



SIL/BSE/2020-21/250121

Dated: 25th January, 2021

The Manager,
BSE Limited,
Department of Corporate Services,
Floor 25, P.J. Towers, Dalal Street,
Mumbai – 400 001

BSE Scrip: 526951

Trading Symbol: STYLAMIND

SUB: Investor Presentation Q3FY21

Dear Sir/ Madam,

Please find enclosed, Investor Presentation for Q3FY21.

Kindly take the same on record.

Thanking You.

For Stylam Industries Limited



CS Srishty Chaudhary

Company Secretary and Compliance Officer

Stylam Industries Limited

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Works II: Village Manak Tabra towards Raipur Rani, Mattewala Chowk, Distt. Panchkula (Haryana)

W: www.stylam.com **CIN:** L20211CH1991PLC011732 (Govt. of India recognised Star Export House)



STYLAM INDUSTRIES LIMITED

INVESTOR PRESENTATION

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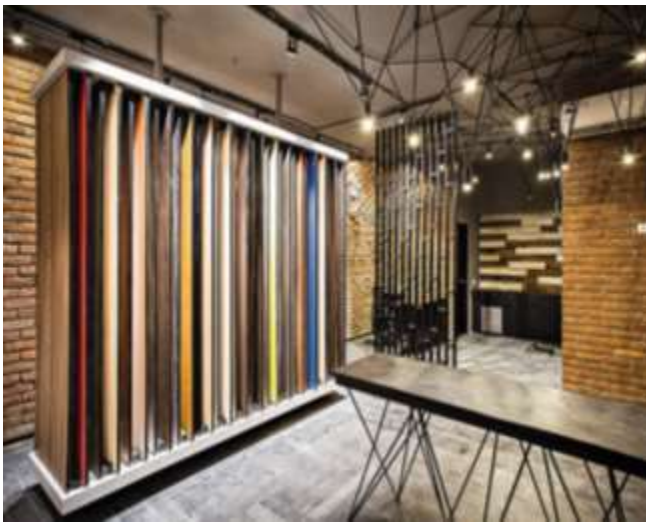


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Corporate Overview

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CAPITAL MARKET DETAILS

BSE Scrip Code	526951
Bloomberg Code	SYIL IN
Face Value	₹10
Outstanding Shares	84,74,030
Current Market Price (per share)*	₹956
Market Cap*	₹810.1 crore

*As on 22nd January 2021

SHAREHOLDING (AS ON 31 st December 2020)	(%)
Promoter Group	54.6%
Institutional Investors	18.6%
Lighthouse Funds	13.5%
Sundaram Alternative Opportunities Fund	1.9%
Quant Mutual Fund-Quant Active Fund	3.2%
Others	26.8%

Note – Shareholding pattern as per BSE records;

Stylam is a fast-growing Indian laminate company having Asia's largest infrastructure and manufacturing unit producing a diverse product portfolio catering to a wide range of customer preferences.

Manufacturing laminates since 1991, building a credibility of over 29 years in the industry, Stylam has pan-India channel partners and a vast global presence across over 65 countries.

We are a pioneer in India for introducing the PU+ Lacquer Coating process thereby producing high quality, value added laminate finishes.

Apart from laminates, we have state of the art technologies and manufacturing facilities for Solid Acrylic Surfaces and Panels.

Our Company has also entered new a segment and added short cycle press for lamination of impregnated paper on Medium Density Fibre (MDF) panels.

Over the years, Stylam has developed into an INR 462 cr (FY20) business, growing at 21.9% over the last ten years

Mission and Values

Mission Statement

To produce and continually develop quality products with highest possible standards. Stylam will always strive to service its customers with utmost integrity, and to their complete satisfaction. It is the company's goal to ensure its mission by continuous self improvement, growth in its operations and employees; while maintaining profitability to the benefit of its customers, employees, and community.

Value Statement

Design	Performance	Service	Community	Sustainability
Stylam offers the widest selection of patterns and finishes available to match the breadth of the customers' imagination and make design unique.	Stylam uses premium materials with high-quality standards to keep the designs pristine even in the most strenuous environments.	Stylam has a large footprint with Asia's largest manufacturing facilities located at Panchkula, India & distribution centres all across globe to ensure timely delivery.	Stylam is dedicated to giving back to the communities in which it resides by supporting local and national non-profit organisations with both funding and products.	Stylam is committed to preserving the environment and enhancing the quality of life for the communities that it serves.

Manufacturing Infrastructure



Largest laminate manufacturing plant in Asia spread across 44 acres with annual capacity of 14.3 mn sheets

Global Pioneer for 'Hot Coating Process' of PU+ Lacquer coating on thin laminate. This one-of-a-kind Hot Coating Process machine is made with a patented technology by KLEIBERIT and BARBERAN.

Stylam Industries is a proud pioneer in India for Acrylic Solid Surfaces as we have set up the first production line to manufacture acrylic solid surfaces

Over 1,200 employees work with a smile at Stylam.

Stylam: Product Portfolio (1/2)



Stylam laminates have set benchmarks in the past because of the unique design range and consistently high quality.



FASCIA brings a unique façade system, manufactured using special quality resins, thereby providing effective weather protection.



CUBOID - modular restroom and locker cubicle systems. The range has been crafted with the finest materials and highest quality of fixtures and fittings.



Granex Solid Surfaces is an extremely versatile product - tough, durable, non-porous and repairable, that can be customized to integrate seamlessly.



Marvella Solid Surfaces; the perfect recipe for an exquisite décor. These surfaces offer unseen and spellbinding patterns along with long-lasting sturdiness.



Anti-Fingerprint Laminates are used in the most demanding interior design applications. A unique technology during manufacturing ensures that finger marks are almost never visible.














GLOSSPRO+ Laminates are crafted with State-of-the-art machines having a cutting-edge German Technology. The brilliance of gloss shall stay through years without any signs of wearing out.



Anti-bacterial & Anti-fungie Laminates are intended for applications where there is a need for additional protection on the surfaces against bacteria/fungie.

Stylam: Product Portfolio (2/2)

 <p>What makes UNICORE unique is the identical colour of the decorative surface and its core layers as well.</p>	 <p>Digital Laminates have just the features everyone has needed. A whole new world of creative and quality laminates among customized designs.</p>	  <p>Stylam Synchro Laminates have the real feel of wood and an elegant natural look while carrying all advantages of a laminate.</p>	  <p>Plus Guard Stylam Laminate provides a highly durable surface in lab conditions and has better abrasion and scratch resistance.</p>
 <p>Post Forming Laminates enhance the decorative property of the edges of any regular laminate by ensuring no seams around the corners and a smooth, evenly laminated surface.</p>	  <p>Magnetic Laminates have a strong magnetic effect and can be written on with chalks or special board markers. They are ideal for a wide variety of applications.</p>	 <p>Mirror laminates are considered ideal for adding flair to light duty, horizontal or vertical applications. They can be used on walls, furniture, retail fixtures, signages, exhibits and display areas.</p>	 <p>Chalkboard Laminate is the perfect solution for any space or application that demands a durable and affordable writing surface.</p>

Strong Global & Domestic Presence

Well penetrated globally as well as a wide domestic presence



Global presence in over 65 countries across Europe, Middle & Far East, the Americas (North and South), Asia, Africa and other geographies;

Increasing domestic presence across the country

Recent Marketing Initiatives: IPL Sponsorship



We are thrilled to announce our role as Associate Sponsor of the Kings XI Punjab for the 2020 season.



Over the course of the season, Stylam and the Kings XI Punjab launched campaigns to promote their partnership and engage with fans of the franchise across India.

Recent advertisement:

Wakhra Squad ko bhi #KuchNahiDikhega – [Click here](#)

Recent Marketing Initiatives: #KuchNahiDikhega



Dessert Proposal – [Click here](#)



What got in the way of their marriage ? – [Click here](#)

Stylam launched India's first anti-finger thin laminate

We recently undertook and launched a new advertising campaign for this product
- #KuchNahiDikhega

The product has begun to witness good traction in the domestic market and has also picked up in export regions

Awards & Recognitions



"Over the last three decades we have strived to achieve our dream which has been a constant endeavor. We aim to improve each day and these recognitions motivate us to aim higher and perform better."

The ISO 9001:2015 certification is a hallmark of integrity, quality and reliability. The design and efficiency of the laminates have earned us the CE Marking Award.

Stylam takes pride in being recognized as:

-  *Export House by the Government of India, meeting all the quality, safety and green standard requirements while operating as a responsible corporate citizen.*
-  *Recognised by Financial Times and Statista as one of the FT 1,000 High-Growth Companies Asia-Pacific 2018.*
-  *Honored with the Power Brands Rising Star Award 2016.*
-  *Honoured by the Renewable Energy Department for commendable work in adopting energy conservation measures under the L.T. Industry Category.*

2011-2020: A Decade of Fulfilling Performance and Delivering on Promises...

(₹ CRORE)	FY11	FY20
Revenue	83	462
EBITDA	5	80
EBITDA (%)	5.4%	17.2%
PAT	4	34*
PAT (%)	4.3%	7.4%*
Net Worth	21	204
Total Net Debt	15	112
Net Debt to Equity (x)	1.6x	0.5x
Gross Block	44	283

- Over the last ten financial years our revenues and EBITDA has grown at a rate of 21.9% CAGR and 28.9% CAGR respectively.
- The last decade was about building a strong foundation to deliver sustainable growth, upgrading our manufacturing capacities, building a strong team as well as improving our sales and marketing networks
- Our product mix has undergone a complete transformation to substantially enhance our share of value-added products; this reflects in our improved margins
- We undertook setting up of a world-class manufacturing facility to support our business expansion along with introduction of new product offerings
- We launched High-gloss and anti-fingerprint laminates Limited, during FY20, brining in Solid(world's first high gloss and anti-fingerprint technique with PU+ technology on thin laminate)
- Undertook merger of a group Company, Golden Chem-Tech acrylic surfaces and panels (artificial soft marble) as a new vertical and product offering
- Deleveraging of the Balance Sheet on the back of:
 - On-boarding an institutional investor (INR 51 crore, 2017)
 - Divestment of non-core real estate asset (INR 34 crore, 2020)

2021-2030: A Promising Future and a Decade of Growth



Focus on value-added business, providing a customer delight

- Expansion of our manufacturing capacities, to over 14 mn sheets per annum, has the capability to double our revenues over the next few years
- We have a strong and continued focus on value added products
- Introducing Pre-Lam Boards in both Anti-Finger and High-Gloss finishes through a hot coating process (the only company globally to carry out this process on thin laminates)
- Introduction of Solid Surface Panels to be made in the first-ever organized European plant of India
- Focusing on expanding horizons with products such as large size panels across the Cuboid range
- Conscious focus to retire the entire debt by utilizing internal cash flows and becoming a debt free Company

“We at Stylam continue to focus on our Research & Development led approach to bring technologically advanced, value-added products to the market, delighting all our customers in India and abroad”



Financial Updates

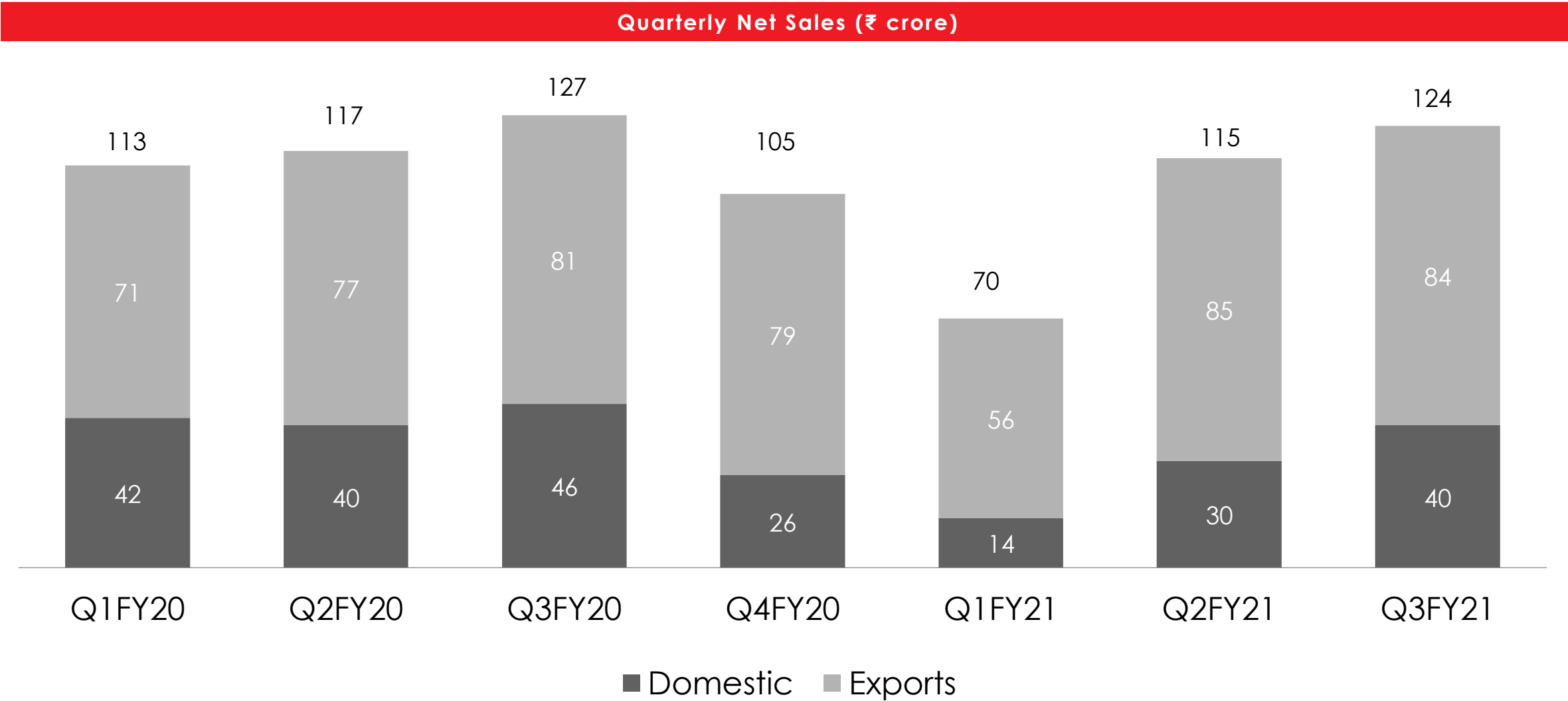
Profit and Loss

PARTICULARS (₹ crore)	CONSOLIDATED (QUARTERLY)			CONSOLIDATED (YTD)		CONSOLIDATED (ANNUAL)
	Q3FY21	Q2FY21	Q3FY20	FY21	FY20	FY20
Net Revenue	124	115	127	309	357	462
Material Consumption	63	58	67	158	195	249
Contribution	61	57	60	151	162	213
Contribution Margin (%)	49.5	49.6	46.9	49.0	45.3	46.1
Employee Expenses	11	9	10	26	27	38
Other Expenses	25	24	27	62	73	96
EBITDA	25	24	22	64	61	80
EBITDA Margin (%)	20.5	21.3	17.7	20.8	17.1	17.2
Other Income	0	0	0	0	0	1
Finance Costs	1	2	4	5	8	11
Depreciation and Amortization	7	6	7	18	15	21
Less: Exceptional Items	-	-	-	-	-	15*
PBT (reported)	17	18	12	43	38	33
PBT Margin (%)	14.0	15.4	9.7	13.7	10.7	7.2
Tax Expense	5	4	3	11	10	15
PAT (reported)**	12	14	9	32	28	19
PAT Margin (%)**	10.0	11.9	7.3	10.3	7.9	4.1

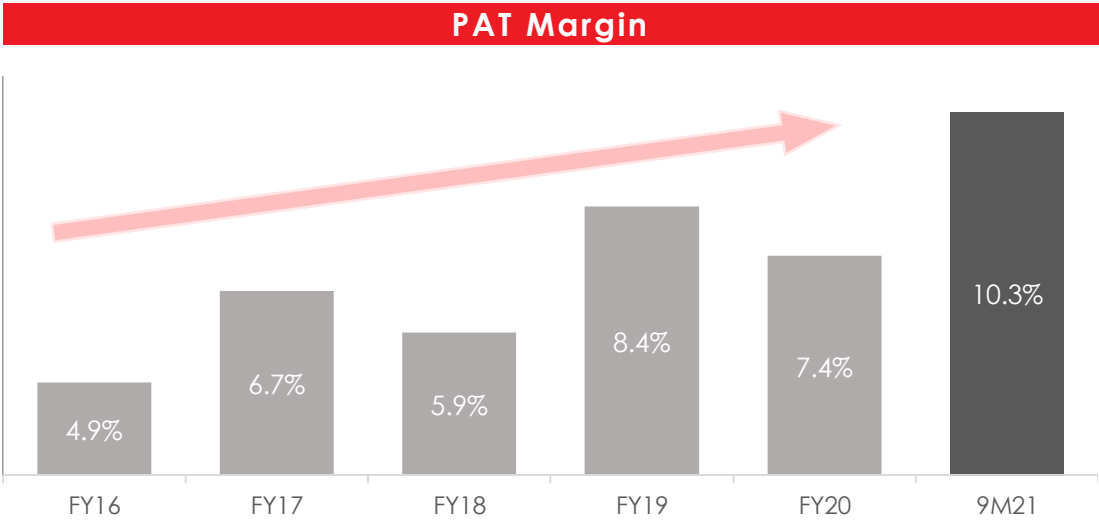
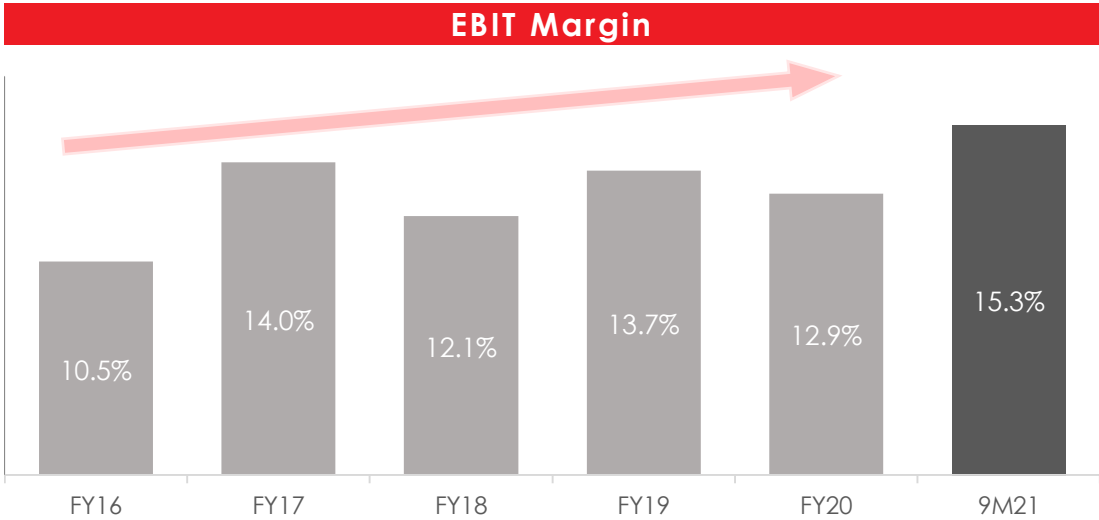
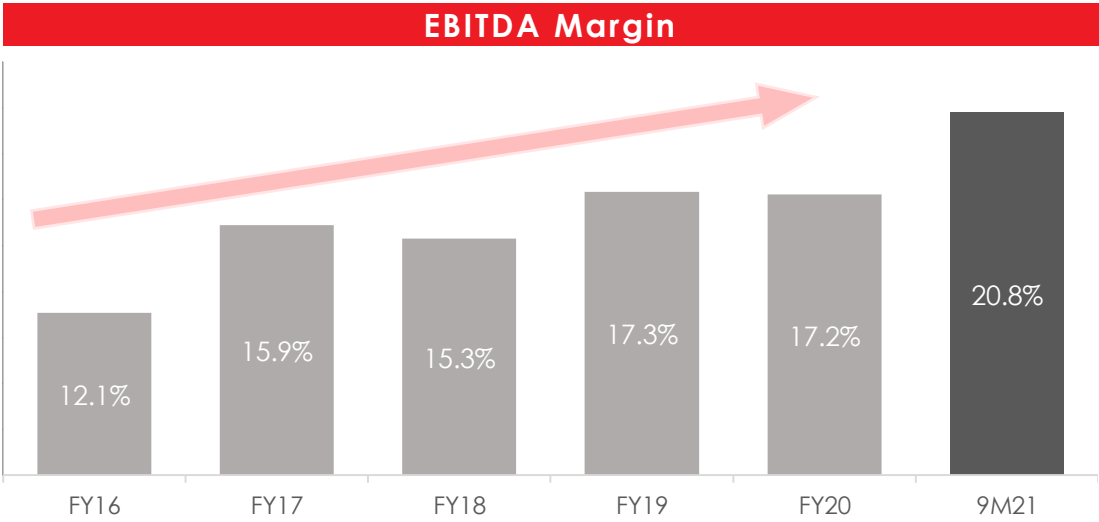
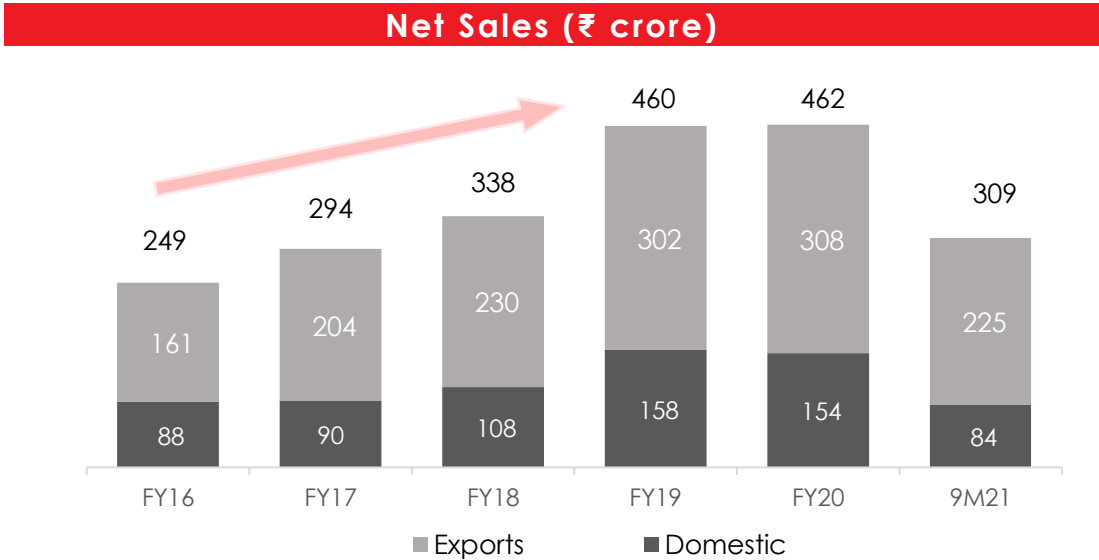
Balance Sheet

(₹ CRORE)	CONSOLIDATED (YTD)		CONSOLIDATED (ANNUAL)		(₹ CRORE)	CONSOLIDATED (YTD)		CONSOLIDATED (ANNUAL)	
	FY21	FY20	FY20	FY19		FY21	FY20	FY20	FY19
ASSETS					LIABILITIES				
Fixed assets	192	201	195	184	Equity share capital	8	8	8	8
Capital work in progress	-	18	11	13	Other equity	228	205	196	177
Investment in property	-	49	-	49	Net Worth	236	213	204	185
Other non-current assets	4	13	4	19	Long term borrowings*	44	104	60	117
Total non-current assets	196	281	210	265	Short term borrowings	35	67	59	72
Inventory	57	50	67	66	Total Debt	79	171	118	189
Trade receivables	89	87	87	79	Trade payables	25	28	36	27
Cash and bank	7	11	6	2	Other current liabilities	14	15	15	15
Other current assets	28	25	24	26	Other non- current liabilities	23	27	22	22
Total current assets	181	173	185	173	Total liabilities	62	70	73	64
Total assets	377	454	395	438	Total equity and liabilities	377	454	395	438

Financial Snapshot (1/3)

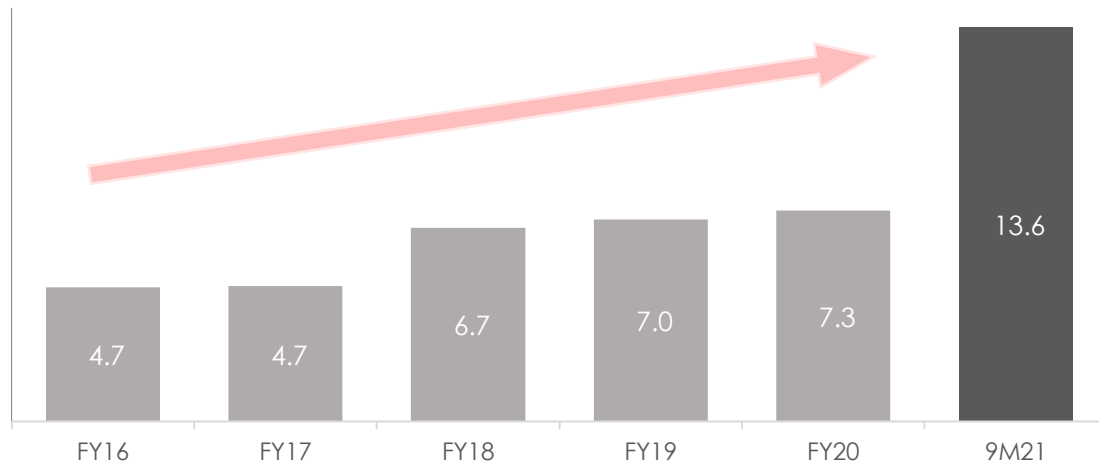


Financial Snapshot (2/3)



Financial Snapshot (3/3)

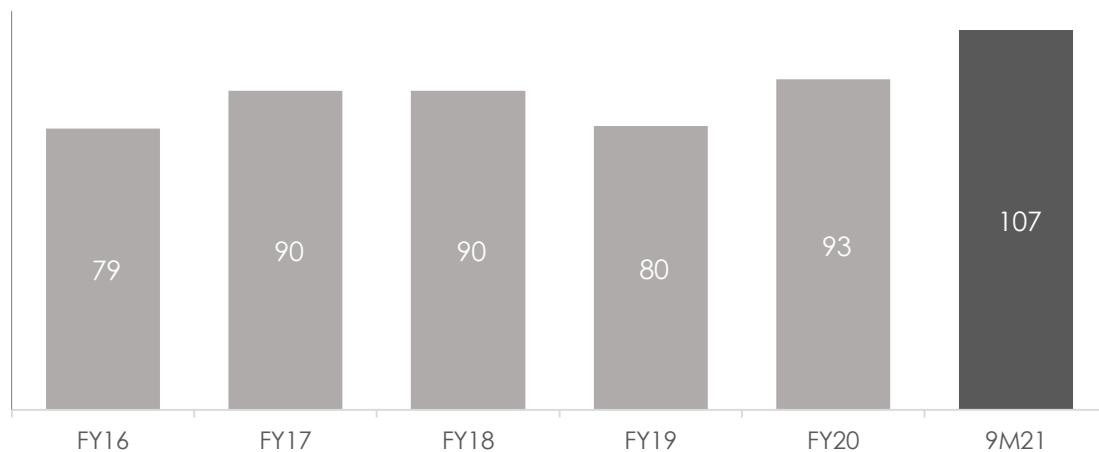
Interest Coverage (x)



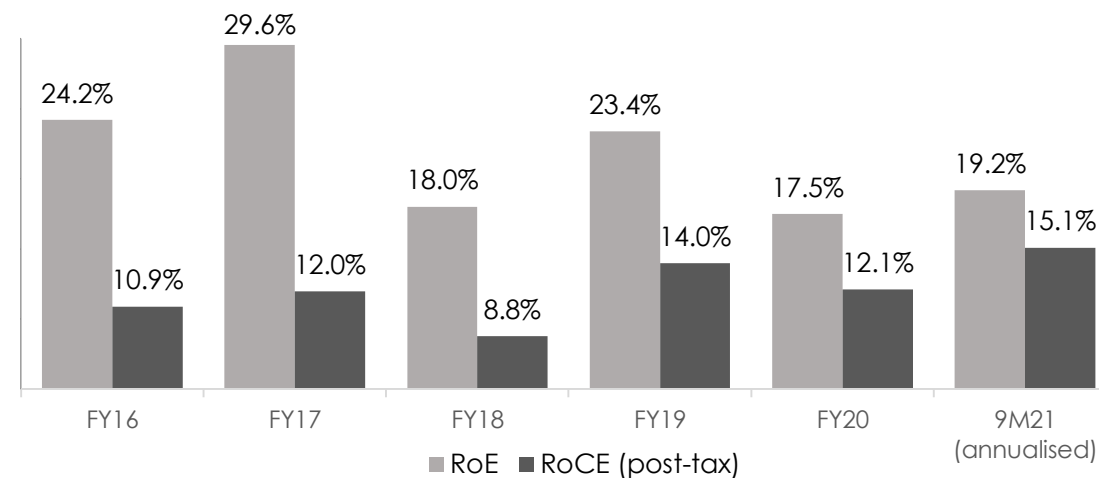
Net worth & Total Debt (₹ crore)



Working Capital Cycle (Days)



Return on Equity & on Capital Employed



Review of Financial Performance (Q3FY21)

- Net Revenue for the quarter grew 7.8% to INR 124cr from INR 115cr in Q2FY21 and in line with the revenue of INR 127cr in Q3FY20.
- Export contributes 67.7% of the total revenue and has grown by 3.7% on Y-o-Y basis and in is line on a Q-o-Q basis.
- The domestic market continues to witness pressure due to lockdown restrictions in certain cities; however, they have improved sequentially resulting in a Q-o-Q growth of 33.3%
- Despite volatility in raw material prices, increased revenues from a better product mix and value-added products helped offset the same resulting in gross margins improving by 260 bps to 49.5% from 46.9% on Y-o-Y basis.
- The Gross Profit was INR 61cr as compared to INR 60cr in Q3FY20, hence showing an absolute growth of 1.6%.
- EBIDTA margins increased by 280bps to 20.5% in comparison to 17.7% in Q3FY20, with absolute EBIDTA at INR 25cr against INR 22cr in Q3FY20, a growth of 13.5%.
- PAT margins improved by 310 bps from 7.3% in Q3FY20 to 10.4% in this quarter. In absolute terms PAT improved to INR 12 cr against INR 9cr in Q3FY20.
- Both the plants were inoperative since mid-March, 2020, due to the nationwide lockdown. Nevertheless, business operations recommenced at the manufacturing unit located in Manaktabra, w.e.f. May 2020 and operations at the other manufacturing unit located in Industrial Area, recommenced w.e.f. November, 2020.
- Employee cost in absolute terms has increased marginally to INR 11cr against INR 10cr in Q3FY20 primarily due to recommencement of operations at manufacturing unit located in Industrial Area, In addition, hiring of competent and learned professionals and increment given to the employees and workers post revival of the business added to the employee cost.
- Depreciation and amortization expenses have increased to INR 7cr from INR 6cr in the previous quarter, due to capitalization of modified acrylic unit capital expenditure.
- Other expenses reduced by 5.3% on Y-o-Y basis due to effective measures adopted to manage utilities at the plant.

Review of Financial Performance (9MFY21)

- Notwithstanding the decline in business operations during mid FY20 due to lockdown restrictions, revenue grew to INR 309cr against INR 357cr in 9MFY20. Export contributions amount to 72.8% of the total revenue during 9MFY21.
- Despite the adversity that covid-19 has caused, export revenue stood at INR 225cr during this period against INR 230cr in 9MFY20 and domestic business managed to achieve 66.1% of revenue generated during 9MFY20.
- Gross margins improved by 370 bps to 49.0% against 45.3% in 9MFY20.
- EBIDTA stood at INR 64cr with margins improving by 370 bps to 20.8% as against 17.1% in 9MFY20.
- Tax expense for Q3FY21 reflects the balancing figure of total tax expense for 9MFY21.
- PAT stood at INR 32cr against INR 28cr in 9MFY20.
- The Net Debt-Equity ratio improved to 0.3x from 0.5x as stood in the beginning of this fiscal. Net debt stood at INR 72cr against INR112cr as on March, 2020.
- The working capital cycle has increased to 107 days as on Dec 20 from 93 days in the beginning of the fiscal year due to increase in receivable period to 80 days as on Dec 20 from 66 days in the beginning of the fiscal year . The said increase in days has occurred due to delay in movement of containers caused by obstruction of traffic and road blockades induced by the ongoing farmers agitation in the country. Further, increase in receivables is also attributable to the extra credit period given to the customers during the difficult times of covid-19. Nevertheless, as aforesaid factors are temporary in nature, the receivables will not turn into bad debts.

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THANK YOU

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