

Ref No: SEC/NSE/BSE/2017-18  
June 24, 2017

**The Manager, Capital Market (Listing)**  
**National Stock Exchange of India Ltd.**  
Exchange Plaza, 5<sup>th</sup> Floor,  
Plot No : C/1 , G Block  
Bandra Kurla Complex  
Bandra (E), Mumbai-400 051  
**Stock Code: Equity – Sintex EQ**

**The Corporate Relationship Dept.**  
**BSE Limited**  
1<sup>st</sup> Floor, New Trading Ring,  
Rotunda Building, P.J.Towers,  
Dalal Street, Mumbai-400 001  
**Stock Code: Equity 502742**

**Re.: Participation in Roadshow /Investors Meet**

Dear Sir,

We hereby inform you that the Management of the Company will be participating in following conference with the Analyst and Institutional Investors to discuss Corporate Presentation of the Company.

Date of Conference	Name of Investors/Roadshow	Type of Conference/ Meeting	Location & Timings
June 26 <sup>th</sup> and 27 <sup>th</sup> , 2017	London Investor Roadshow - Organized by IDFC securities Limited	One-to-One	London UK 26 <sup>th</sup> & 27 <sup>th</sup> June, 2017

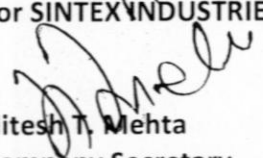
Note: Dates are subject to change. Meeting can be postponed/cancelled by the Investors/Company due to exigencies.

Details of the conference as required under the SEBI (Listing Obligation & Disclosure Requirements) Regulations, 2015 is being uploaded on the Company's Website [www.sintex.in](http://www.sintex.in).

We would further like to inform that Corporate Presentation to be made at said conference(s) by the Management of the Company is enclosed herewith and will be also placed on the Company's Website.

This is for the purpose of dissemination of information widely to the Members of the Company.

Yours Faithfully,  
For **SINTEX INDUSTRIES LIMITED**

  
**Hitesh T. Mehta**  
Company Secretary



Enclosed: As stated above

**SINTEX INDUSTRIES LIMITED**

Regd. Office : Kalol-382 721, Dist. Gandhinagar, Gujarat, India.  
Ph: +91-2764-253000, Fax : +91-2764-222868 Email: [bvm@sintex.co.in](mailto:bvm@sintex.co.in)  
CIN : L17110GJ1931PLC000454

[www.sintex.in](http://www.sintex.in)



---

SINTEX INDUSTRIES LTD.  
INVESTOR PRESENTATION – JUNE 2017



# GROUP EXECUTIVE SUMMARY

## Overview

- The group has 2 manufacturing facilities in kalol for structured dyed yarn fabrics and Compact cotton yarn in Pipavav, Gujarat.
- Listed on both exchanges with a current market capitalization of around New mkt cap USD 222 Mn as on 25<sup>th</sup> May, 2017.
- The National Company Law Tribunal has sanctioned the composite Scheme of Arrangement between Sintex Industries Limited, Sintex Plastics Technology Limited (SPTL), Sintex-BAPL Limited and Sintex Prefab & Infra Limited. SPTL will be listed separately in due course.

## FY17 Financial Snapshot

- **Total Income** : USD 314 Mn
- **EBITDA**: USD 57 Mn
- **EBITDA Margin**: 18.20%
- **PAT**: USD 21 Mn

1 USD = INR 64.27

Note : As per the Composite scheme of arrangement, SPTL is demerged on 12<sup>th</sup> May, 2017. Effectively 1<sup>st</sup> April 2016 and will be listed separately

## Markets

- Supplying to Global and Domestic markets; Yarn Exports at 65 % of sales.
- Exporting to over 20 countries globally.
- Domestic brands like Arrow, Van Heusen, Marks & Spencer.
- Global fashion labels like Armani, Hugo Boss, Diesel, Burberry, and Tommy Hilfiger

## Business Mix

- **Yarn** Forayed into manufacturing of value added 100% Compact Cotton yarn at Pipavav, Gujarat
- **Fabrics** Structured dyed yarn shirtings, High end jacquard fabrics and other specialty fabrics



# COMPANY OVERVIEW

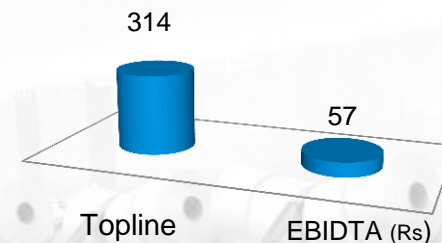


# COMPANY SNAPSHOT

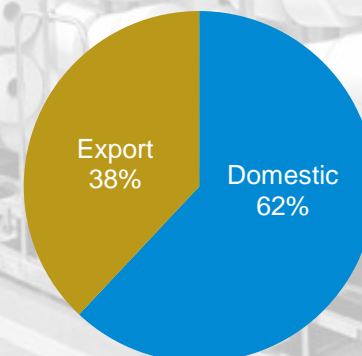
- Sintex's textile division, was established in 1931, under the name of Bharat Vijay Mills which is till date a reputed brand in the Textiles Industry.
- Over the last 2 decades, Sintex has established a reputed name as a premium niche player, both domestically and globally, in structured dyed yarn shirting and corduroy fabrics.
- Sintex has focused on high end, extensively creative, boutique and high margin products, well positioned globally.
- Sintex's overall textile division can be categorized as below:
  - **Fabrics** - Sintex manufactures high-end, structured dyed yarn fabrics for shirtings, corduroy and other specialty fabrics out of its composite textile mill in Kalol, Gujarat.
  - **Yarn**
    - Sintex has commenced its production of Phase I compact cotton yarn at its world class spinning unit at Pipavav, Gujarat.
    - Phase II of the yarn project expansion is in full swing and on schedule.

## Total Income (INR Mn) and EBITDA

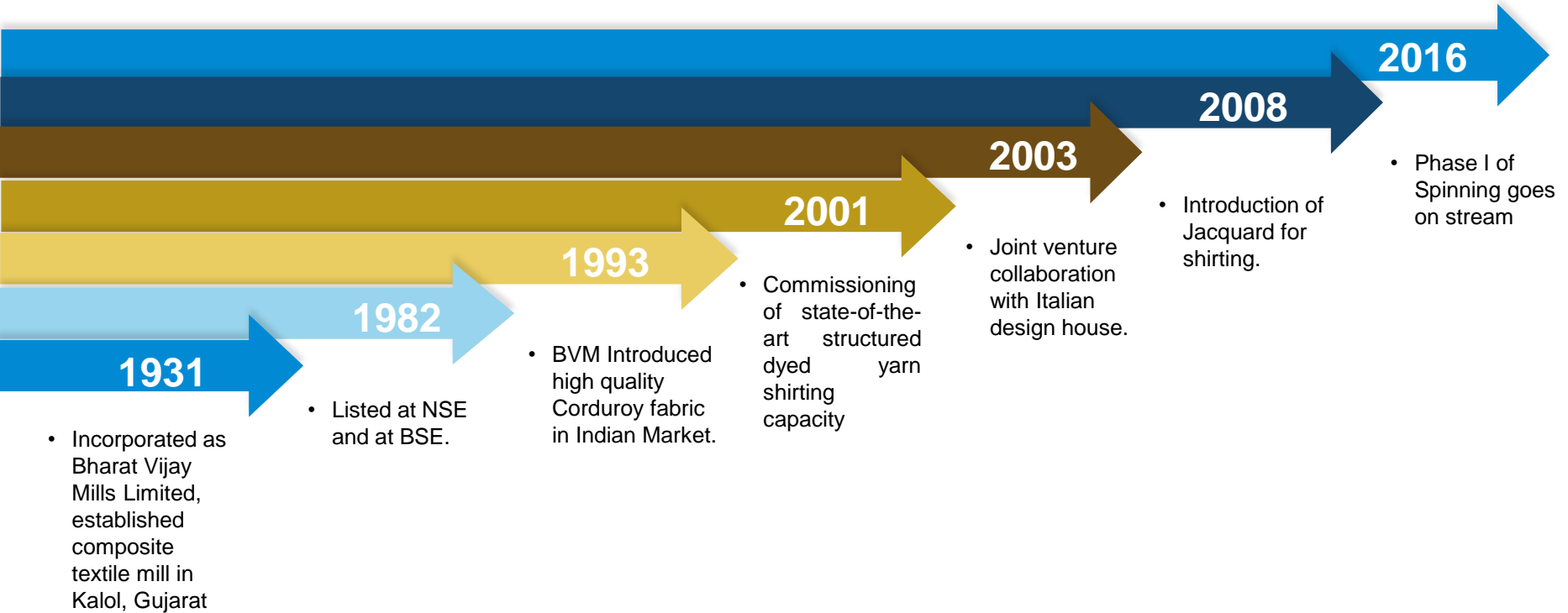
**FY17**



## Exports to Domestic Revenue



# HISTORY & MILESTONES





**Dinesh Patel, Chairman, Non-Executive Director**

- B.Sc (Bombay University)
- More than 6 decades of experience in plastics and textile industry



**LM Rathod, Group CFO**

- Graduate in Commerce , MBA & FCS
- More than two decades of experience



**Arun Patel, Vice Chairman, Non-Executive Director**

- B.Sc (Bombay University)
- More than 6 decades of experience in plastics and textile industry



**Samir Joshipura, Group CEO**

- Engineering Graduate, PGDM & MCPM
- More than two decades of experience in Strategy



**Rahul A. Patel, MD (Group)**

- Bachelor's in Commerce
- MBA from USA
- More than 3 decades of experience in textile & plastic industries



**BB Sharma, CEO, Textile**

- B Tech in Textiles & MBA
- Over 35 years in experience in textile companies -Arvind Mills, Morarjee Textile, Welspun India



**Amit D. Patel, MD (Group)**

- Bachelor's degree in Commerce
- MT from the USA
- More than 2 decades of experience in textile, chemical & plastic industries

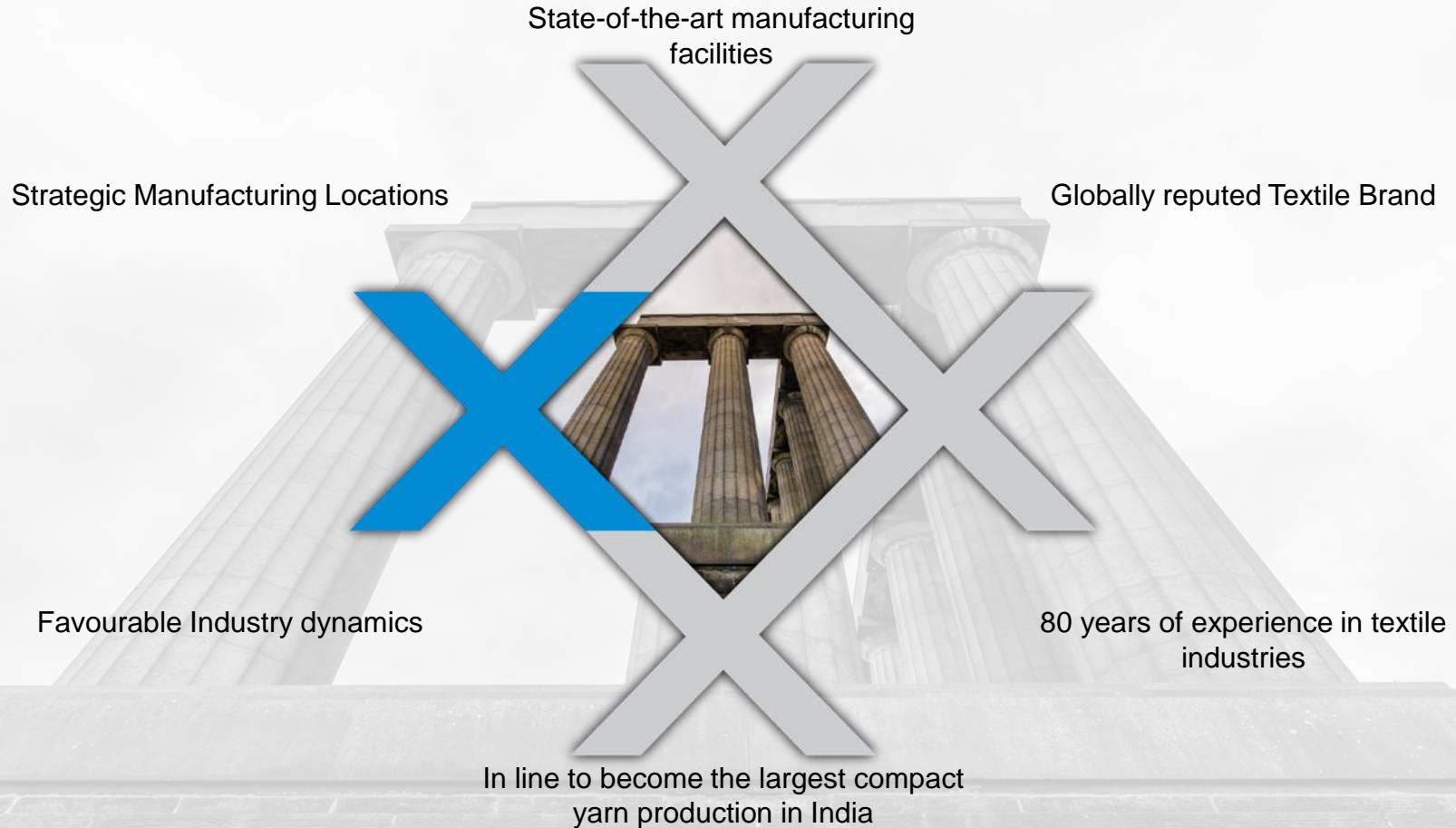


**Ashoke Maitra, Group President ( Operation)**

- B.Sc ( Tech ), MEP, IIMA
- More than 3 decades of experience in Textile Industry– Arvind Mills, Reliance Industries

**Professional Management with a rich cumulative experience**

# KEY STRENGTHS



# FUTURE GROWTH STRATEGY

## Textiles

- Achieve optimum product mix with full capacity utilization in Phase I of yarn by FY18.
- Focus on adding new premium customers in the export and domestic markets for both the fabrics and yarn divisions.
- Increase penetration of high margin collection designs with globally renowned fashion labels.
- Successful and speedy commissioning of ongoing Phase II expansion of yarn plant.

INTERNATIONAL/ DOMESTIC SALES	<ul style="list-style-type: none"><li>• Exporting to over 20 countries globally, exports at 65% of sales.</li><li>• Exploring new markets for high growth &amp; cultivate large fabric manufacturers</li></ul>
WORKING CAPITAL	<ul style="list-style-type: none"><li>• Lower Inventory at 3 months resulting in lower working capital</li><li>• Strategically balancing between domestic and international sourcing</li></ul>
OVERHEADS	<ul style="list-style-type: none"><li>• Proximity to Pipavav port resulting in lower logistics cost and time</li><li>• Strategically positioned in Pipavav, with Gujarat as emerging textile hub -high grade cotton and manpower availability</li></ul>
ECONOMIES OF SCALE	<ul style="list-style-type: none"><li>• Post Phase II commissioning, Scale will offer further Economies of Scale benefits.</li><li>• Large customer accreditation with longer term contracts</li></ul>

# BUSINESS OVERVIEW



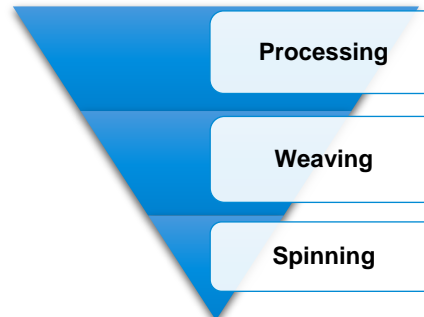
# FABRICS

- Sintex's state of the art fibre-to-fabric composite mill has among the largest fleet of contemporary shuttle-less looms (air jet and rapier machines with dobbies and jacquard).
- Besides structured dyed yarn fabrics and collection designs, Sintex is also a leading domestic manufacturer of corduroy fabrics.
- The Business Mix of fabrics can be broadly classified into:
  - Collection's Designs:** Sintex creates collections of 12,000 designs per quarter which are marketed to premium design and fashion houses in Europe.
  - Fabric for Readymade Garments:** The company also provides structured dyed yarn fabrics which are marketed to various domestic marquee clients such as Wills Lifestyle,, Zodiac and other high end brands in India.

## Products



## Reverse Pyramid Process



## International Customers

ARMANI

**BOSS**  
HUGO BOSS

ZARA

**DIESEL**  
FOR SUCCESSFUL LIVING

BURBERRY  
ESTABLISHED 1856

**DKNY**  
**MEXX**

The Royal Mint

Massimo Dutti

VERSACE

CANALI  
1934

TOMMY  
HILFINGER

NIKE

Pepe Jeans  
LONDON

**MAX**EUROPE  
think future

## Indian Customers

ARROW

**WILLS**  
LIFESTYLE

VAN HEUSEN  
POWER DRESSING

ZODIAC

Allen Solly

Reid & Taylor  
BOND WITH THE BEST

**LP**  
LOUIS PHILIPPE

# FABRIC MANUFACTURING PROCESS - KALOL



Blow Room



Lap Former



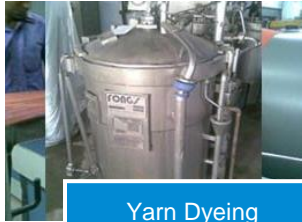
Speed Frame



Ring Frame



Weaving



Yarn Dyeing



Warping



Sizing



Rapier Looms



Air-Jet Loom



Grey Folding and Inspection.



Dyeing



Quality Control



Packaging

- Sintex has recently commercialised a ultra modern, highly automated, world class compact cotton yarn spinning plant at Pipavav, Gujarat.. The company is in the process of setting up Phase II capacity for blended yarn segment.
- The company exports to over 20 countries and 200 customers globally.
- On commissioning of Phase II capacity, SIL will be a leader domestically on High end yarn on a single location.

## Phase 1 – Commissioned

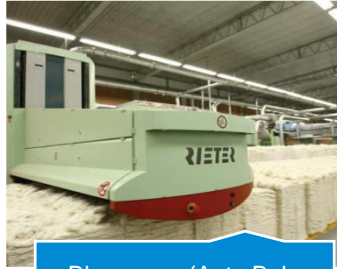
- **Capacity:** 3,06,432 Spindles
- **Capex :** USD 296 Mn
- **Count:** 24s to 80s
- **Product:** Compact Cotton Yarn
- **Export** ~50%-60%; **Domestic** ~40%-50%.
- **Interest Subsidy:** 7% (Gujarat New Textile Policy)
- **TUFS Benefit** – 2%
- **Electricity Duty Exemption**
- **VAT:** exempted for 8 years
- **Expected IRR** of ~16%-18%

## Phase 2 – To commission by August 2017

- **Capacity:** 3,01,440 Spindles
- **Capex :** USD 373 mn
- **Count:** 24s to 120s
- **Products:** Compact / Blended Cotton Yarn/Other Value Added Yarn
- **Interest Subsidy:** 7% (Gujarat New Textile Policy)
- **TUFS Benefit** – 2%
- **Electricity Duty Exemption**
- **VAT:** exempted for 8 years
- **Expected IRR** of ~16%-18%



# YARN MANUFACTURING FACILITY - PIPAVAV



Blow room (Auto Bale Plucking)



Blow Room (Opening of Cotton)



Blow Room (Opening and Transporting of cotton)



Carding Machine (Fibre to Fibre preparation)



Draw Frame (Evenising and Parallelizing of fibre)



LAP Former



Comber (Removal of short fibre)



Auto-Leveler (Draw Frame)



Roving Frame  
(Intermediate stage of Yarn forming)



Ring Frame (Yarn forming)

# INDUSTRY OVERVIEW



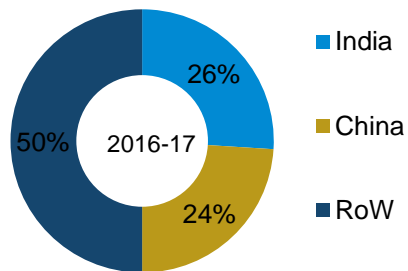
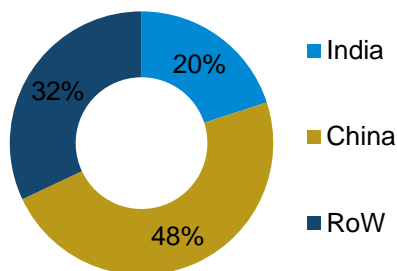
# YARN INDUSTRY : GLOBAL

- China & India are the largest Cotton yarn producers in the World
- The Global market for textile Fibers is projected to reach 124.6 million tons by 2022, driven by the development and launch of innovative blends of textile fibers & yarns, expanding applications and rising demand in emerging countries

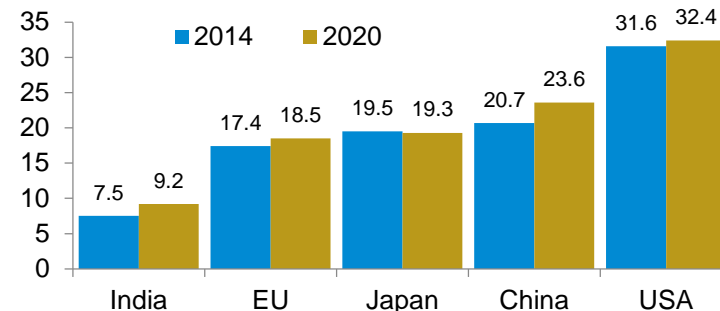


Global Capacity 250 Mn Spindles

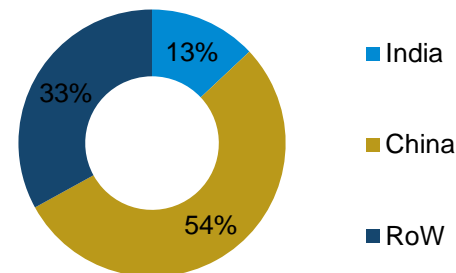
Global Cotton Production 26 Mn Tonnes



**Growing Per Capita Consumption of Textiles Provides the Right Business Climate for Textile Materials**



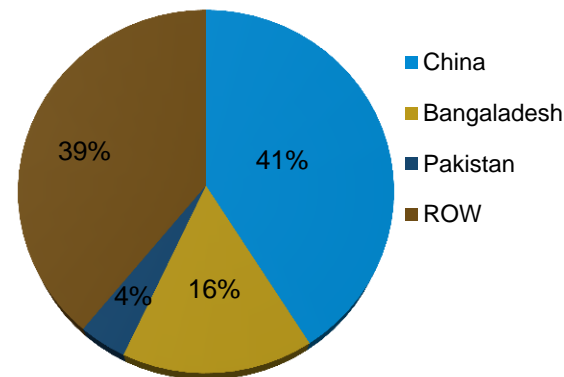
Global Yarn Production 39 Mn Tonnes



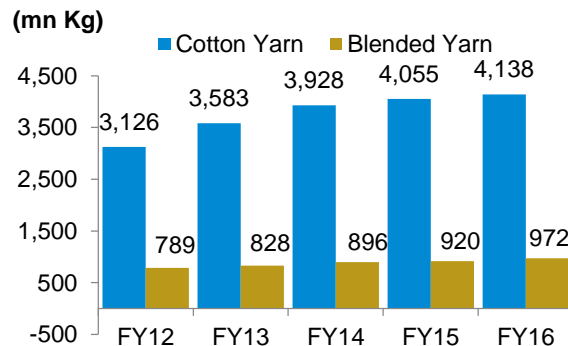
# YARN INDUSTRY : OVERVIEW INDIA

- India has the world's 2<sup>nd</sup> largest Spinning capacity after China: ~51 mn Spindles and 0.9 mn Open-End Rotors as of FY2016
- Produces 5,600+ mn kg of spun yarn of which 4,100+ mn kg is Cotton Yarn (~73% of total spun yarn production)
- Exports around 30-35% of its total Cotton Yarn production (Volume/ Value – 1,327 mn kg/ USD. 369 Cr) accounting for ~27% of total World trade in Cotton Yarn. Top export destinations - China (41%), Bangladesh (16%), Egypt (5%), Pakistan (4%) & Portugal (3%)
- Textiles exports stood at around USD 36.75 billion in FY16 with apparels at USD 17 billion
- Cotton Yarn Exports have grown at a strong CAGR of 15% in volume terms and 13% in value terms over FY2012-16 Major export destination include China, Bangladesh, Egypt, Vietnam, South Korea & Others
- Approximately 65% of the total production is consumed domestically
- Cotton fabric account for the largest share in total fabric production
- Cotton fabric's share in total fabric production has been increasing constantly from 48% in FY 2010 to 58% in FY 2016

Country Wise Exports Breakup %



Yarn Production trend



# YARN INDUSTRY : ADVANTAGE INDIA

Spinning capacity built over the years and abundant availability of cotton has resulted in low per unit production cost for Indian companies offering them a strong competitive advantage



Indian Spinning industry is set for a strong growth, buoyed by both steady domestic consumption and strong export demand

## Domestic Demand Drivers:

- India's growing population and factors such as urbanization, expected rise in per capita income, favorable demographics and a shift in preference for branded products would continue to boost the demand for apparels and fabrics
- Continued thrust from Central and various States Governments through favorable policies

## Export Drivers:

- India is amongst the world's largest exporter of garments and with rise in exports, consumption of yarn is also expected to increase
- Shift in sourcing base - With China becoming a self consuming economy, customers in U.S. & E.U. are diversifying their sourcing base to countries like India

# FINANCIAL OVERVIEW



# INCOME STATEMENT (INR Mn)

## Audited Consolidated Income Statement (Rs mn) for FY17

Particulars	FY17	Q4 FY17
Total Income	314	108
EBITDA	57	15
PBT	22	8
Profit After Tax	21	8
EPS (\$)	0	0

Debt to  
Equity  
**1.06**

Net Debt  
to Equity  
**0.87**

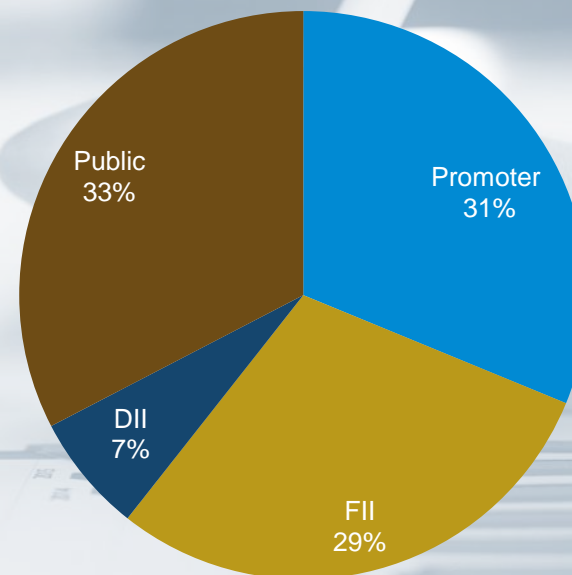
Interest  
Coverage  
Ratio  
**3.38**

Note : Corresponding figures are not comparable

## Marquee Institutional Investors (31<sup>st</sup> March, 2017)

Barclays Merchant Bank (Singapore)	2.96%
East Bridge Capital Master Fund	2.69%
Dimensional Emerging Markets Value Fund	1.44%
Causeway Emerging Markets Fund	1.59%
Government Pension Fund Global	1.39%
HDFC Standard Life Insurance	1.22%
Vanguard Emerging Markets Stock Index Fund	1.03%

## Shareholding Pattern (31<sup>st</sup> March, 2017)



# DISCLAIMER

## **Sintex Industries Limited Disclaimer:**

No representation or warranty, express or implied, is made as to, and no reliance should be placed on, the fairness, accuracy, completeness or correctness of the information or opinions contained in this presentation. Such information and opinions are in all events not current after the date of this presentation. Certain statements made in this presentation may not be based on historical information or facts and may be "forward looking statements" based on the currently held beliefs and assumptions of the management of Sintex Industries Limited("Company" or "Sintex Industries Limited"), which are expressed in good faith and in their opinion reasonable, including those relating to the Company's general business plans and strategy, its future financial condition and growth prospects and future developments in its industry and its competitive and regulatory environment.

Forward-looking statements involve known and unknown risks, uncertainties and other factors, which may cause the actual results, financial condition, performance or achievements of the Company or industry results to differ materially from the results, financial condition, performance or achievements expressed or implied by such forward-looking statements, including future changes or developments in the Company's business, its competitive environment and political, economic, legal and social conditions. Further, past performance is not necessarily indicative of future results. Given these risks, uncertainties and other factors, viewers of this presentation are cautioned not to place undue reliance on these forward-looking statements. The Company disclaims any obligation to update these forward-looking statements to reflect future events or developments.

This presentation is for general information purposes only, without regard to any specific objectives, financial situations or informational needs of any particular person. This presentation does not constitute an offer or invitation to purchase or subscribe for any securities in any jurisdiction, including the United States. No part of it should form the basis of or be relied upon in connection with any investment decision or any contract or commitment to purchase or subscribe for any securities. None of our securities may be offered or sold in the United States, without registration under the U.S. Securities Act of 1933, as amended, or pursuant to an exemption from registration there from.

This presentation is confidential and may not be copied or disseminated, in whole or in part, and in any manner.

## **Valorem Advisors Disclaimer:**

Valorem Advisors is an Independent Investor Relations Management Service company. This Presentation has been prepared by Valorem Advisors based on information and data which the Company considers reliable, but Valorem Advisors and 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. Valorem Advisors also hereby certifies that the directors or employees of Valorem Advisors do not own any stock in personal or company capacity of the Company under review.

**For further details, please feel free to contact our Investor Relations Representatives:**



**Mr. Rajiv Naidu**  
**Sintex Industries Limited**  
Tel: +91-22-28270810  
Email: [rajiv.naidu@sintex.co.in](mailto:rajiv.naidu@sintex.co.in)



**Mr. Anuj Sonpal**  
**Valorem Advisors**  
Tel: +91-22-3006-7521 / 22 / 23 / 24  
Email: [sintex@valoremadvisors.com](mailto:sintex@valoremadvisors.com)



**SINTEX**  
ACTIVE THINKING

**THANK YOU**