

BANSWARA SYNTEX LIMITED

Investor Presentation – May 2016



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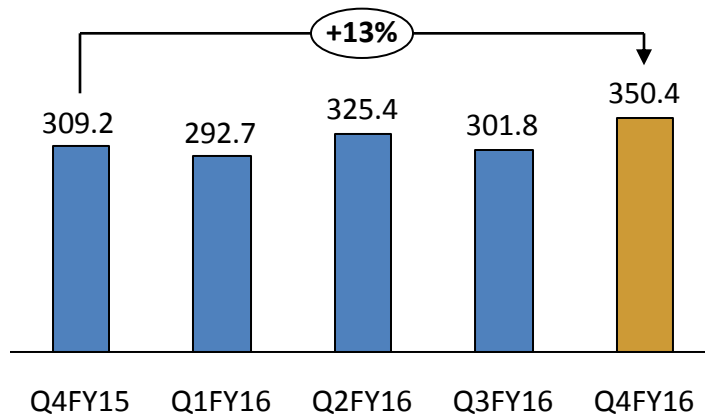


► FY16 Result Highlights

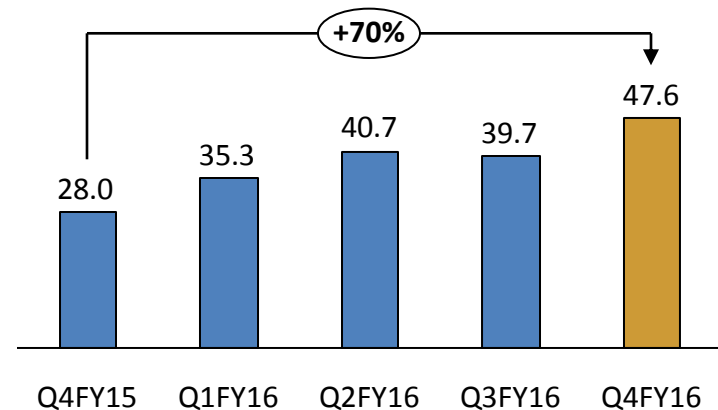
Consistent Superior Quaterly Performance - Consolidated



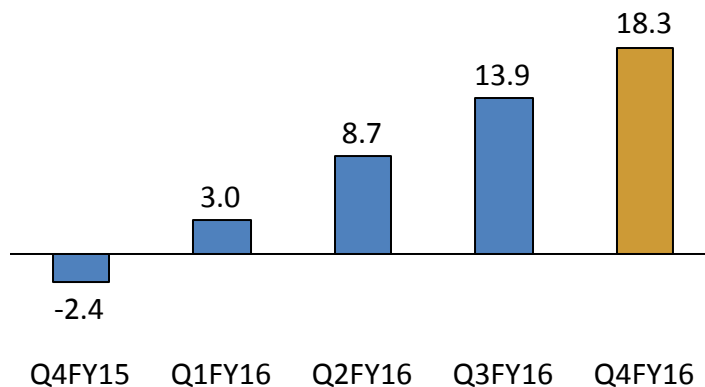
Total Operating Income Rs crs



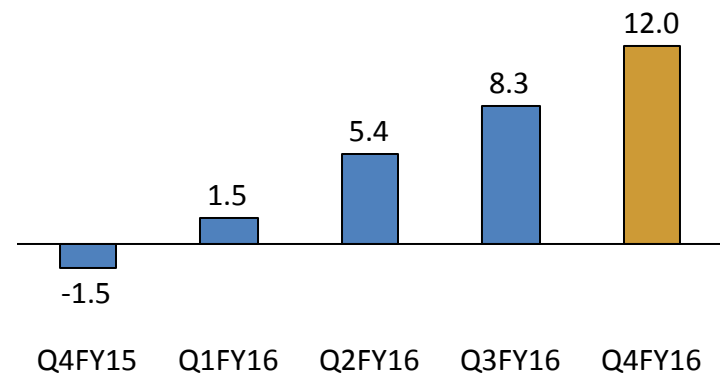
EBIDTA Rs crs



PBT Rs crs



PAT Rs crs



Q4 FY16 Results Highlights



- ▶ Revenue growth of 13.3% to Rs.350 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 69.9% to Rs. 47.6 crores
 - EBITDA margin expanded by 458 bps to 13.58%
- ▶ Finance expense lower by 16.4% to Rs. 16.6 crores
 - Regular debt repayment as per schedule
 - Received additional 3% interest rebate under New Interest Equalisation Scheme effective from 1st April 2015
- ▶ PAT stood at Rs. 12 crores against loss of Rs. 1.5 crores
- ▶ Focus on high margin Garmenting and Fabric business
- ▶ Entry into new geography of Japan, USA & Europe witnessing good traction

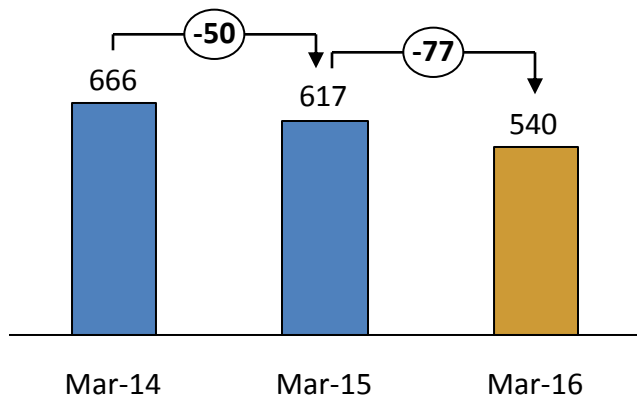
Consolidated Q4 & FY16 P&L Highlights



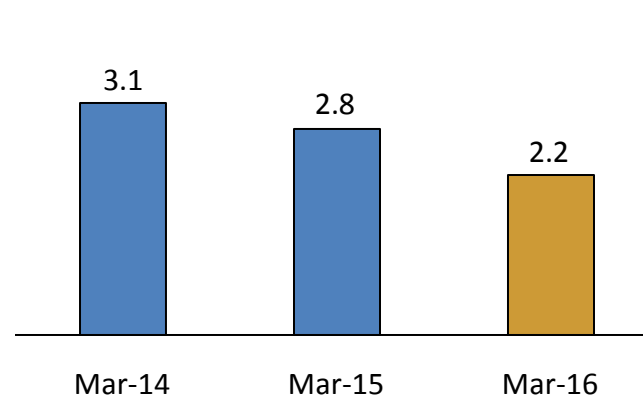
Rs Crs	Q4 FY16	Q4 FY15	Y-o-Y	FY16	FY15	Y-o-Y
Total Operating Income	350.4	309.2	13.3%	1,270.2	1,230.6	3.2%
Raw materials	181.4	161.9		615.7	617.2	
Employee Exp	49.1	47.4		199.0	183.5	
Other Expenses	72.2	71.9		292.2	288.9	
EBIDTA	47.6	28.0	69.9%	163.4	140.9	15.9%
Margin %	13.58%	9.0%		12.86%	11.45%	
Other Income	2.7	5.3		11.2	17.0	
Depreciation	15.3	15.9		60.7	62.6	
Finance Cost	16.6	19.9		70.0	81.0	
PBT	18.3	-2.4	-	43.9	14.4	204.5%
Tax	6.3	-0.9		16.6	6.4	
PAT	12.0	-1.5	-	27.2	8.0	240.1%
PAT Margin	3.44%	-0.49%		2.14%	0.65%	

Improving Business Parameters

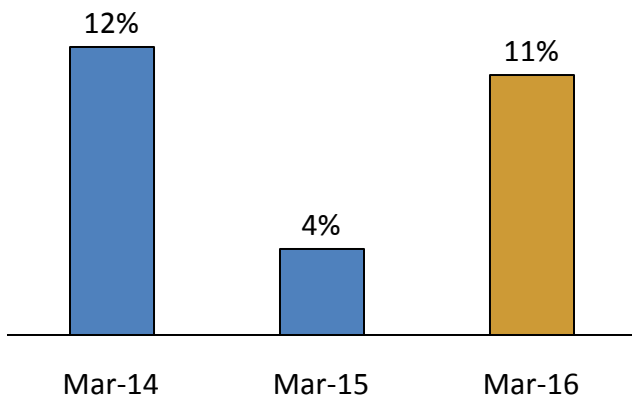
Net Debt Rs. crs



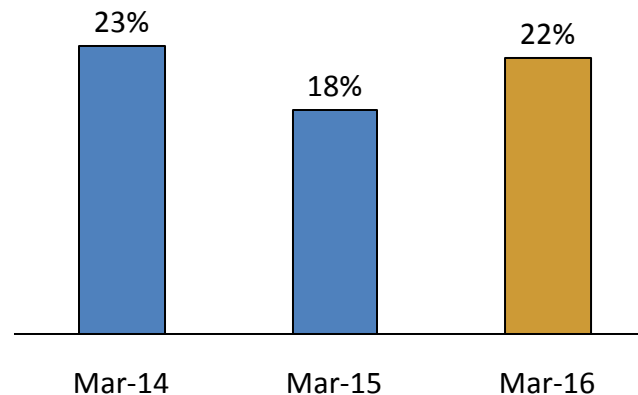
Net Debt:Equity



ROE



ROCE

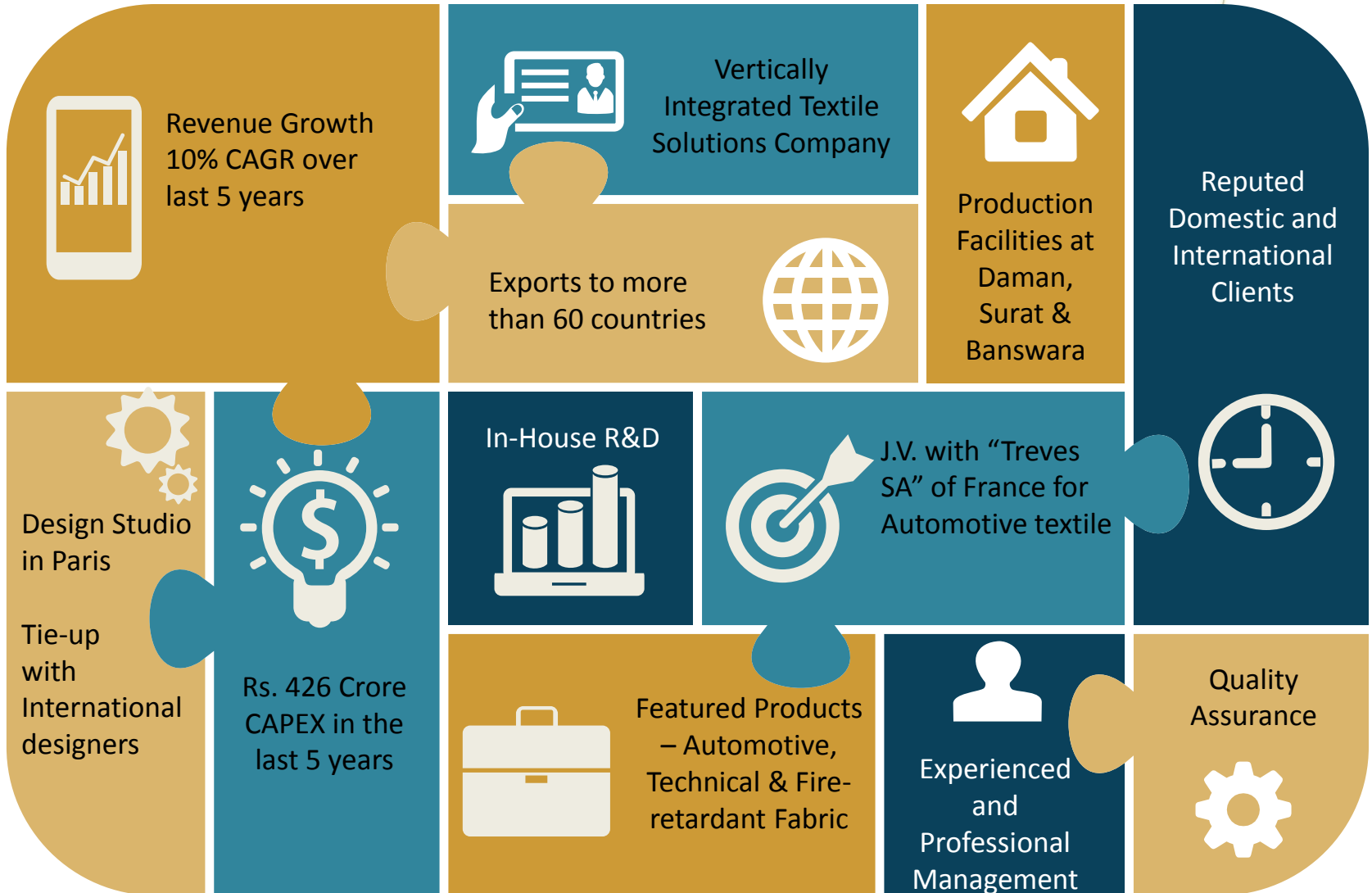


Net Debt includes Current Maturity of Debt



► 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

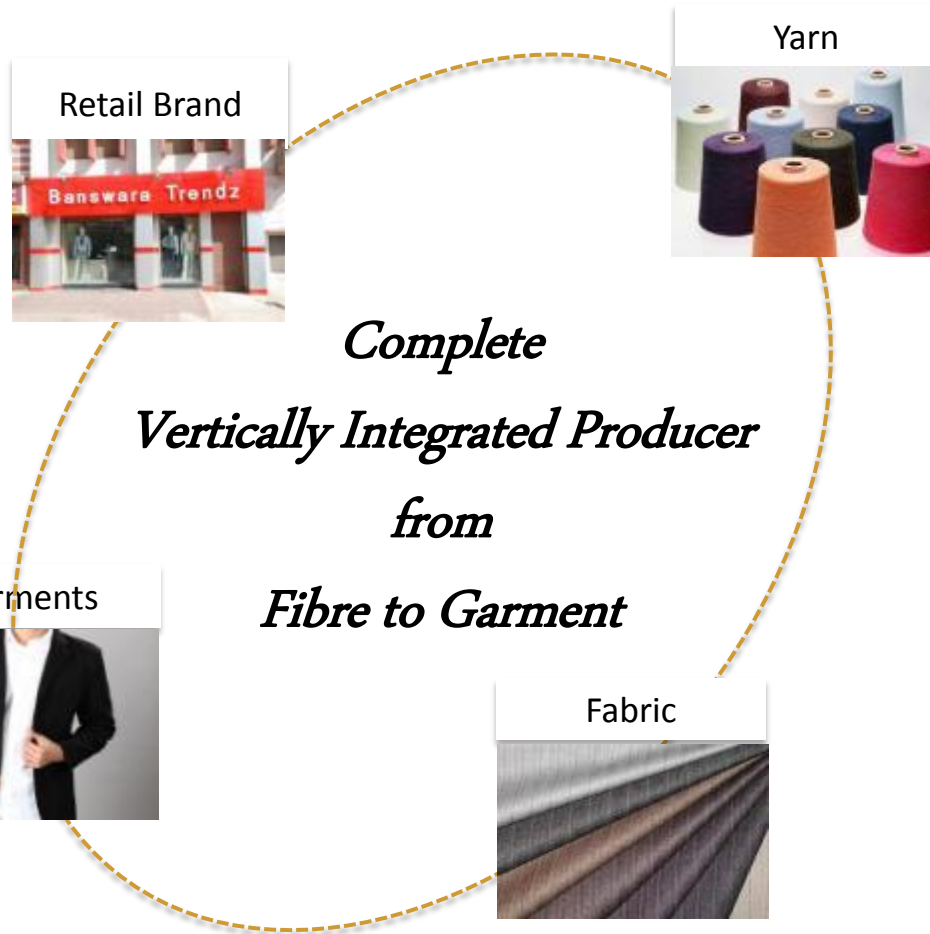
- Produce Hi-Quality Hi- Performance Textile wear finished fabric
- Manufactures 3 mn mts p.m. of suiting fabric for Domestic & Exports Markets

Garments

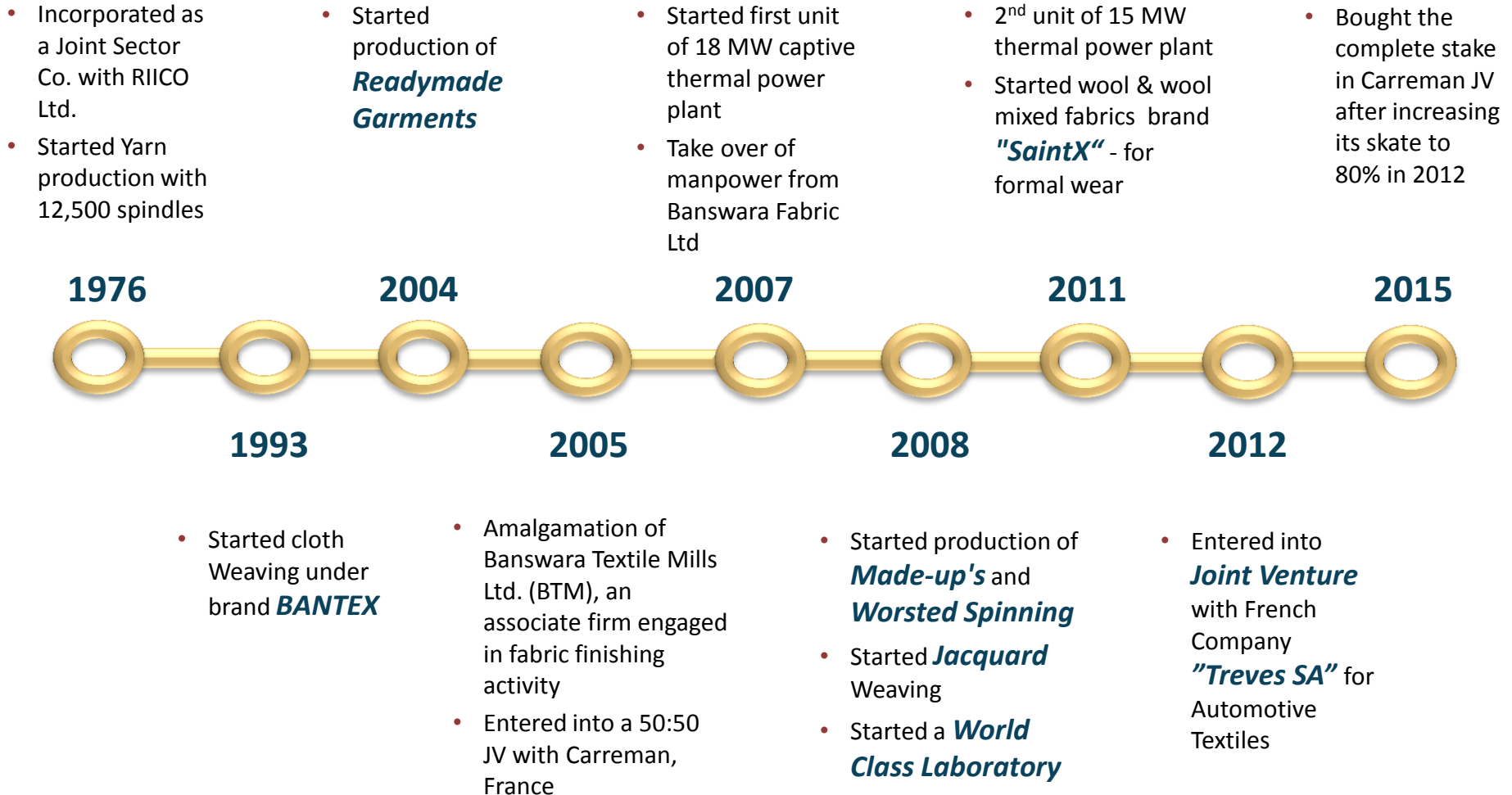
- Garmenting Units: Daman & SEZ Surat
- Specialise in Trousers , Jackets & Waist Coat production
- Manufacturing Capacity pcs/ month
 - Trousers & Suiting's– 3,45,000
 - Jackets & Waist Coats - 37,500

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

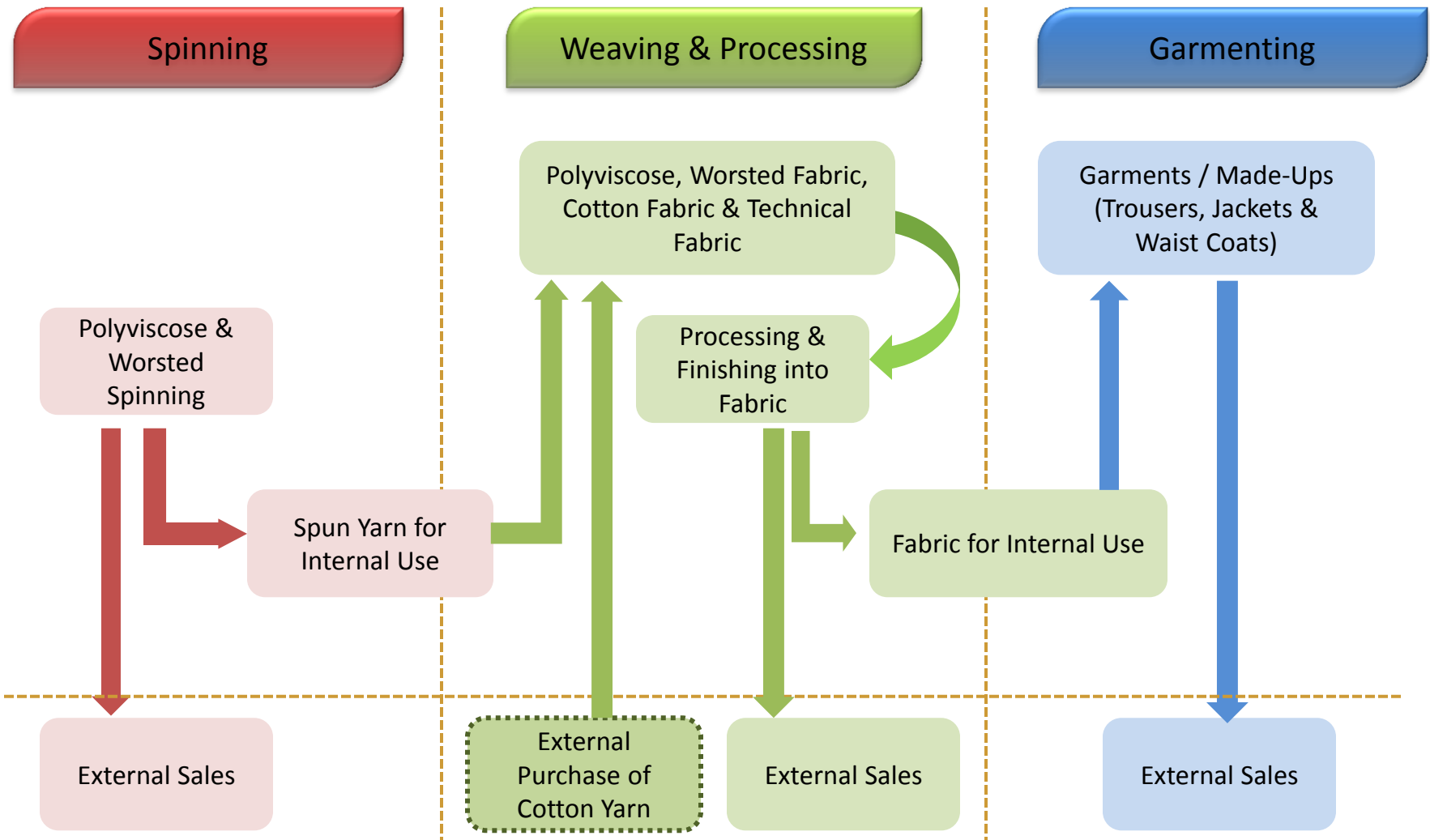
Dr. Vaijayanti Pandit
Independent Director

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



★ macy's



YOUR M&S

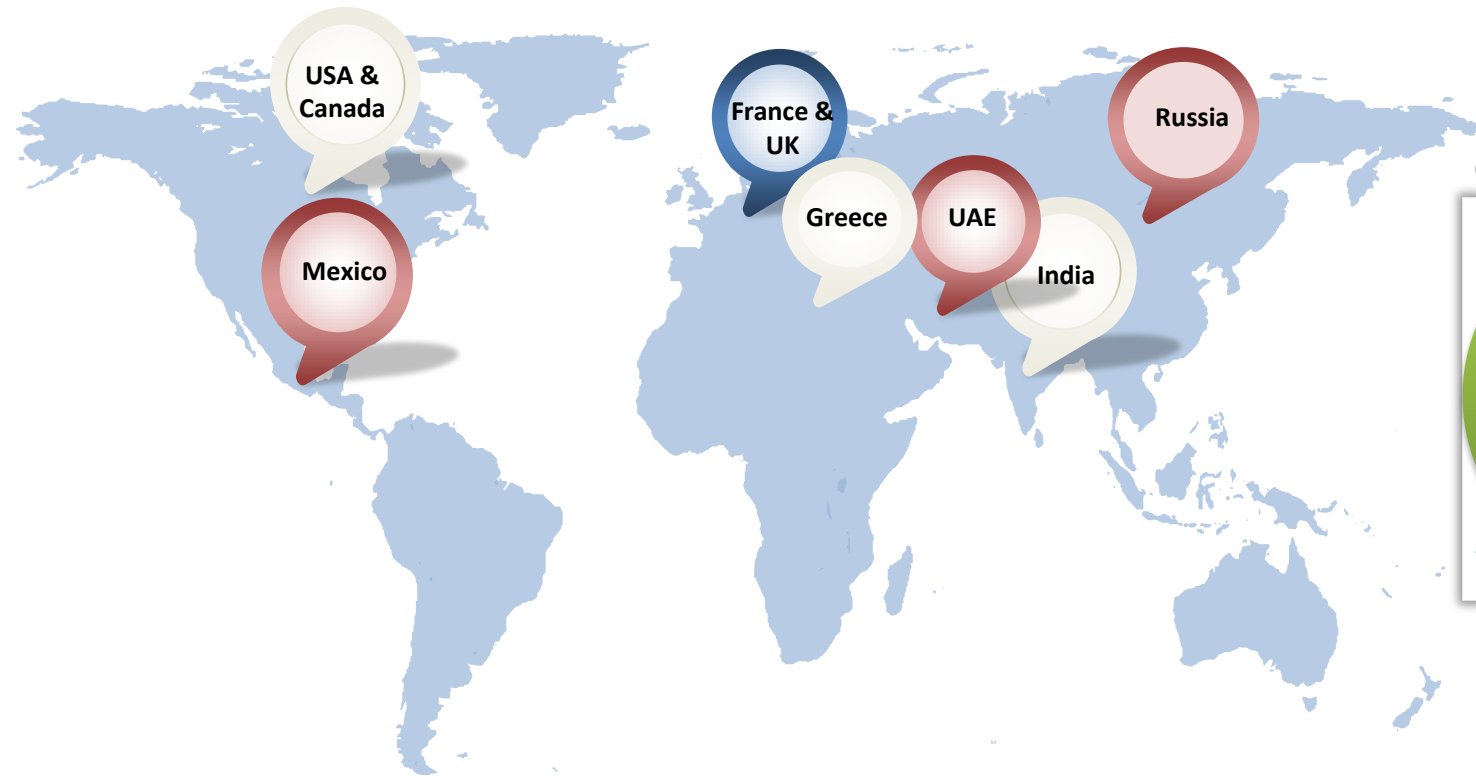
DOUGLAS & GRAHAME
GENTLEMEN'S CLOTHIERS SINCE 1926

TESCO

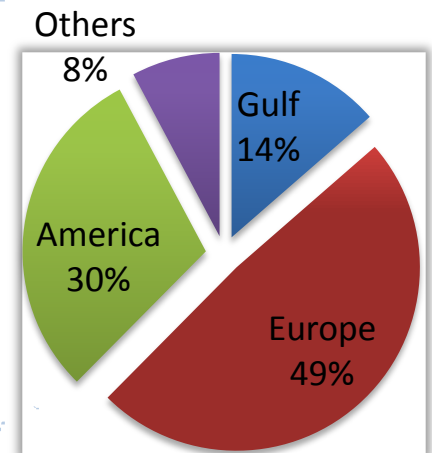


Increasing presence in Garmenting Space

Global Presence



**Geographical Export
break up FY15**



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



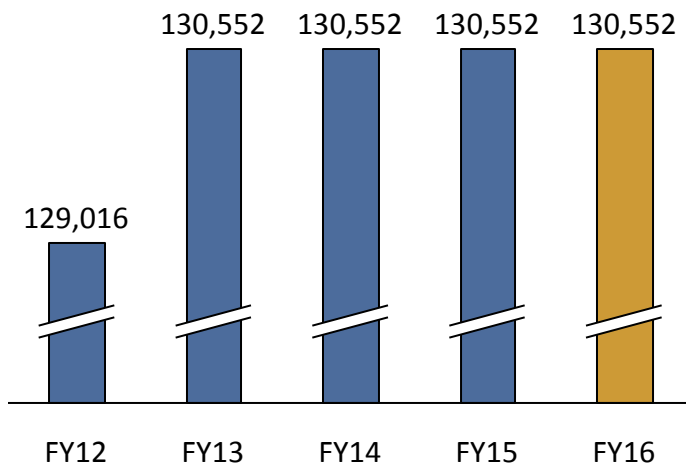
Garmenting Unit

Invested over Rs. 426 crores towards expansion and modernisation between FY10 -15

- Spinning Rs.209 Crs
- Fabric Rs.132 Crs
- Garmenting Rs.38 Crs
- Power Unit Rs.47Crs

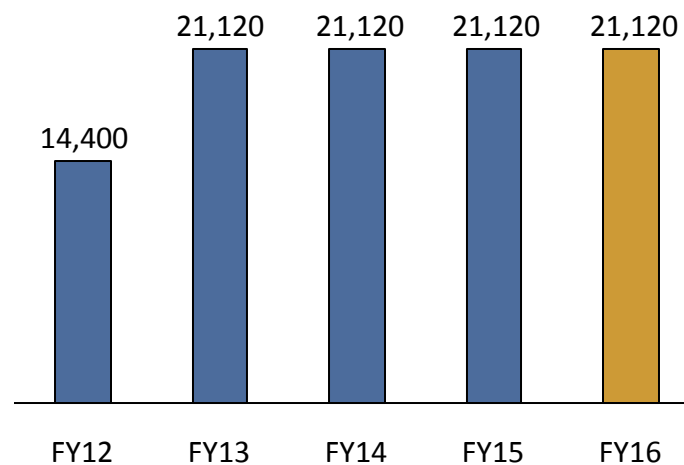
Spinning and Yarn

Synthetic Blended Yarn

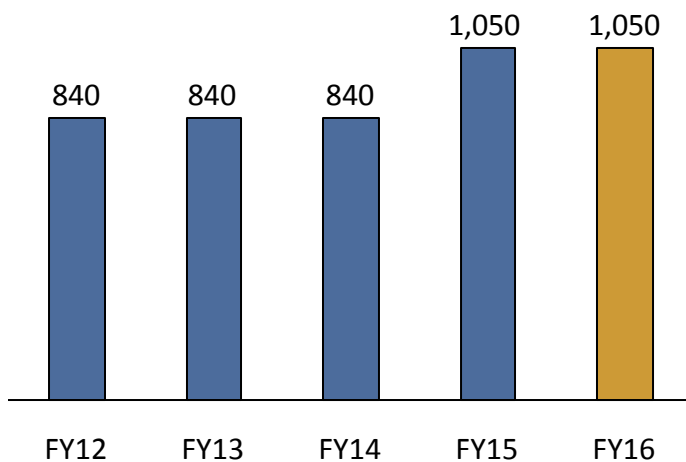


Spinning
(Spindles)

Worsted Yarn

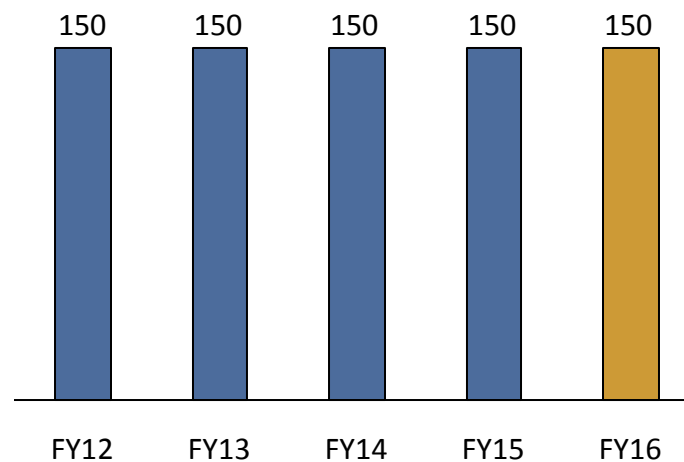


Fiber & Wool Dyeing



(MT/month)

Yarn Dyeing

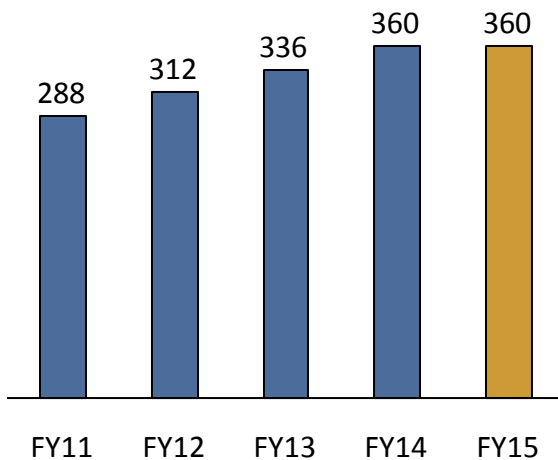


Fabric Weaving and Processing



Capacity in Lac Mtrs/Year

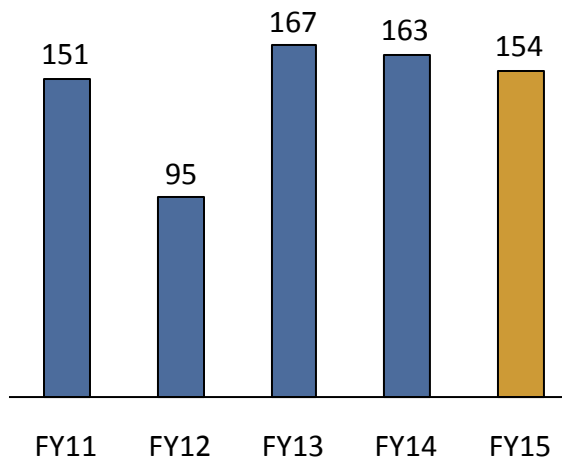
Fabric Weaving



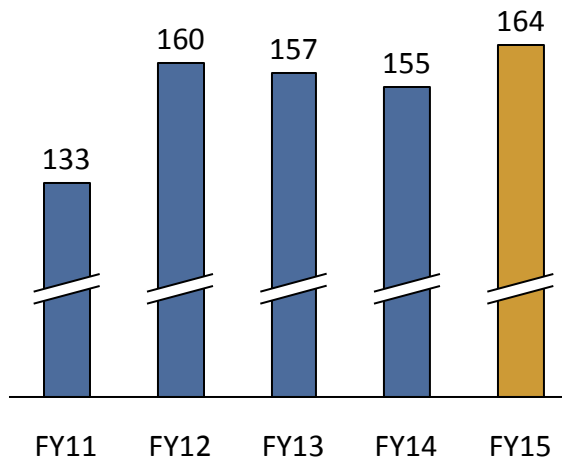
**Fabric Processing Capacity
of 600 Lac Mtrs/Year**

Sales in Lac Mtrs/Year

Commodity Fabric

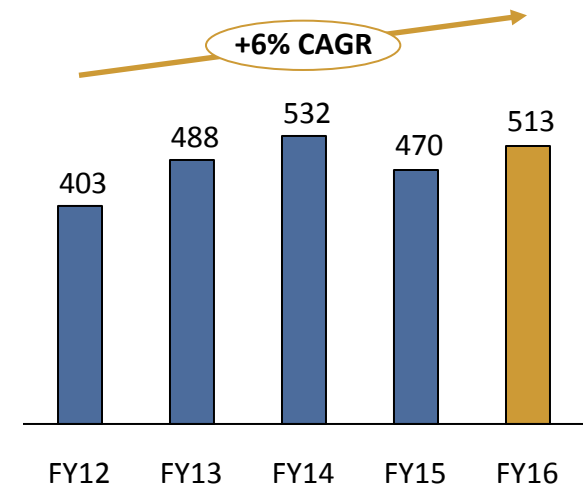


Value Added Fabric



Revenue in Rs Crores

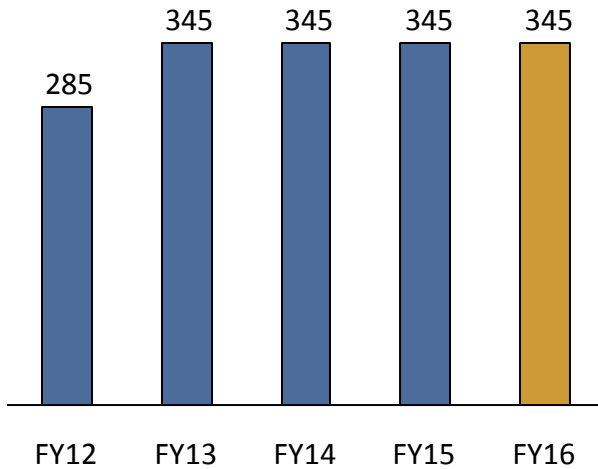
Fabric Weaving



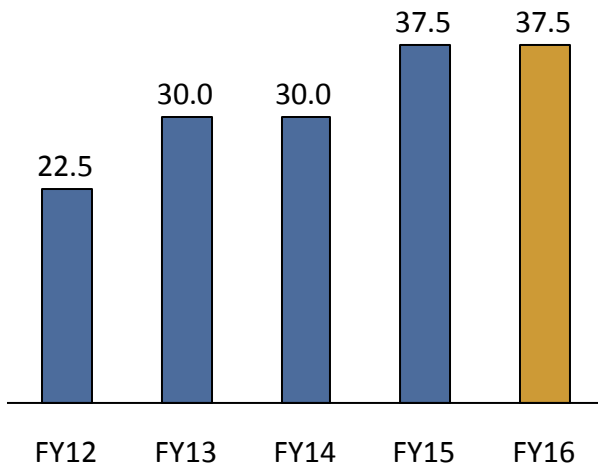
Garmenting

Capacity in '000 pcs/month

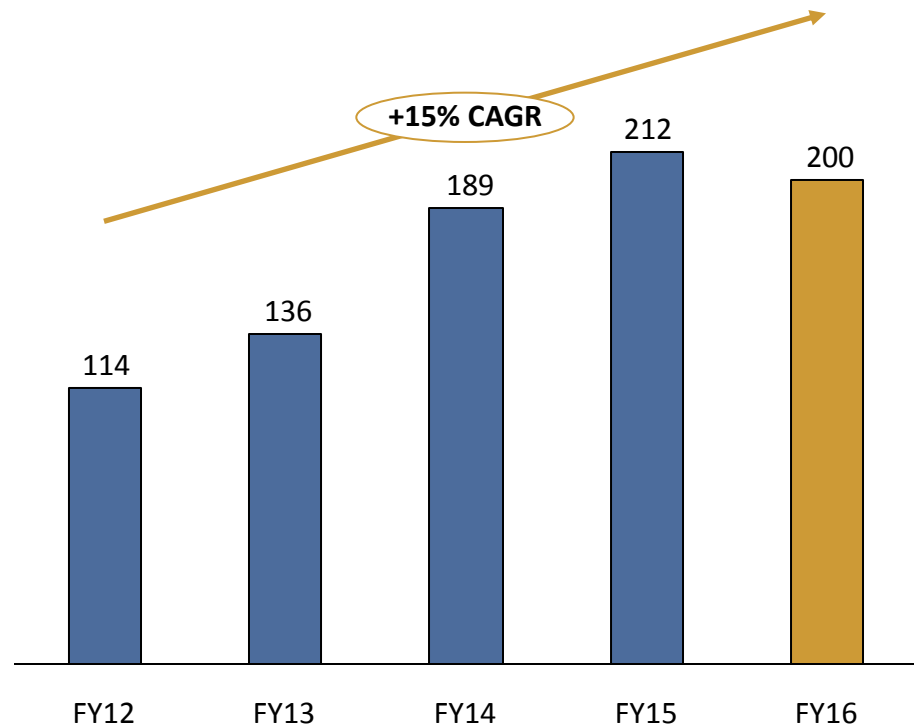
Trousers & Suitings



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

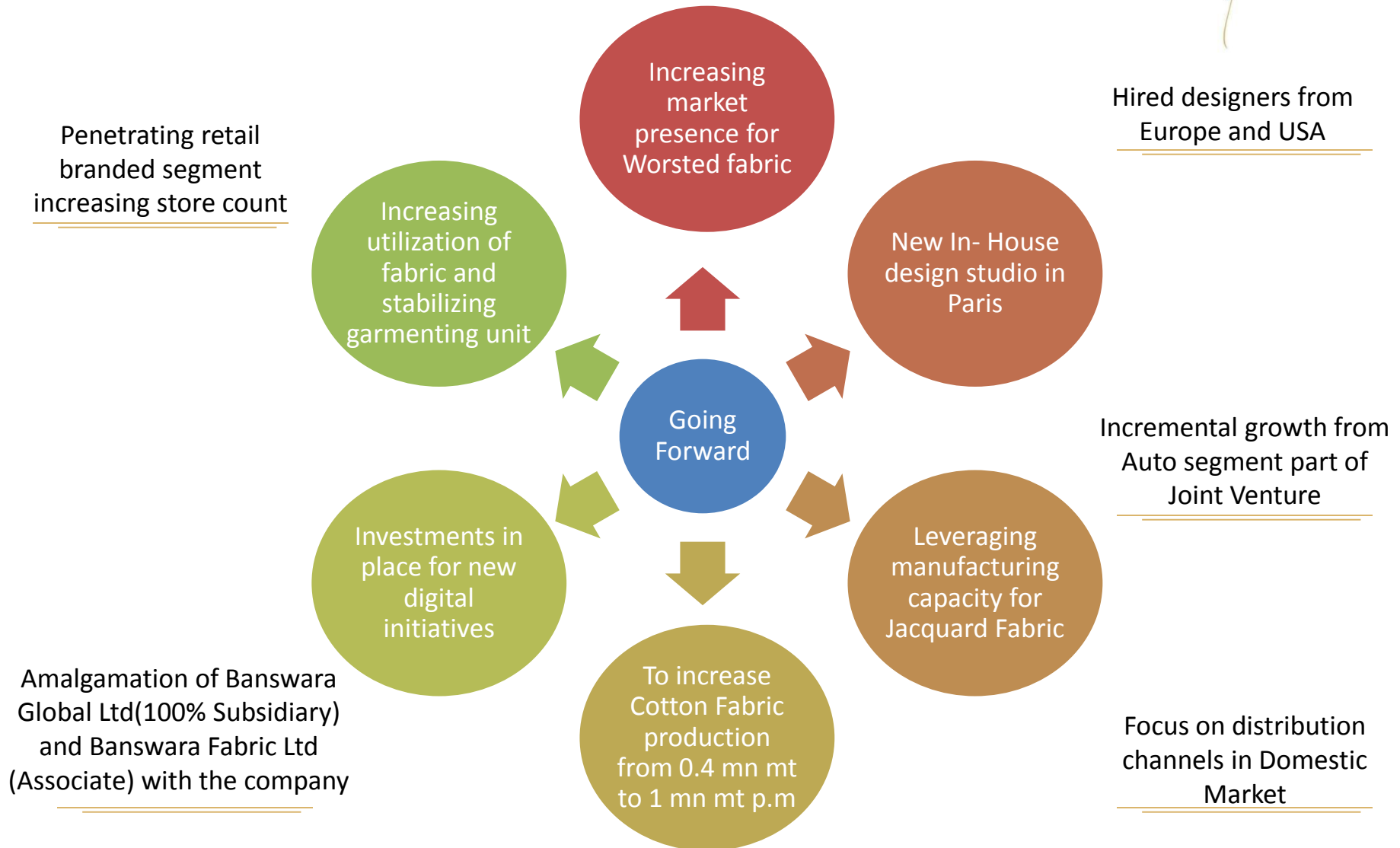
Established worsted & Cotton fabric Marketing

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 Q4 & FY16 P&L Highlights

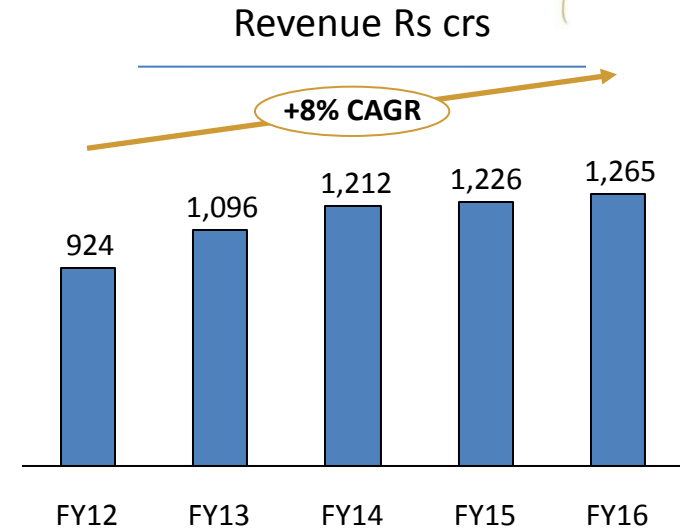


Rs Crs	Q4 FY16	Q4 FY15	Y-o-Y	FY16	FY15	Y-o-Y
Total Operating Income	348.4	305.5	14.1%	1264.7	1226.2	3.1%
Raw materials	180.1	159.3		611.6	614.8	
Employee Exp	48.3	46.6		195.7	180.6	
Other Expenses	73.5	72.3		296.9	293.2	
EBIDTA	46.5	27.2	70.9%	160.4	137.7	16.5%
Margin %	13.34%	8.9%		12.69%	11.2%	
Other Income	2.4	5.3		10.9	16.9	
Depreciation	14.5	15.2		57.5	59.4	
Finance Cost	16.6	19.8		70.0	80.7	
PBT	17.7	-2.5	-	43.8	14.5	202.1%
Tax	6.1	-0.9		16.6	6.4	
PAT	11.6	-1.7	-	27.2	8.0	240%
PAT Margin	3.33%	-0.5%		2.15%	0.7%	

Standalone Operating Performance

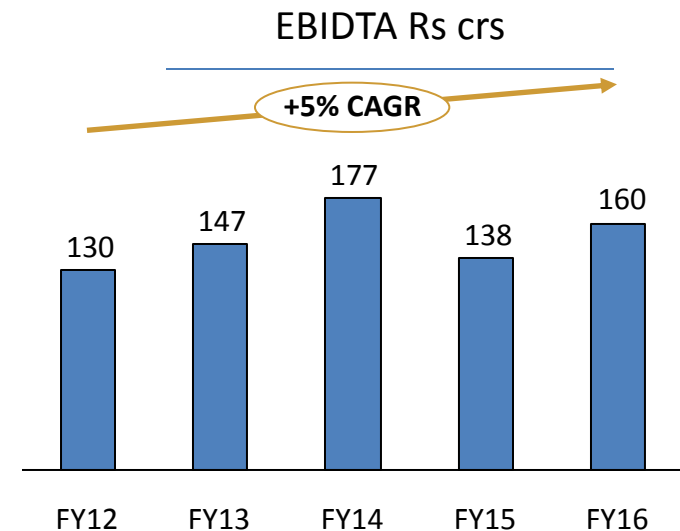
FY16 Revenue highlights

- ▶ Lower realisation on account of pass on of correction in raw material prices
- ▶ Entry into Japanes market –Strong future potential
- ▶ Leveraging manufacturing capacity in Jacquard Fabric for denim wear in Indian market



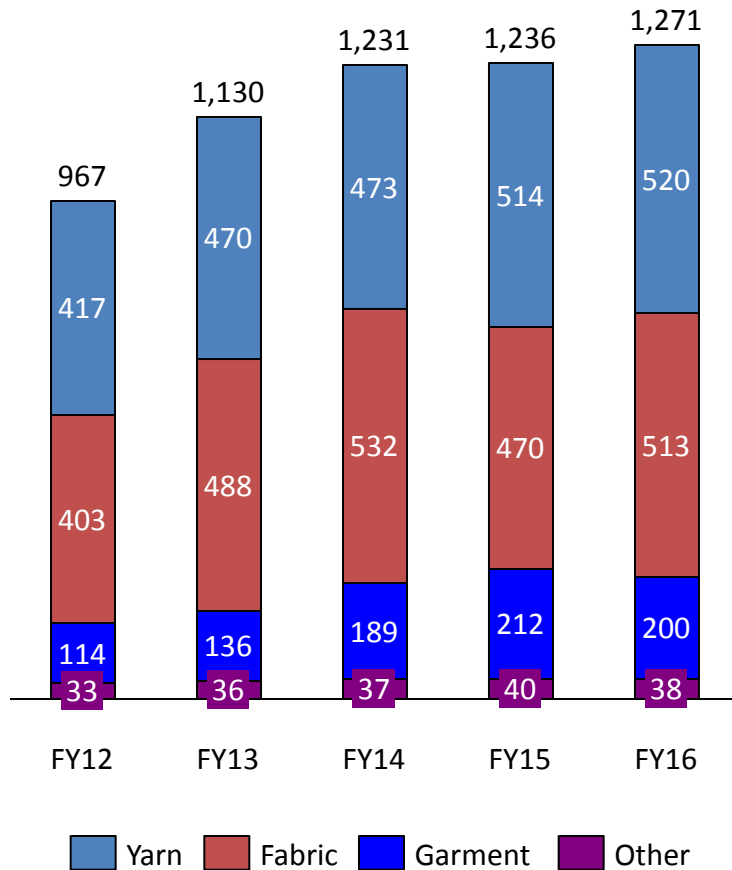
FY16 EBIDTA highlights

- ▶ Investments in employee base in Garmenting, Retailing and Design Studio
- ▶ Improvement in margin due to shift towards higher value added products
- ▶ Focus to continue on higher margin Garmenting and Fabric business

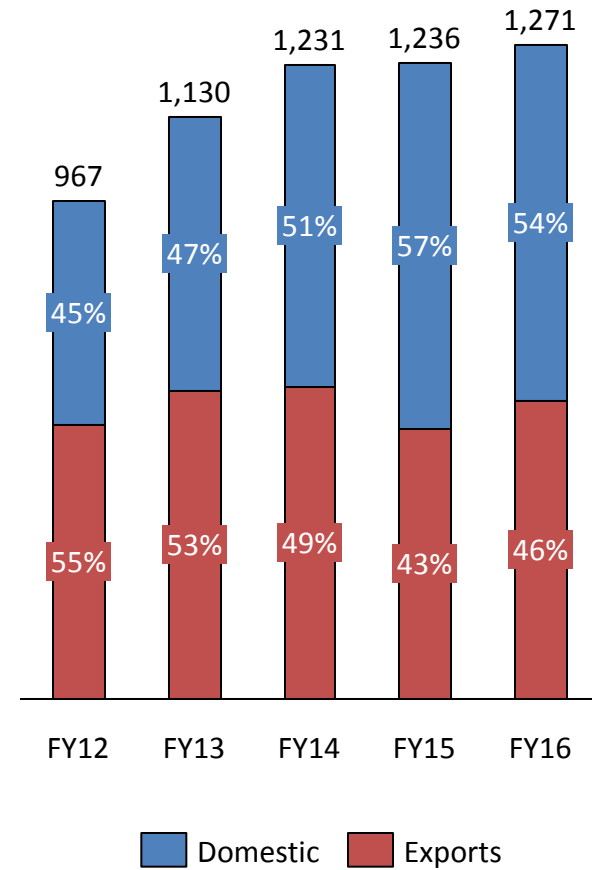


Standalone Revenue Performance

Segment Gross Revenue Rs crs



Geographic Gross Revenue Rs crs



Consolidated Balance Sheet



Rs. Cr.	Mar 16	Mar 15
EQUITY AND LIABILITIES		
Shareholders Funds	248.3	222.5
Share Capital	16.9	16.4
Reserve & Surplus	231.3	205.6
Money received against share warrants	0.0	0.5
Total Non-current Liabilities	272.3	315.4
Long-term borrowings	216.6	262.8
Deferred tax liabilities	46.2	41.6
Other Non-current liabilities	9.5	11.0
Total Current Liabilities	520.1	541.6
Short Term Borrowings	280.5	303.2
Trade Payables	126.1	138.9
Other Current Liabilities	87.6	86.4
Short Term Provisions	25.9	13.1
TOTAL EQUITY & LIABILITIES	1,040.6	1,079.5

Rs. Cr.	Mar 16	Mar 15
ASSETS		
Non-Current Assets	509.7	536.6
Fixed Assets	492.8	526.1
Non current investment	1.0	0.9
Long term loans & Advances	6.4	4.5
Other non Current Assets	9.5	5.1
Current Assets	530.9	542.9
Inventories	290.9	329.5
Trade Receivables	164.0	139.2
Cash	22.0	17.4
Short Term Loans & Advances	25.8	21.8
Other Current Assets	28.2	34.9
TOTAL ASSETS	1,040.6	1,079.5

For further information, please contact:

Company :	Investor Relations Advisors :
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