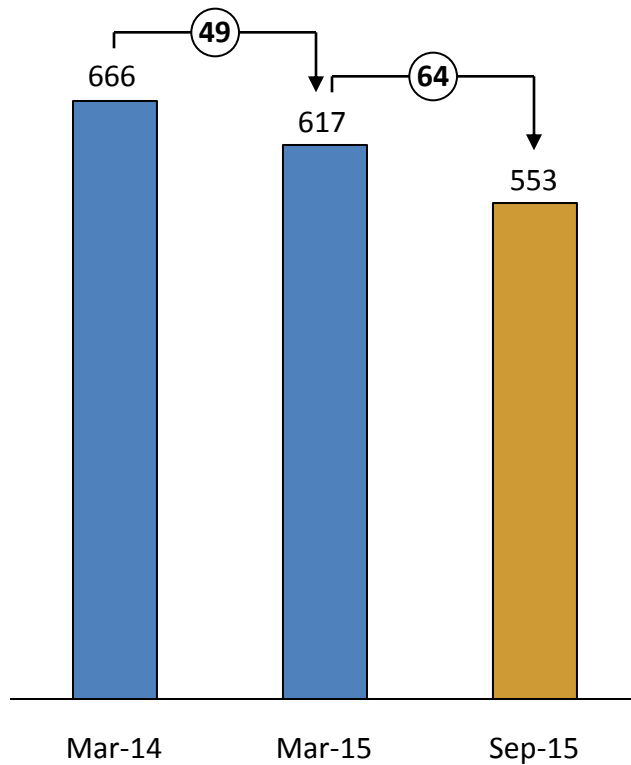
Geographic Gross Revenue Rs crs



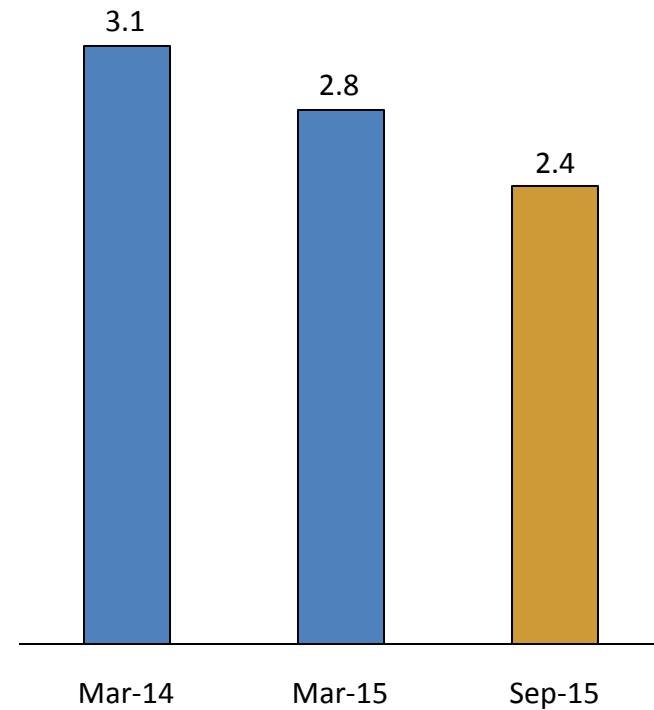
Debt Repayment on Schedule



Net Debt Rs. crs



Debt:Equity Ratio



Net Debt includes Current Maturity of Debt

Consolidated Annual P&L Highlights



| Rs Crs | FY15 | FY14 | Y-o-Y |
|-------------------------------|---------------|---------------|---------------|
| Total Operating Income | 1230.6 | 1215.4 | 1.3% |
| Raw materials | 617.2 | 581.6 | |
| Employee Exp | 183.5 | 162.3 | |
| Other Expenses | 288.9 | 293.5 | |
| EBIDTA | 140.9 | 178.0 | -20.8% |
| Margin % | 11.45% | 14.65% | |
| Other Income | 17.0 | 4.2 | |
| Depreciation | 62.6 | 53.7 | |
| Finance Cost | 81.0 | 81.5 | |
| PBT | 14.4 | 47.0 | |
| Tax | 6.4 | 21.2 | |
| PAT | 8.0 | 25.8 | -68.9% |
| PAT Margin | 0.65% | 2.13% | |

Consolidated Balance Sheet



| Rs. Cr. | Sep 15 | Mar 15 |
|---------------------------------------|-------------|-------------|
| EQUITY AND LIABILITIES | | |
| Shareholders Funds | 231 | 221 |
| Share Capital | 17 | 16 |
| Reserve & Surplus | 214 | 204 |
| Money received against share warrants | 0 | 1 |
| Minority Interest | 0 | 0 |
| Total Non-current Liabilities | 288 | 315 |
| Long-term borrowings | 235 | 263 |
| Deferred tax liabilities | 40 | 42 |
| Other Non-current liabilities | 13 | 11 |
| Total Current Liabilities | 522 | 542 |
| Short Term Borrowings | 280 | 303 |
| Trade Payables | 146 | 139 |
| Other Current Liabilities | 81 | 86 |
| Short Term Provisions | 15 | 13 |
| TOTAL EQUITY & LIABILITIES | 1041 | 1078 |

| Rs. Cr. | Sep 15 | Mar 15 |
|-----------------------------|-------------|-------------|
| ASSETS | | |
| Non-Current Assets | 518 | 535 |
| Fixed Assets | 506 | 525 |
| Non current investment | 1 | 1 |
| Long term loans & Advances | 5 | 4 |
| Other non Current Assets | 5 | 5 |
| Current Assets | 523 | 543 |
| Inventories | 314 | 330 |
| Trade Receivables | 142 | 139 |
| Cash | 22 | 17 |
| Short Term Loans & Advances | 24 | 22 |
| Other Current Assets | 21 | 35 |
| TOTAL ASSETS | 1041 | 1078 |

For further information, please contact:

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