



BANSWARA SYNTEX LIMITED

Presentation – May 2017

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.

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

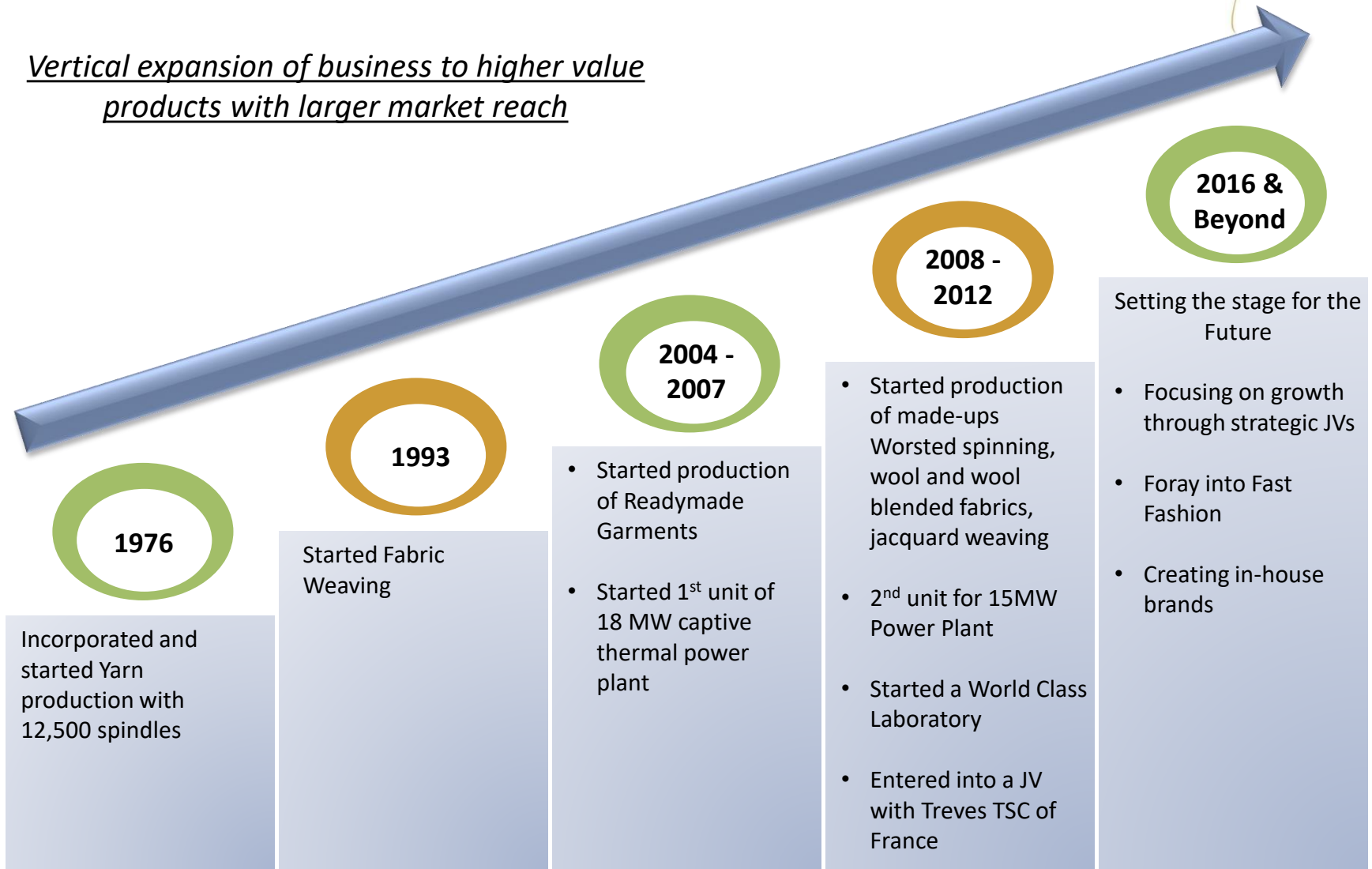
Global Customer Accreditations and Quality Certifications

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

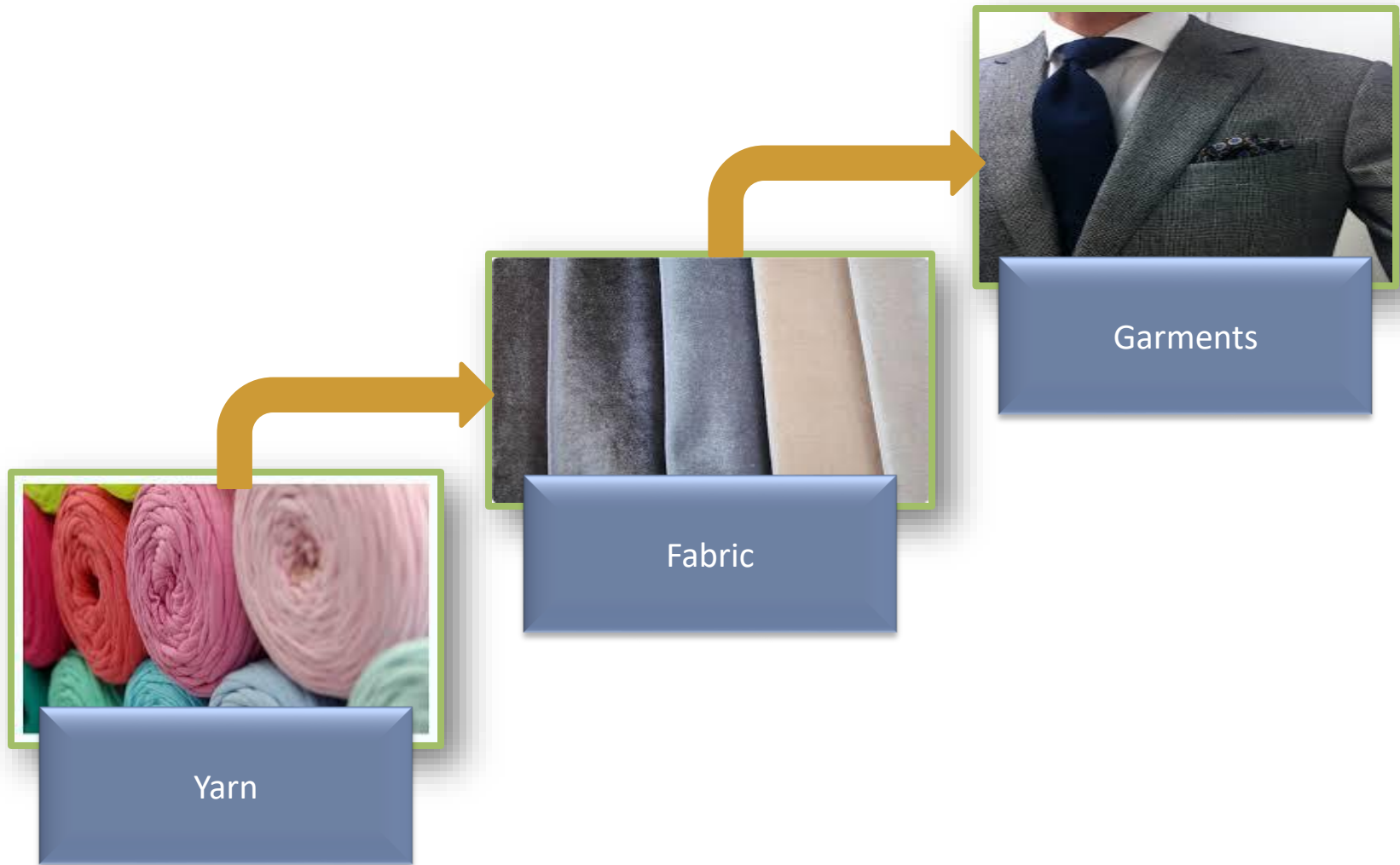
Evolution into an Integrated Business



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

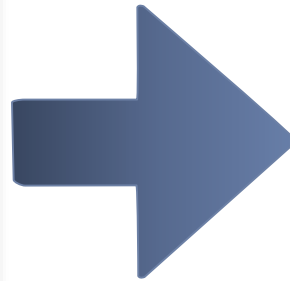
Invested over Rs. 494 crores towards expansion and modernisation between FY 2010 – December 2016

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

Value Addition in the Yarn Business

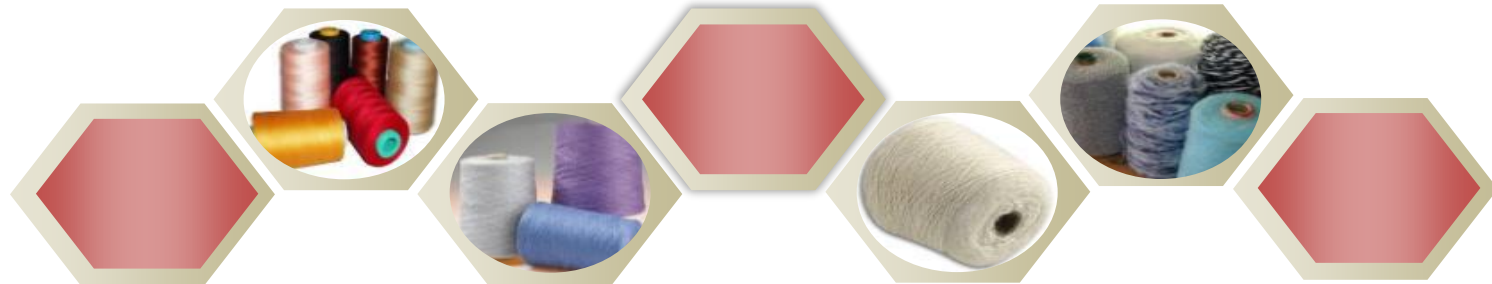
Current Scenario

- 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

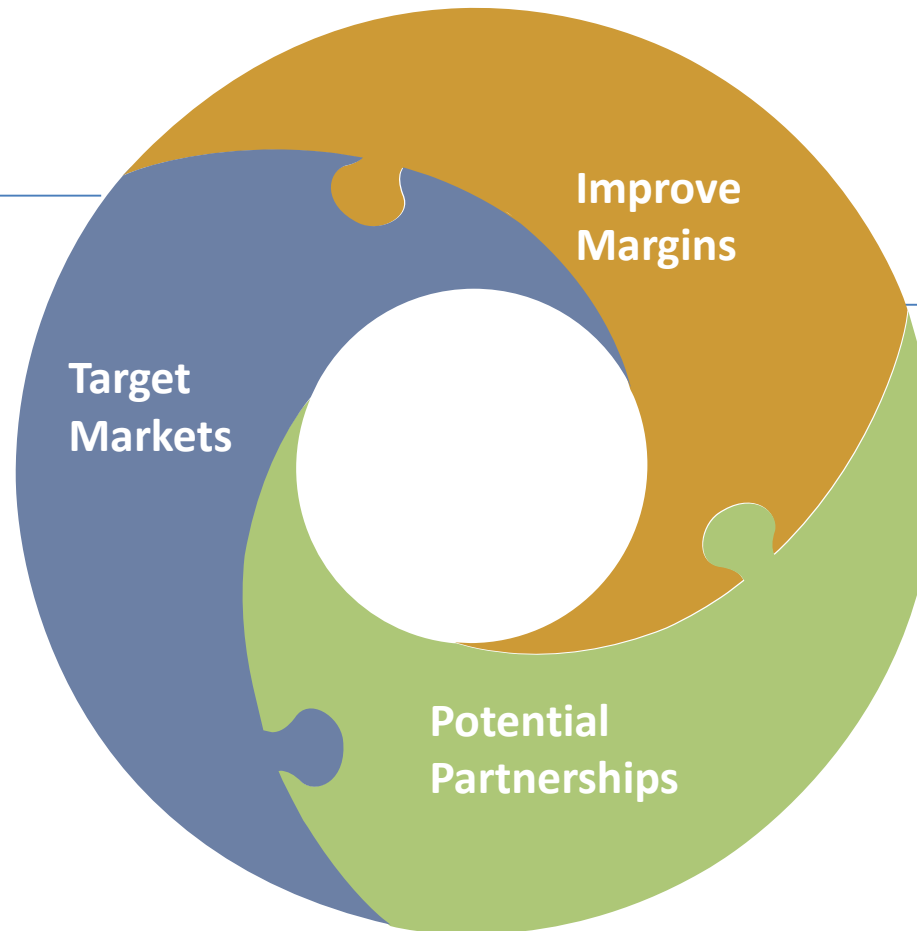
- Focus on higher contributions from value added yarns to the product mix
 - Increase in production of PV Lycra Yarn and Specialty Yarns
- We aim to improve capacity utilization for Worsted Yarn
- Exploring Niche Markets



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.

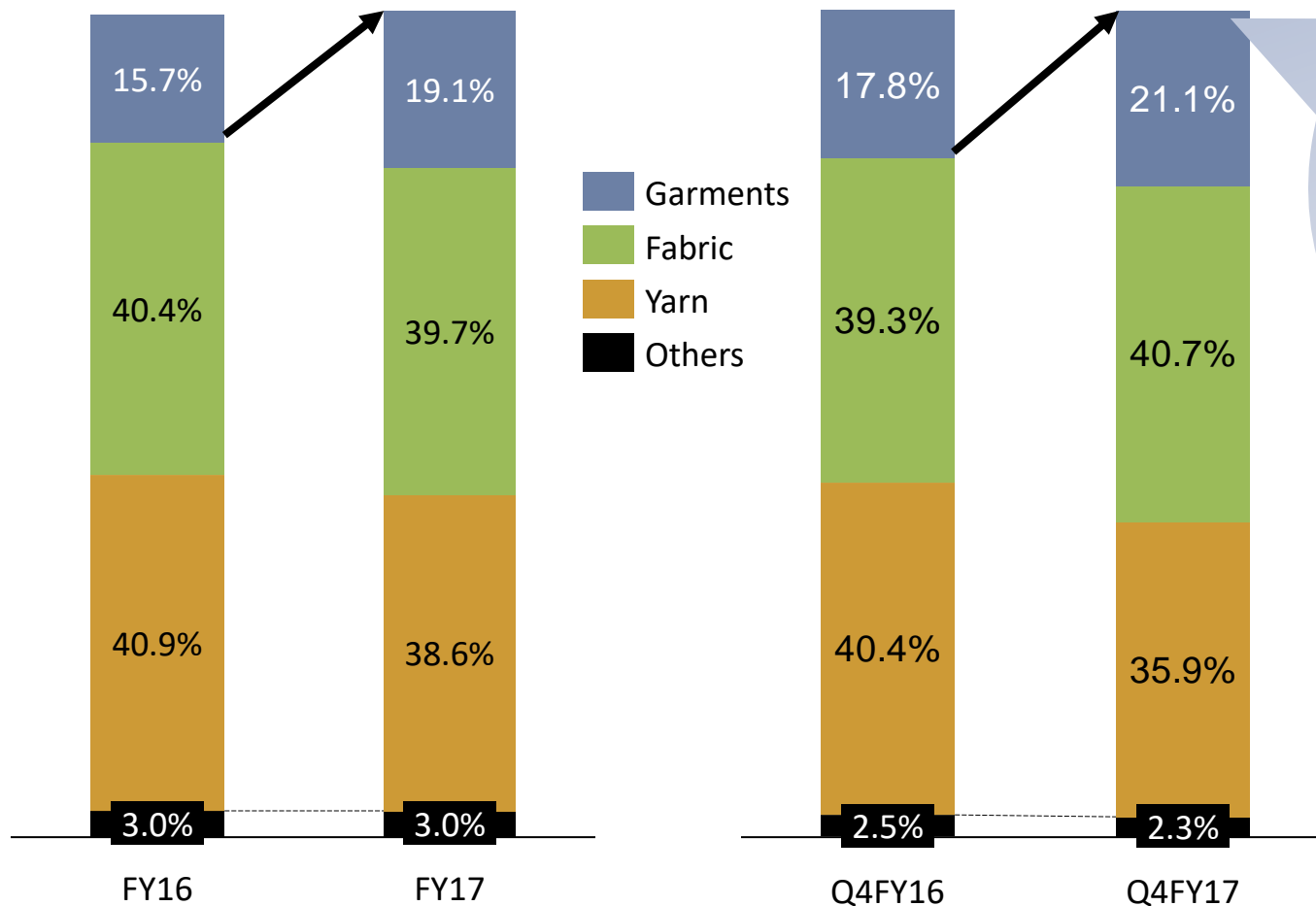
Potential Partnerships with synergistic benefits :

- 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.

Expanding our Garments Business in line with our Guidance...

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

Potential partnerships targeting

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



Organic Expansion

Inorganic Expansion

Outlook:

- Focus on the fast fashion segment
- Increasing global reach

Our Strategic Partnerships



Partnership with European Company

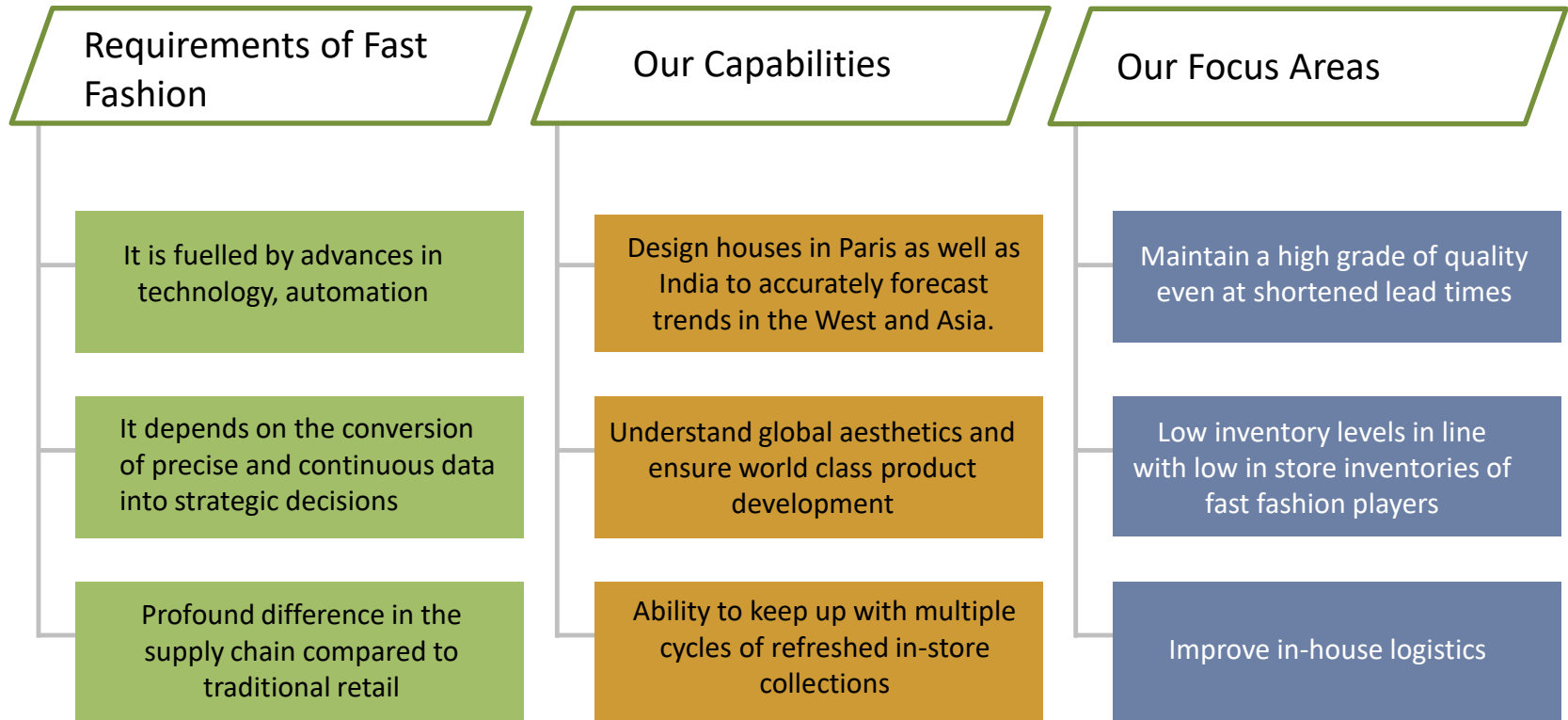
- Marketing agreement with a 90 year old European company, who, has been a major supplier to the global Fast Fashion retailers
- Focus, on Women's wear fabrics and would be Key supplier from India for fashion brands in USA and Europe
- Leverage on our manufacturing capabilities and provide best in class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

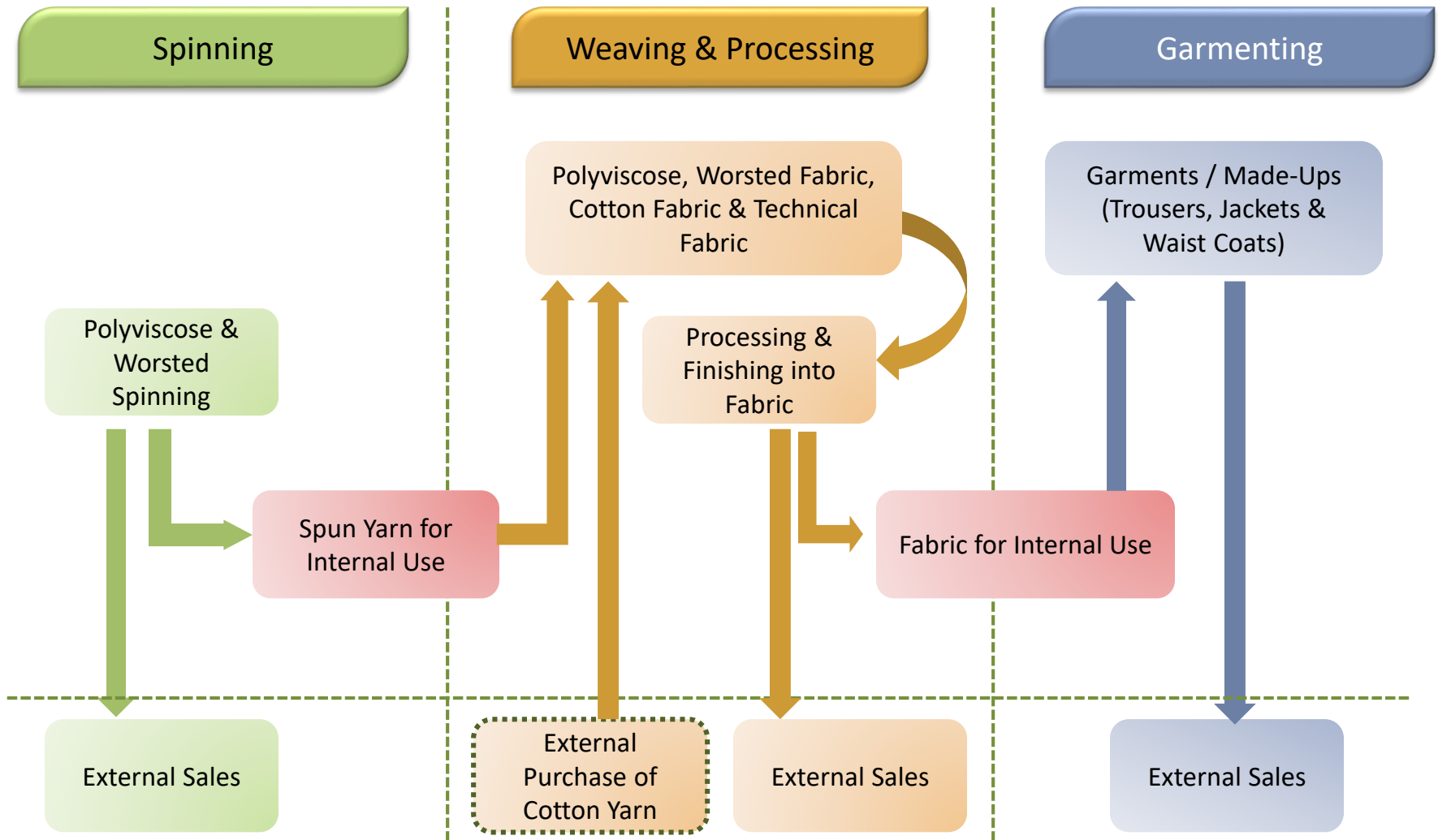
Our Partnerships will enable us to better utilize our existing manufacturing capacities and increase value added product sales

Riding the Fast Fashion Wave



Our Goal: To be the ***PREFERRED SUPPLIER*** to our Customers

Synergies from Vertical Integration



Domestic Clientele



VAN HEUSEN

JOHN MILLER

MAKE IT LOOK EASY

WILLS CLASSIC

INDIGO NATION

MEGA MART

Love brands. Love value.



Look good. Feel good.

PETER ENGLAND

UNITED COLORS OF BENETTON.



BELMONTE
SUITS YOUR STYLE

EXCALIBUR

Louis Philippe
The upper crest.



BOND WITH THE BEST

SCULLERS



E-Commerce Clients:



International Clientele



PEERLESS CLOTHING

JCPenney

PVH

PHILLIPS-VAN HEUSEN CORPORATION



PERRY ELLIS®

DUNNES STORES



KOHL'S
expect great things



★ macy's



YOUR M&S

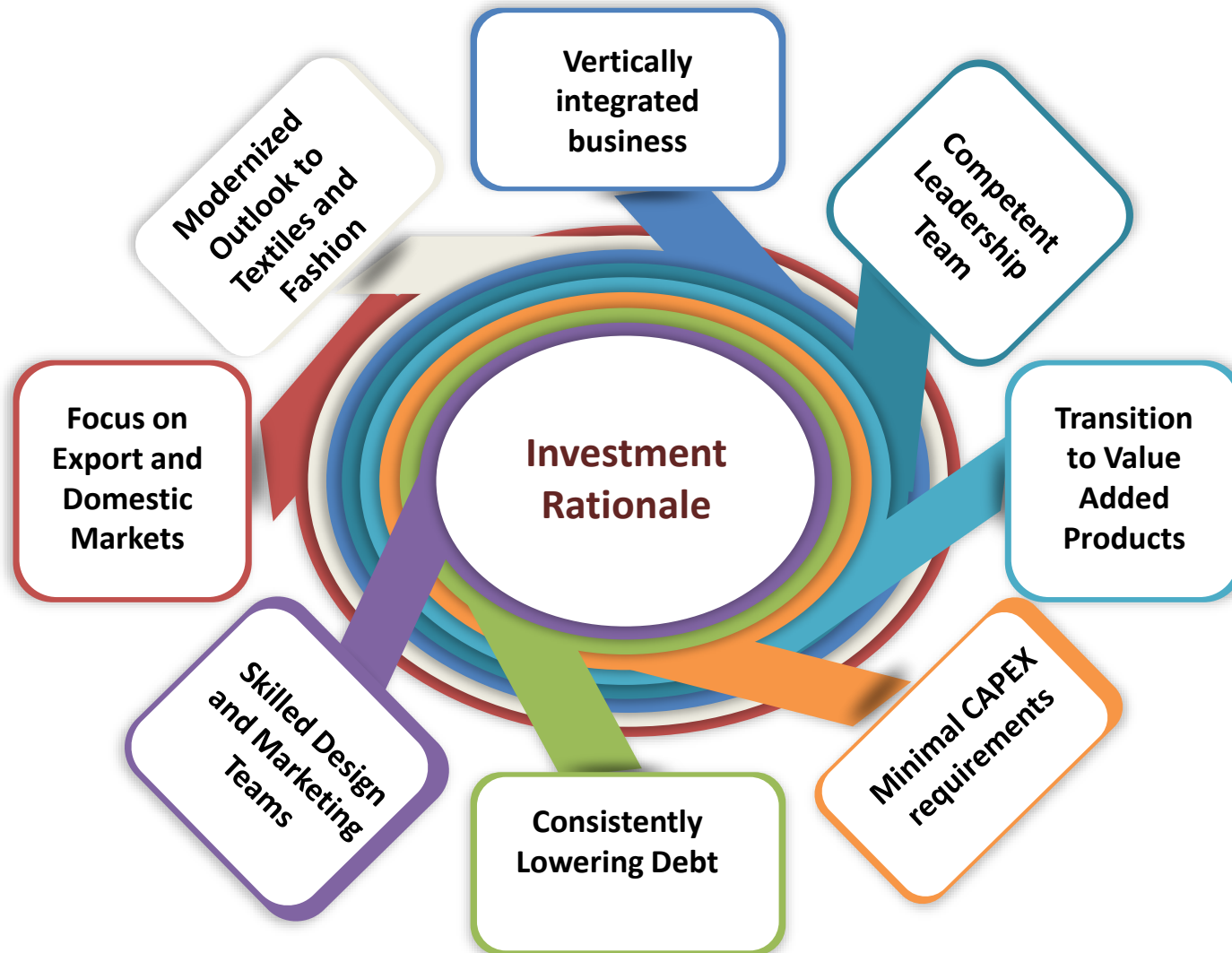
DOUGLAS & GRAHAME
GENTLEMEN'S CLOTHIERS SINCE 1926

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.	Q4FY17	Q4FY16	Y-o-Y	Q3FY17	Q-o-Q	FY17	FY16	Y-o-Y
Total Operating Income	318.4	348.4	-8.6%	304.4	4.6%	1244.3	1264.7	-1.6%
Raw materials	154.40	180.1		137.1		589.3	611.6	
Employee Exp	54.55	48.3		57.0		218.2	195.7	
Other Expenses	82.34	73.5		75.3		305.0	296.9	
EBIDTA	27.1	46.5	-41.7%	35.1	-22.8%	131.8	160.4	-17.9%
Margin %	8.5%	13.3%		11.5%		10.6%	12.7%	
Other Income	4.82	2.4		2.0		11.8	10.9	
Depreciation	14.65	14.5		15.2		57.6	57.5	
Finance Cost	15.56	16.6		16.1		63.0	70.0	
PBT	1.7	17.7	-90.4%	5.8	-70.8%	22.9	43.8	-47.7%
Tax	-0.2	6.1		1.6		6.3	16.6	
PAT	1.9	11.6	-83.7%	4.2	-55.4%	16.6	27.2	-39.0%
PAT Margin	0.6%	3.3%		1.4%		1.3%	2.2%	

Impact to our Profitability :



Increase in Employee Expenses:

The demonetization initiative undertaken by the Government of India resulted in:

Shortage of labour which led to higher payments including overtime payments to existing labour

Increase in Other Expenses:

Increase in Power & Fuel Cost due to an underlying increase in Coal Prices

Certain transportation was made by air at higher air freight due to delayed production in view of labour shortage

In the Short Term, we were unable to pass on this increase in cost to our customers

Balance Sheet

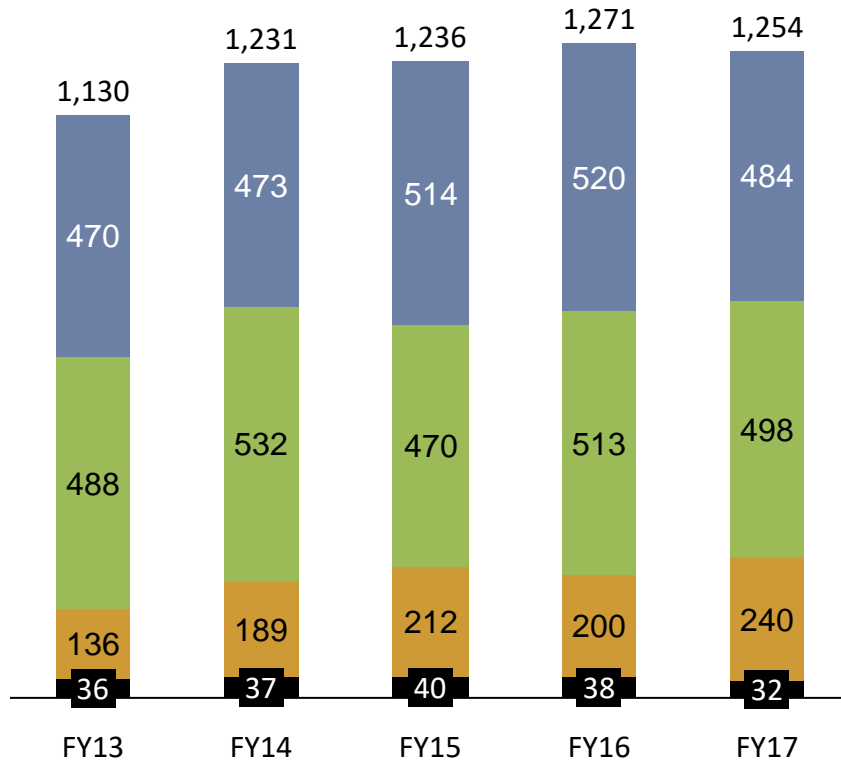
EQUITY AND LIABILITIES (Rs. In Crs)	Mar-17	Mar-16
Shareholders Funds	268.2	249.2
Share Capital	17.1	16.9
Reserve & Surplus	251.1	232.2
Money received against share warrants		0.0
Total Non-current Liabilities	253.0	272.6
Long-term borrowings	198.8	216.6
Deferred tax liabilities	44.7	46.7
Long Term Provisions	9.5	9.3
Total Current Liabilities	537.8	518.9
Short Term Borrowings	276.2	280.5
Trade Payables	161.1	127.3
Other Current Liabilities	94.2	85.5
Short Term Provisions	6.3	25.6
TOTAL EQUITY & LIABILITIES	1059.1	1040.7

ASSETS (Rs. In Crs)	Mar-17	Mar-16
Non-Current Assets	502.9	514.9
Fixed Assets	492.3	481.2
Non current investment	3.7	18.6
Long term loans & Advances	6.5	6.4
Other non Current Assets	0.4	8.8
Current Assets	556.1	525.7
Inventories	329.2	290.2
Trade Receivables	157.3	161.8
Cash & Cash Equivalent	19.8	20.8
Short Term Loans & Advances	30.7	24.8
Other Current Assets	19.2	28.1
TOTAL ASSETS	1059.1	1040.7

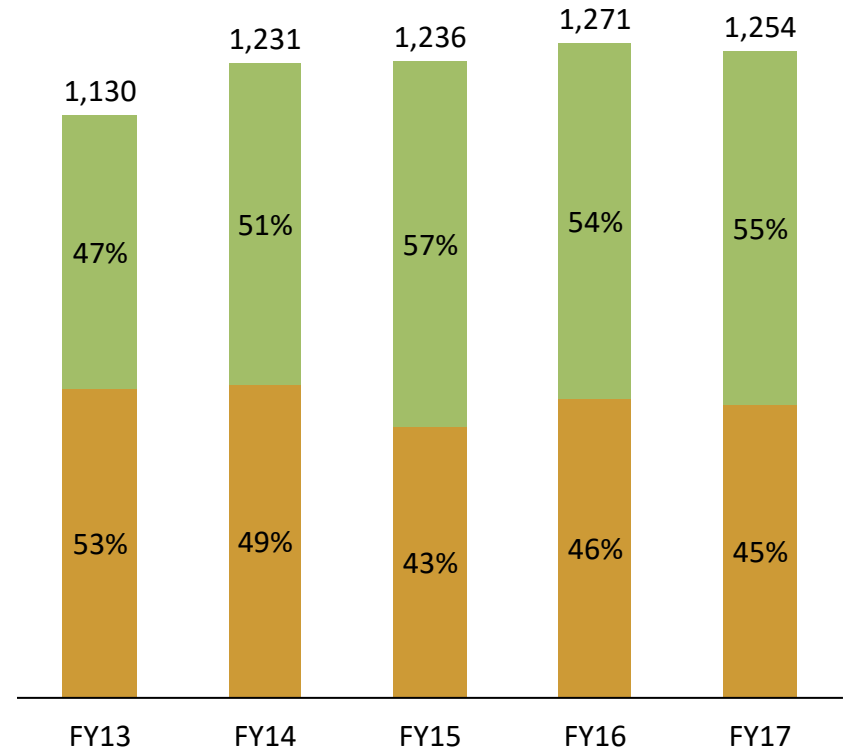
Revenue Performance



Segment Gross Revenue (Rs crs)



Geographic Gross Revenue (Rs crs)



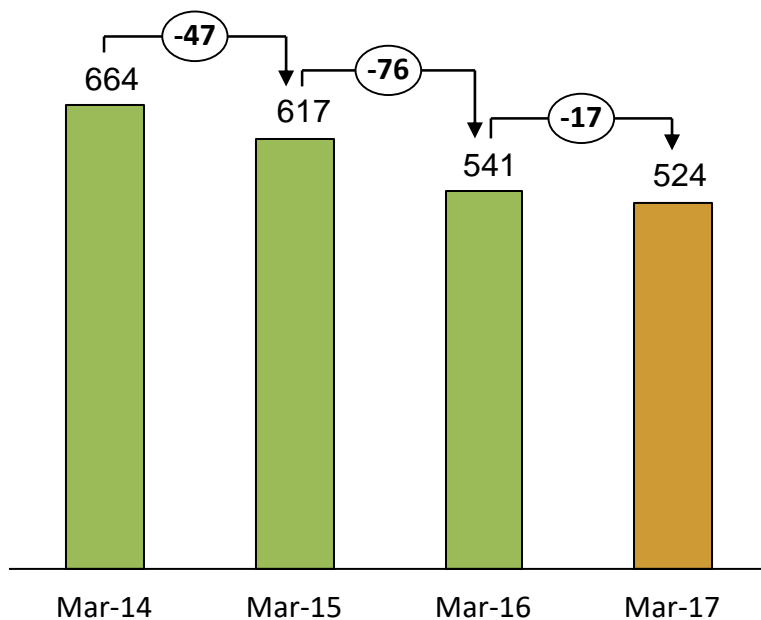
■ Yarn ■ Garment
■ Fabric ■ Other

■ Domestic
■ Exports

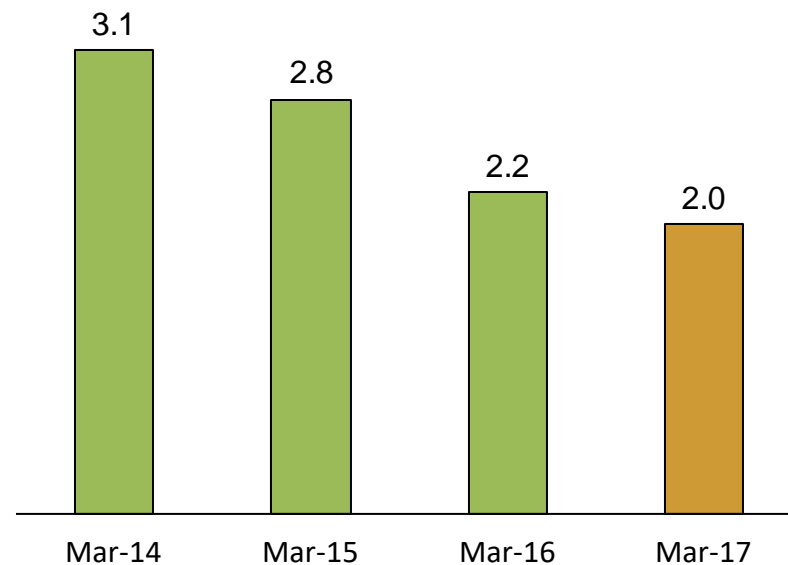
Improving Balance Sheet



Net Debt (Rs. Crs)



Net Debt:Equity



*Net Debt includes Current Maturity of Debt

For further information, please contact:

Company :

Banswara Syntex Ltd.
CIN: L24302RJ1976PLC001684

Mr. J.K.Jain - CFO
jkjain@banswarasyntex.com

www.banswarasyntex.com

Investor Relations Advisors :

Strategic Growth Advisors Pvt. Ltd.
CIN: U74140MH2010PTC204285

Mr. Rahul Agarwal / Ms. Samantha Francis
rahul.agarwal@sgapl.net /
samantha.francis@sgapl.net

www.sgapl.net