



BANSWARA SYNTEX LIMITED

Presentation – February 2018

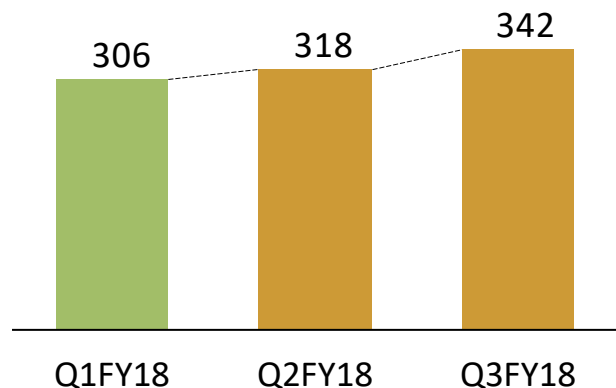
This presentation and the accompanying slides (the “Presentation”), which have been prepared by Banswara Syntex Limited (the “Company”), have been prepared solely for information purposes and do not constitute any offer, recommendation or invitation to purchase or subscribe for any securities, and shall not form the basis or be relied on in connection with any contract or binding commitment whatsoever. No offering of securities of the Company will be made except by means of a statutory offering document containing detailed information about the Company.

This Presentation has been prepared by the Company based on information and data which the Company considers reliable, but the Company makes no representation or warranty, express or implied, whatsoever, and no reliance shall be placed on, the truth, accuracy, completeness, fairness and reasonableness of the contents of this Presentation. This Presentation may not be all inclusive and may not contain all of the information that you may consider material. Any liability in respect of the contents of, or any omission from, this Presentation is expressly excluded.

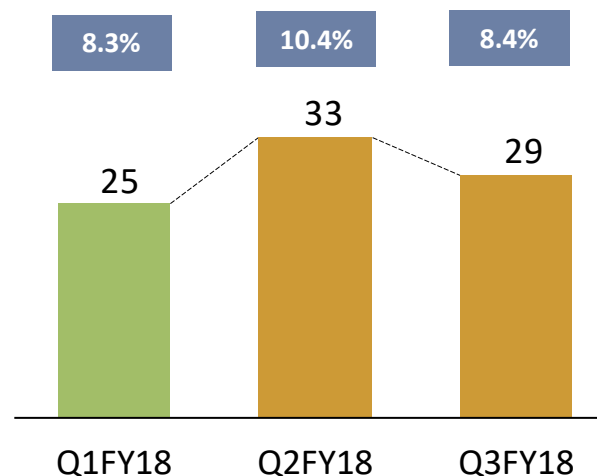
This presentation contains certain forward looking statements concerning the Company’s future business prospects and business profitability, which are subject to a number of risks and uncertainties and the actual results could materially differ from those in such forward looking statements. The risks and uncertainties relating to these statements include, but are not limited to, risks and uncertainties regarding fluctuations in earnings, our ability to manage growth, competition (both domestic and international), economic growth in India and abroad, ability to attract and retain highly skilled professionals, time and cost over runs on contracts, our ability to manage our international operations, government policies and actions regulations, interest and other fiscal costs generally prevailing in the economy. The company does not undertake to make any announcement in case any of these forward looking statements become materially incorrect in future or update any forward looking statements made from time to time by or on behalf of the company.

Q3FY18: Gradual Recovery in Business

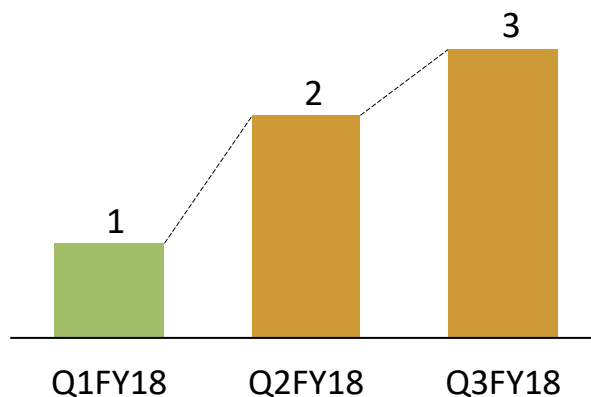
Net Revenue (Rs crs)



EBITDA (Rs crs)



PAT (Rs crs)



Confident of further improving our profitability in coming quarters

Banswara Syntex a Global Player...



Incorporated in the year **1976**

Vertically integrated textile solutions

Experienced Design Teams in **India** and **Paris**

Long Term Relationship with Leading Global and Domestic players

Exports to over **60** countries

In House R&D & state of the art facilities

Global Customer Accreditations and Quality Certifications

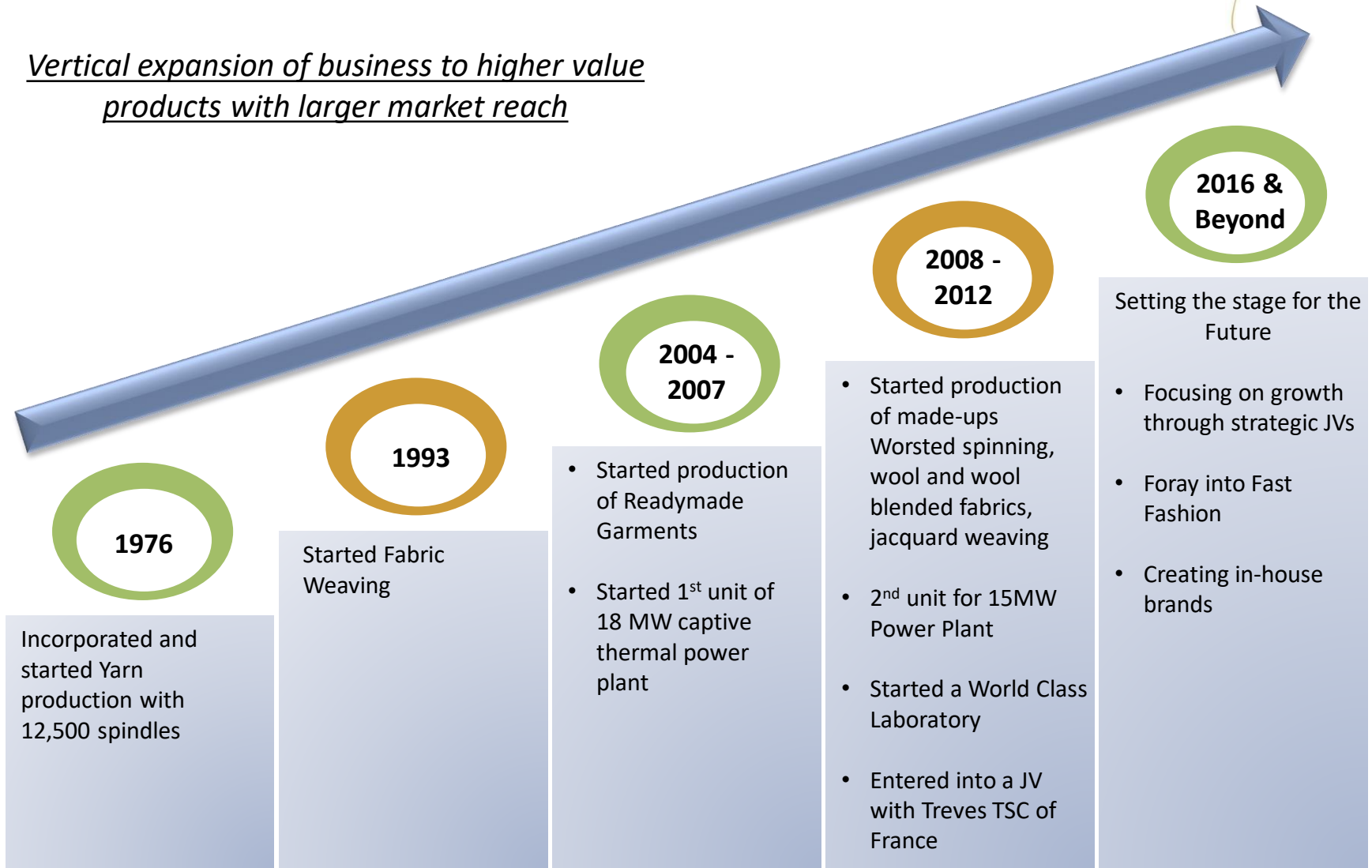
JV with **Treves TSC of France** for Automotive fabrics



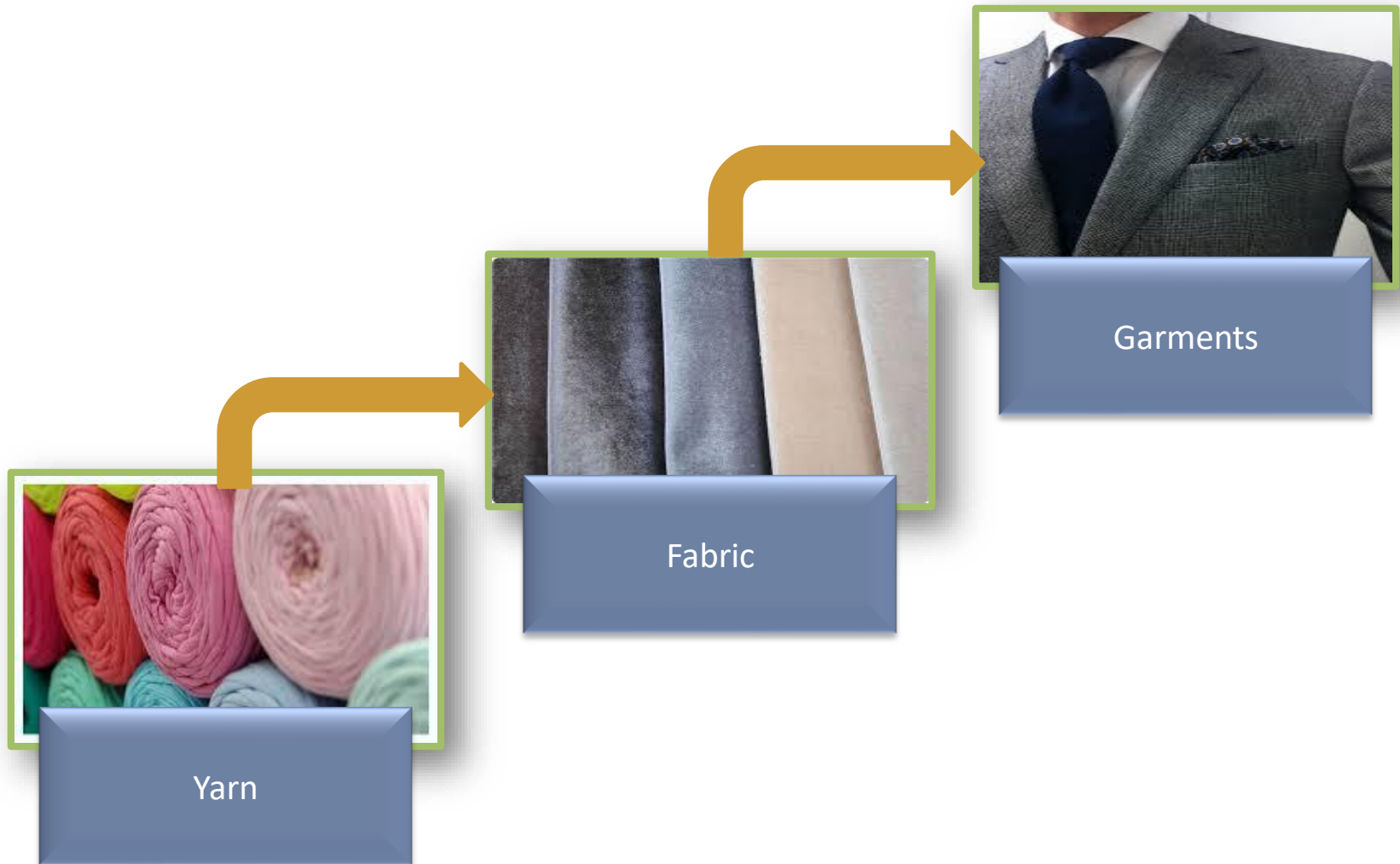
Evolution into an Integrated Business



Vertical expansion of business to higher value products with larger market reach



Presence across the Value Chain



Manufacturing Capabilities



Spinning Unit



Weaving Unit



Dyeing Unit



Garmenting Unit

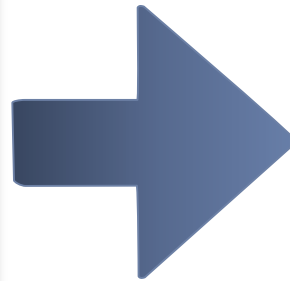
Invested over Rs. 494 crores towards expansion and modernisation between FY 2010 – December 2016

- Spinning Rs.235 Crs
- Fabric Rs.171 Crs
- Garmenting Rs.38 Crs
- Power Unit Rs.50 Crs

Value Addition in the Yarn Business

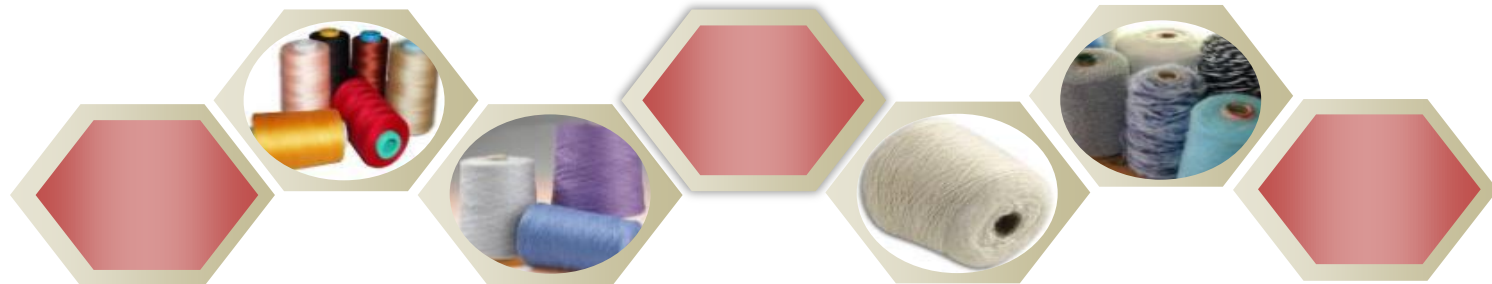
Current Scenario

- We produce blends of viscose staple fibre, polyester staple fibre, acrylic staple fibre, lycra, cotton, linen, etc.
- Production Capacity – 37,080 tons pa
 - 34,920 tons - polyester blended dyed yarns
 - 2,160 tons - wool mix yarn
- We also produce Worsted Yarn
 - We currently have capacity of 19,680 spindles



Going Forward

- Focus on higher contributions from value added yarns to the product mix
 - Increase in production of PV Lycra Yarn and Specialty Yarns
- We aim to improve capacity utilization for Worsted Yarn
- Exploring Niche Markets



Focusing on High-Quality & Performance Fabrics



Fabrics Division Growth Strategy



USA: Deepen penetrations within brands with special emphasis on women's wear category.

Europe: Expand our reach to larger retail brands in Europe with special emphasis on new product development.

Japan & Korea: Build relationships with key Brand and act as preferred supplier for stretch fabrics and premium wool fabrics

Continue to reach out to new markets such as **Mexico** and **Russia**

Steady growth from existing markets

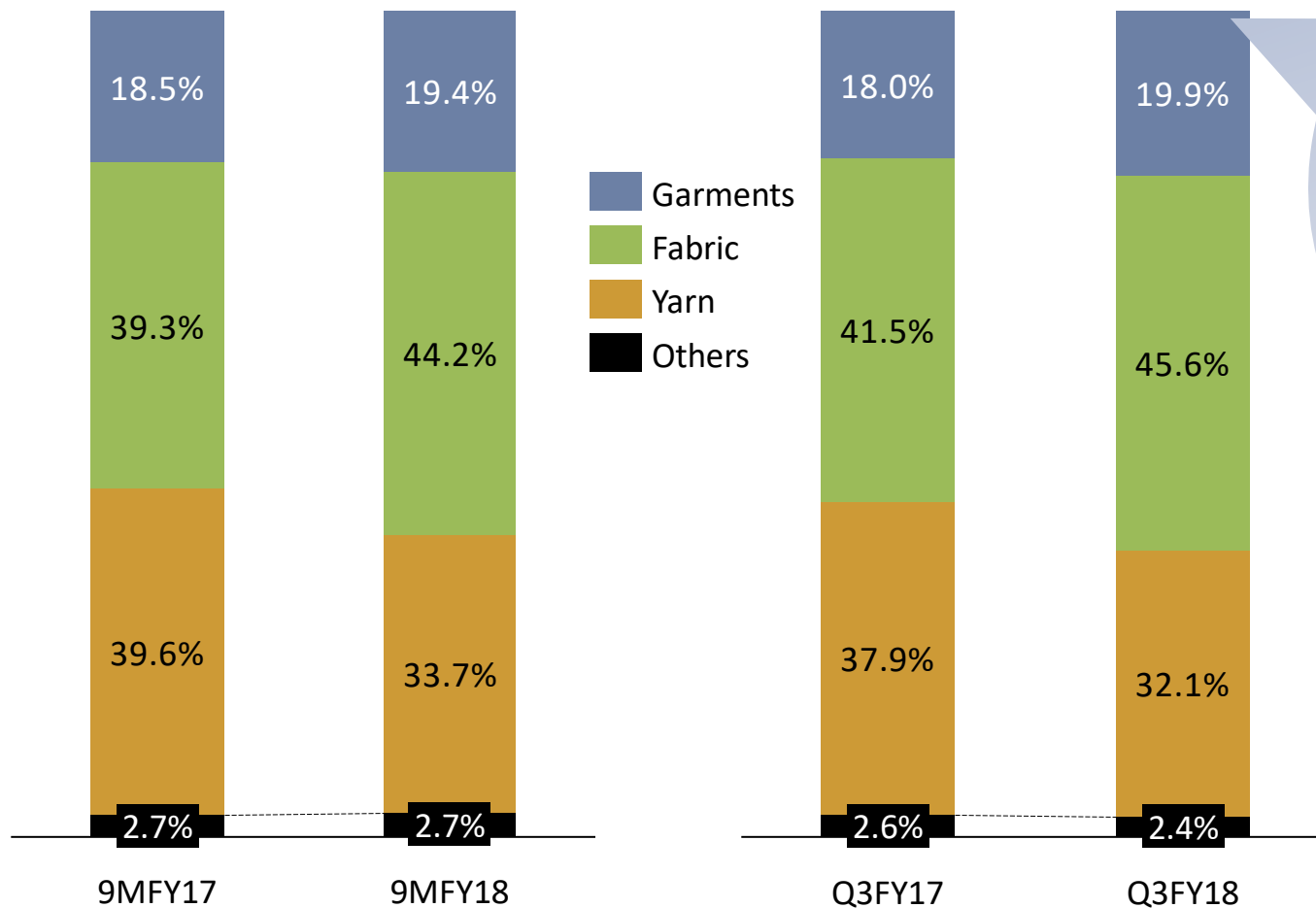
To enhance our profitability by improving product mix towards value added products and improving utilizations along with new product development with performance attributes.

Potential Partnerships with synergistic benefits :

- To shorten lead times by partnering with garment manufacturers in the leading Asian Manufacturing Hubs such as Bangladesh Myanmar, Sri Lanka, Vietnam
- Leverage our marketing abilities by partnering with established players in the Women's Wear Segment which will lead to incremental growth

Garmenting business – A customized offering

Focus on Moving up the value chain visible in the sales mix



The influx of international garment brands into India has led to Indian brands adopting a more global approach and we at Banswara are in a position to leverage our existing design and manufacturing capabilities to cater to their fast fashion needs.

Expansion within the Garments Space

- Leveraging our existing manufacturing capabilities at Daman & Surat SEZ
 - Trousers & Suiting's– 3,45,000 (pcs/ month)
 - Jackets & Waist Coats - 37,500 (pcs/ month)
- Leveraging our Marketing capabilities for tie-ups with leading global retailers
- Promote the Banswara brand

Organic Expansion



Potential partnerships targeting

- Leading fast fashion brands
- Expertise in women's-wear
- Leadership in targeted markets
- Leverage our in-house design and manufacturing capabilities

Inorganic Expansion

Outlook:

- Focus on the fast fashion segment
- Increasing global reach

Our Strategic Partnerships



Partnership with European Company

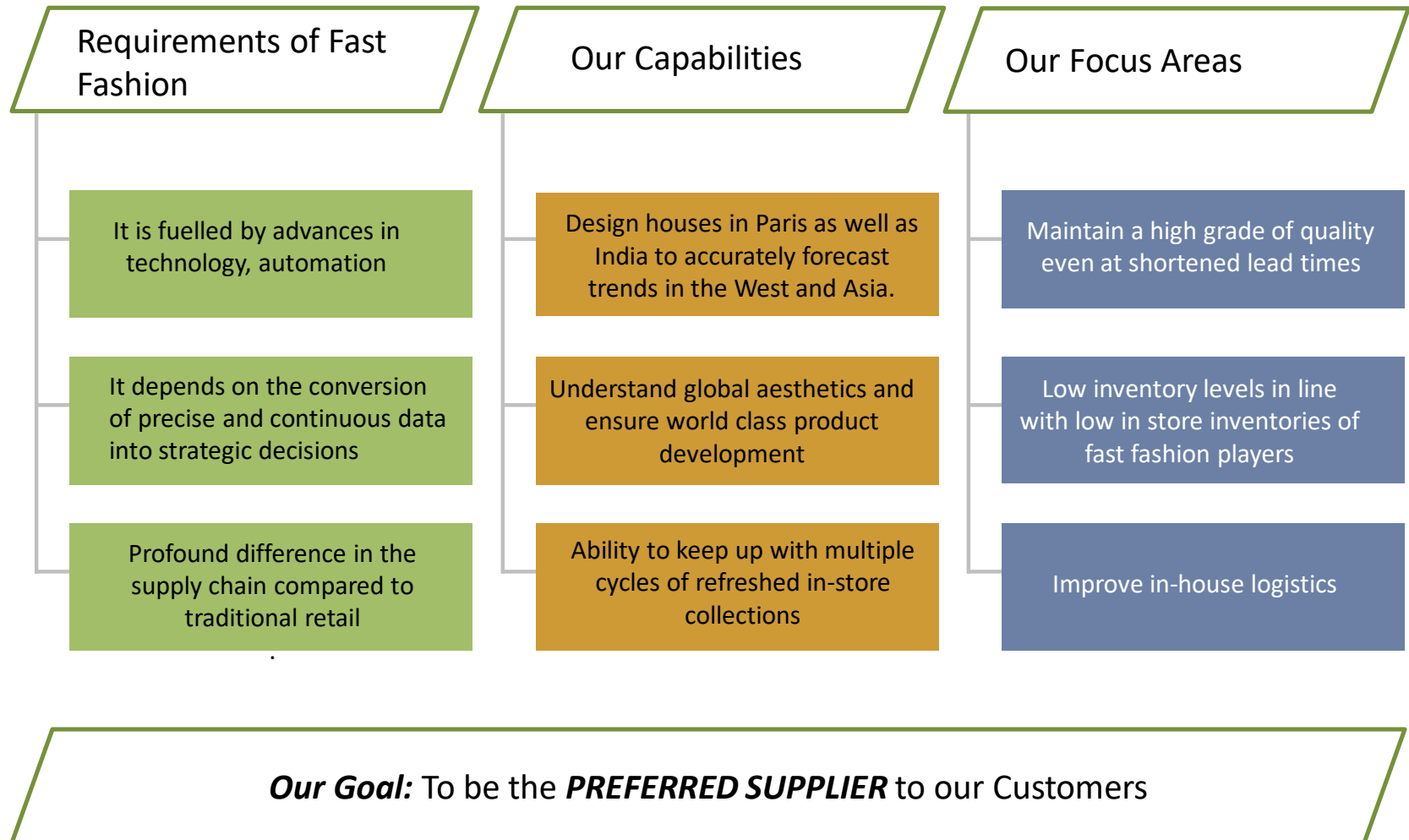
- Marketing agreement with a 90 year old European company, who, has been a major supplier to the global Fast Fashion retailers
- Focus, on Women's wear fabrics and would be Key supplier from India for fashion brands in USA and Europe
- Leverage on our manufacturing capabilities and provide best in class fabrics with design inputs from our European Partner
- Opportunity to market the design and fabrics, to the to our customers in Korea and Japan, after paying a royalty for design

Partnership with Japanese Company

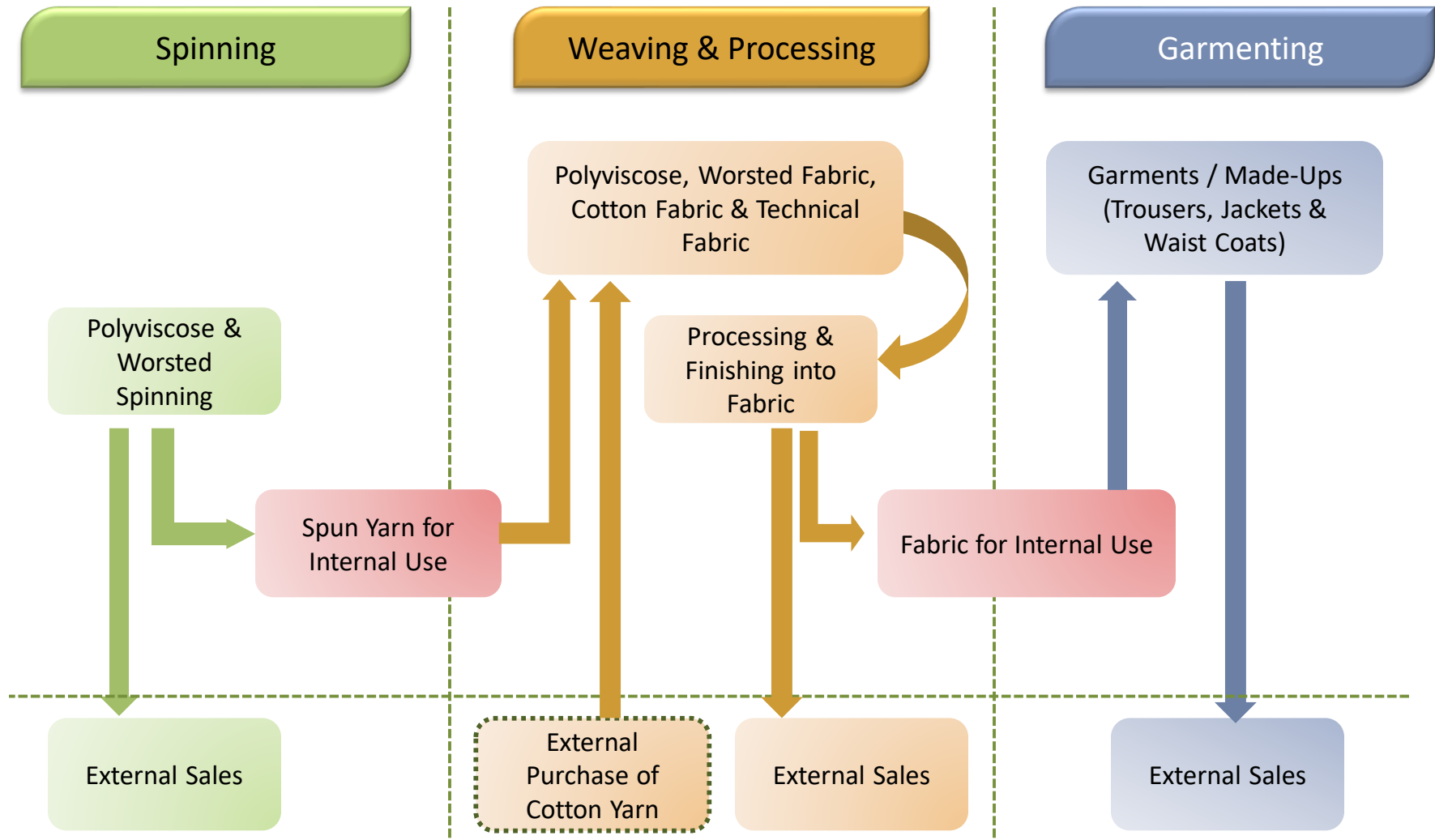
- Marketing agreement with a Japanese company for value added product sales of Fabrics and Garments in Far east market including Japan
- Enable us to leverage on design and technical know how's of the Japanese company to develop products for Japan, S Korea and other far east markets
- Partnership will allow us to cater to the Japanese brands in sourcing garments from India, with added advantage of FTA between India and Japan
- We have witnessed a good traction in Japanese market since 2013 and this agreement shall provide further push to that sales with efficient use of our manufacturing capacities

Our Partnerships will enable us to better utilize our existing manufacturing capacities and increase value added product sales

Riding the Fast Fashion Wave



Synergies from Vertical Integration



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.

Reid & Taylor
BOND WITH THE BEST

SCULLERS

URBANA
THE MASTERPIECE

Raymond
Premium Apparel

PARK AVENUE

MADURA GARMENTS

E-Commerce Clients:

MYNTRA.com

Flipkart



International Clientele



JCPenney

PEERLESS CLOTHING

PVH

PHILLIPS-VAN HEUSEN CORPORATION



Kira Plastinina



PERRY ELLIS®

DUNNES STORES



KOHL'S
expect great things



★ macy's



YOUR M&S

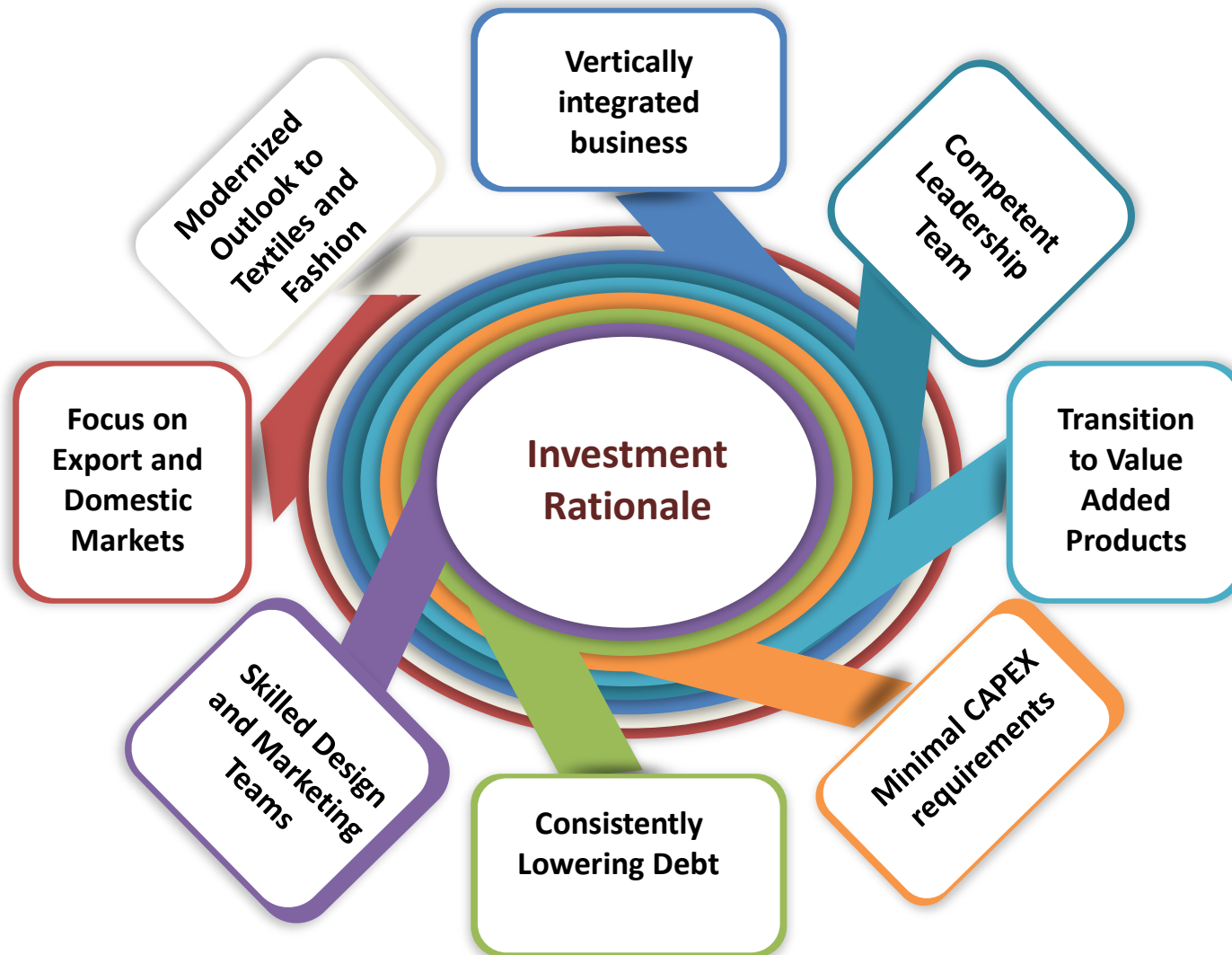
DOUGLAS & GRAHAME
GENTLEMEN'S CLOTHIERS SINCE 1926

TESCO



Working with some of the world's biggest names

Why Banswara Syntex Limited?



Leadership Team



1

Mr. R L Toshniwal – Chairman

- Masters degree in Textiles from Leeds University, UK
- 54 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
- 31 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
- 27 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 13 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. J. M. Mehta

Independent Director

Mr. D P Garg

Independent Director

Mr. Kamal Kishore Kacholia

Independent Director

Dr. S B Agarwal

Independent Director

Mr. Vijay Kumar Agarwal

Independent Director

Dr. Vaijayanti Pandit

Independent Director

Mr. Vijay Mehta

Independent Director

Profit and Loss Highlights

Rs. in Crs.	Q3 FY18	Q3 FY17	YoY	Q2 FY17	YoY	9M FY18	9M FY17	YoY
Total Operating Income	341.7	304.4	12.3%	317.8	7.5%	965.3	926.0	4.2%
Raw materials	165.5	137.1		138.1		443.8	434.9	
Employee Expense	60.8	56.6		62.8		179.3	163.4	
Manufacturing Expenses	30.2	26.0		30.3		90.7	80.2	
Power & Fuel	32.8	27.4		31.7		95.5	76.8	
Other Expenses	23.8	21.9		21.8		68.8	65.8	
EBIDTA	28.6	35.5	-19.3%	33.2	-13.7%	87.2	105.0	-17.0%
Margin %	8.37%	11.65%		10.43%		9.03%	11.34%	
Other Income	5.8	1.2		0.8		11.5	7.1	
Depreciation	15.3	15.2		15.4		44.3	43.0	
Finance Cost	15.4	16.1		15.1		45.8	47.5	
PBT	3.7	5.4	-30.7%	3.6	4.8%	8.6	21.6	-60.3%
Tax	1.0	1.4		1.5		2.9	6.1	
PAT	2.7	4.0	-31.5%	2.1	33.1%	5.6	15.5	-63.5%
PAT Margin	0.80%	1.31%		0.65%		0.59%	1.67%	
Other Comprehensive Income	-0.1	-0.2		-0.2		-0.2	-0.2	
Total Comprehensive Income	2.7	3.7		1.8		5.4	15.3	
TCI Margin	0.78%	1.23%		0.57%		0.56%	1.65%	

- **Export sales** has reduced because of upward revision in sales prices after GST implementation and strengthening of Rupee against the USD
- **Profitability is better on QoQ basis** due to increase in share of fabric & garment sales
- On QoQ basis, **Cost of Raw material** has increase due to increase prices of polyester by about 9%
- **Power Cost** has increased due to increase in the prices of the US imported coal by about 11.50%. The Company was consuming petcock as major fuel. Post ban on consumption of Petcoke by Supreme Court, we are using next alternative fuel which is costlier than the petcoke

We expect coming quarters to be better in wake of improving scenario within the sector

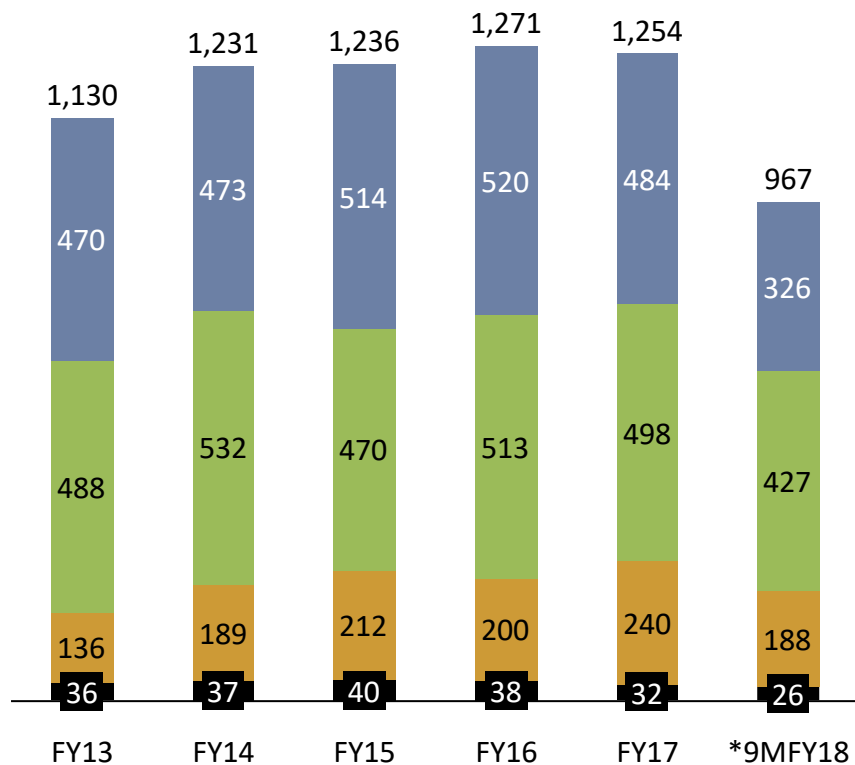
Balance Sheet*

EQUITY AND LIABILITIES (Rs. In Crs)	Sep-17
Equity	263.1
Equity share capital	17.1
other equity	246.0
Non-current liabilities	237.3
Financial Liabilities	
Borrowing	174.1
Provision	10.9
Deferred tax Liabilities (tax)	43.9
Deferred Income	8.4
Current liabilities	593.0
Financial liabilities	
Borrowing	284.1
Trade payable	196.9
Other financial liabilities	79.9
other current Liabilities	26.5
Deferred Income	0.8
Provisions	3.8
Current tax Liabilities (Net)	1.0
Total Liabilities	1,093.4

ASSETS (Rs. In Crs)	Sep-17
Non-current assets	501.3
Property, Plant & Equipment	468.7
Capital Work in progress	6.7
Intangible assets	3.5
Financial Assets	
Investments	3.6
Others	8.1
Other non current assets	10.6
Current assets	592.1
Inventories	354.1
Financial Assets	
Investments	0.3
Trade receivables	169.9
Cash & cash Equivalent	14.8
Other bank balance	0.4
Loans	2.4
Others	5.9
Other current assets	44.4
Total Assets	1,093.4

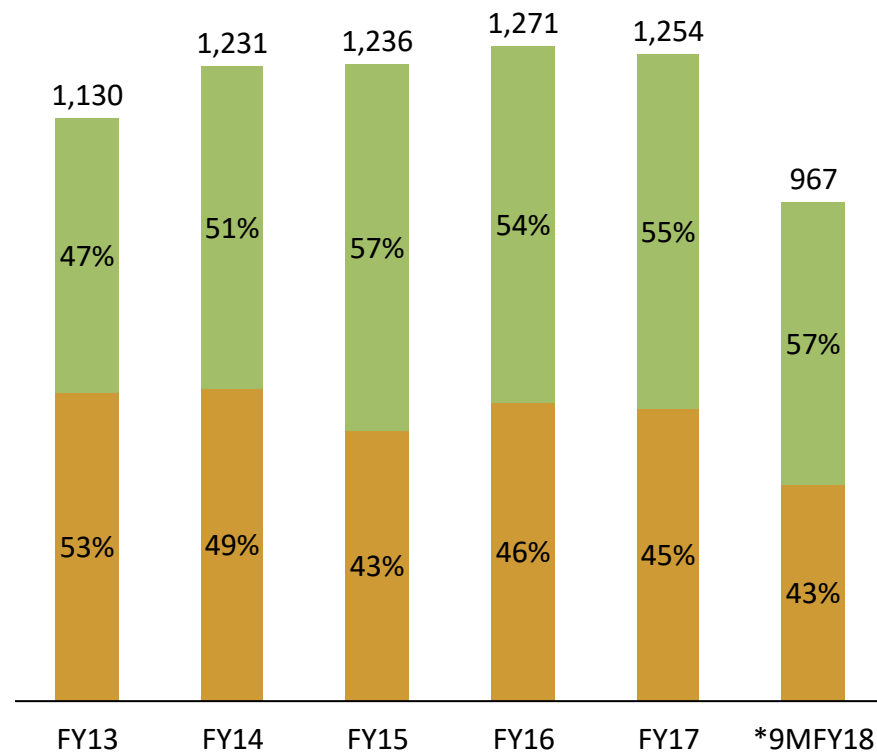
Revenue Performance*

Segment Gross Revenue (Rs crs)



Yarn Fabric Garment Other

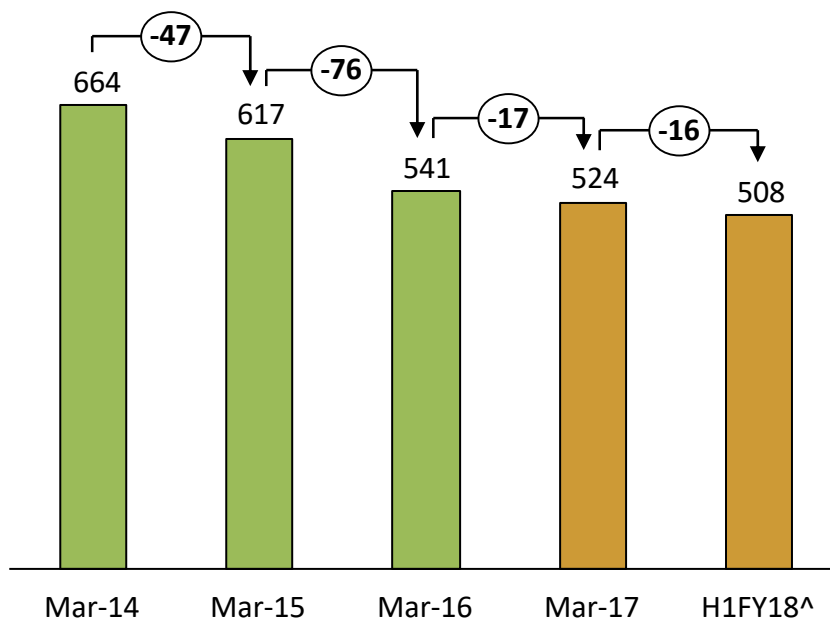
Geographic Gross Revenue (Rs crs)



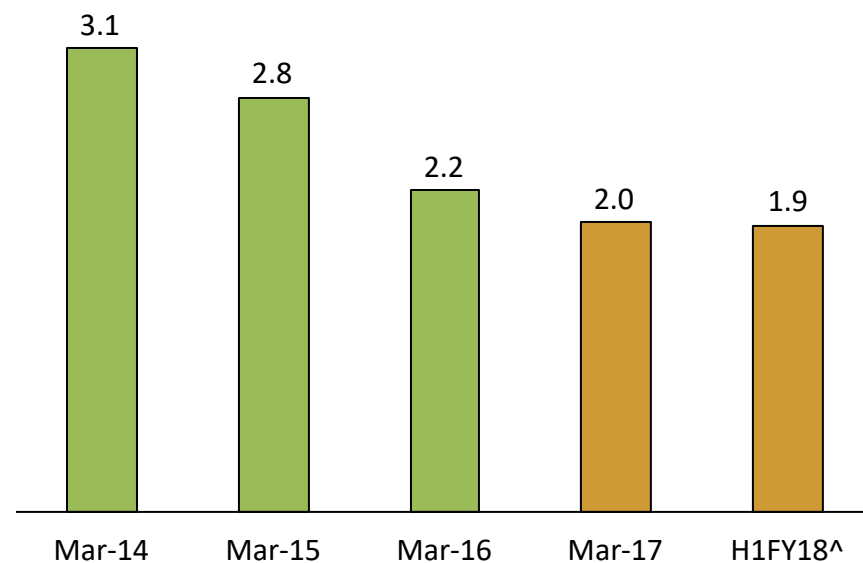
Domestic Exports

Improving Balance Sheet

Net Debt *(Rs. Crs)



Net Debt:Equity



*Net Debt includes Current Maturity of Debt

^ As per IND AS rest Indian GAAP

For further information, please contact:

Company :	Investor Relations Advisors :
<p>Banswara Syntex Ltd. CIN: L24302RJ1976PLC001684</p> <p>Mr. J.K.Jain - CFO jkjain@banswarasyntex.com</p> <p>www.banswarasyntex.com</p>	<p>Strategic Growth Advisors Pvt. Ltd. CIN: U74140MH2010PTC204285</p> <p>Mr. Rahul Agarwal / Mr. Shrikant Sangani rahul.agarwal@sgapl.net / shrikant.sangani@sgapl.net</p> <p>www.sgapl.net</p>