



SIL/BSE/2020-21/261020

Dated: 26th October, 2020

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 Q2FY21

Dear Sir/ Madam,

Please find enclosed, Investor Presentation for Q2FY21.

Kindly take the same on record.

Thanking You..

For Stylam Industries Limited

SCO-14
Sector-7C
Madhya Marg
CS Srishty Chaudhary

Company Secretary and Compliance Officer

Stylam Industries Limited

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



STYLAM INDUSTRIES LIMITED

INVESTOR PRESENTATION

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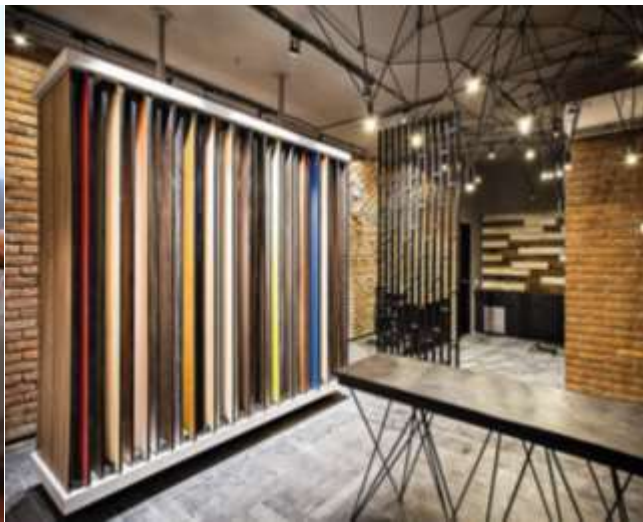


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Corporate Overview



Stylam: Introduction

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.

CAPITAL MARKET DETAILS

BSE Scrip Code	526951
Bloomberg Code	SYIL IN
Face Value	₹10
Outstanding Shares	84,74,030
Current Market Price (per share)*	₹747.8
Market Cap*	₹633.7 crore

*As on 23rd October 2020

SHAREHOLDING (AS ON 30th September 2020) (%)

Promoter Group	54.61%
Institutional Investors	17.39%
<i>Lighthouse Funds</i>	13.57%
<i>Sundaram Alternative Opportunities Fund</i>	2.00%
<i>Quant Mutual Fund-Quant Active Fund</i>	1.82%
Others	28.00%

Note – Shareholding pattern as per BSE records;

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>

Manufacturing Infrastructure



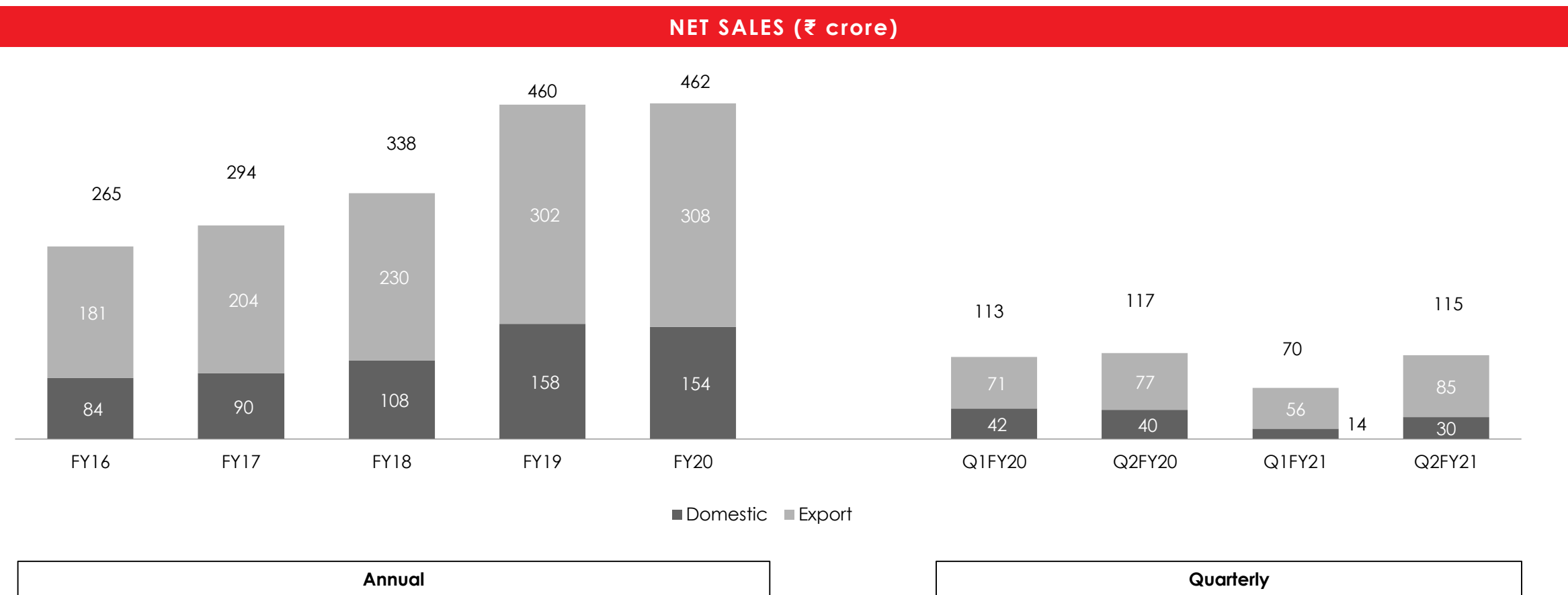
Largest laminate manufacturing plant in Asia spread across 44 acres with annual capacity of 14.3 mn sheets

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.

Strong Global Presence



Domestic presence across the country;
Global presence in over 65 countries across Europe, Middle East, Asia, Africa and other geographies

Stylam 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.

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.*

Leadership Team



Jagdish Gupta

Managing Director

Mr. Jagdish Gupta, the co-founder of the Company has been at the forefront of Stylam's growth constantly developing new business for the Company across geographies.

He has been instrumental in bringing Stylam to its strong position today and in introducing new initiatives while incorporating the best corporate governance practices and promoting the highest level of integrity and probity.

He provides overall guidance, direction and strategy to the Company while also looking after international markets for the Company.



Manit Gupta

Director

Mr. Manit Gupta is a chemical engineer and an MBA.

He heads the international marketing division and looks after other commercial management aspects of the Company.



Manav Gupta

Director

Mr. Manav Gupta is a computer engineer, and an MBA.

He heads domestic marketing and sales at Stylam and looks after general administration and raw material sourcing.



Sanjeev Vaid

Chief Financial Officer

Mr. Vaid is a Chartered Accountant with a wide and in-depth exposure within the manufacturing and finance industry.

He is responsible for the financial management at Stylam since eight years.



Sachin Bhatla

Director Technical

Mr. Bhatla is an engineer by qualification with a rich experience across various technical roles and operations.

He looks after the technical advancement of Stylam.

Financial Updates



Profit and Loss Statement

PARTICULARS (₹ crore)	CONSOLIDATED (QUARTERLY)			CONSOLIDATED (YTD)		CONSOLIDATED (ANNUAL)
	Q2FY21	Q1FY21	Q2FY20	FY21	FY20	FY20
Net Revenue	115	70	117	185	230	462
Material Consumption	58	37	64	95	128	249
Contribution	58	33	53	90	102	213
Contribution Margin (%)	49.6	47.1	45.5	48.7	44.4	46.1
Employee Expenses	9	6	9	15	17	38
Other Expenses	24	12	24	36	47	96
EBITDA	25	15	20	39	39	80
EBITDA Margin (%)	21.6	20.7	17.1	21.1	17.0	17.2
Other Income	0	0	0	0	0	1
Finance Costs	2	2	2	3	5	11
Depreciation and Amortization	6	5	4	11	8	21
Less: Exceptional Items	-	-	-	-	-	15*
PBT	18	8	14	25	26	33
PBT Margin (%)	15.7	11.4	11.9	13.5	11.3	7.3
Tax Expense	4	2	3	6	7	15
PAT	14	6	11	19	19	19
PAT Margin (%)	11.9	8.0	9.2	10.4	8.2	4.1

Note – Half year FY20 figures have been reclassified and regrouped to give effect to the scheme of amalgamation in accordance with Ind AS 103 notified under the Companies (Indian Accounting Standards) Rules, 2015

Balance Sheet

(₹ CRORE)	CONSOLIDATED (YTD)		CONSOLIDATED (ANNUAL)		(₹ CRORE)	CONSOLIDATED (YTD)		CONSOLIDATED (ANNUAL)	
	FY21	FY20	FY20	FY19		FY21	FY20	FY20	FY19
ASSETS					LIABILITIES				
Fixed assets	188	177	195	184	Equity share capital	8	8	8	8
Capital work in progress	8	28	11	13	Other equity	216	196	196	177
Investment in property	-	49	-	49	Net Worth	224	204	204	185
Other non-current assets	8	13	4	19	Long term borrowings*	54	112	60	117
Total non-current assets	204	267	210	265	Short term borrowings	43	69	59	72
Inventory	52	59	67	66	Total Debt	97	181	118	189
Trade receivables	87	84	87	79	Trade payables	22	24	36	27
Cash and bank	10	2	6	2	Other current liabilities	13	7	15	15
Other current assets	23	27	24	26	Other non- current liabilities	21	23	22	22
Total current assets	173	172	185	173	Total liabilities	56	54	73	64
Total assets	377	439	395	438	Total equity and liabilities	377	439	395	438

Note - *Includes current maturities in Long Term Borrowings;

Note – Half year FY20 figures have been reclassified and regrouped to give effect to the scheme of amalgamation in accordance with Ind AS 103 notified under the Companies (Indian Accounting Standards) Rules, 2015

Key Ratios

PARTICULARS	HALF YEARLY		ANNUAL				
	FY21	FY20	FY20	FY19	FY18	FY17	FY16
Net Sales (₹ crore)	185	230	462	460	338	294	249
EBITDA Margin (%)	21.1	17.0	17.2	17.3	15.3	15.9	12.1
PAT Margin (%)	10.4	8.2	4.1	8.4	5.9	6.7	4.9
Net Debt/Equity (x)	0.4	0.9	0.6	1.0	1.1	2.2	2.0
Asset Turnover (x) #	1.3	1.7	1.7	2.1	1.6	1.3	2.6
Adj. RoE (%)*#	18.1	17.6	17.4	23.4	18.0	29.6	23.3
Adj. RoCE (%)*#	13.4	11.6	12.1	14.3	9.2	17.1	31.0
Adj. RoA (%)*#	10.2	8.6	4.1	4.8	3.0	3.8	3.4
Inventory (Days) #	59	45	53	50	62	60	50
Debtors (Days) #	86	65	66	54	56	54	54
Creditor (Days) #	28	20	25	24	28	24	25

Note - *Adjusted for one-time loss on sale of non-core real estate asset; #annualized for half yearly numbers; RoCE = EBIT*(1-Tax)/Average Capital Employed

Note – Half year FY20 figures have been reclassified and regrouped to give effect to the scheme of amalgamation in accordance with Ind AS 103 notified under the Companies (Indian Accounting Standards) Rules, 2015

Financial Performance

Performance Commentary:

- The second quarter witnessed a substantial revival in business with The Company generating revenues of INR 115 crores, a 64% growth over the previous quarter and marginal 2% de-growth over the same quarter in the previous year.
- Our EBITDA margin has improved to 21.6% in Q2FY21 from 17.1% in Q2FY20 and 20.7% in Q1FY21. This improvement was primarily due to a reduction in raw material prices and other operational overheads.
- Profit before taxes witnessed improvements from 11.9% in Q2FY20 to 15.7% in this quarter.
- Despite the impact of the pandemic on the global and domestic scenario, management is hopeful for better growth going forward.
- The Company's Net Worth stands at INR 224 crores. Management's conscious focus on debt has also resulted in the use of cash accruals to reduce the debt. The net debt as on September 2020 stands at INR 87 crores vs. INR 112 crores as on March 2020. The resultant debt-equity ratio stands at 0.4x.
- During the first half of FY21, receivables are slightly stretched due to Stylam supporting their trade partners in these difficult times by extending credit. However, management has kept an keen eye on these and expects them to normalize by the end of the fiscal.

Business Updates



IPL

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

Over the course of this season, Stylam and the Kings XI Punjab will also launch multiple campaigns to promote their partnership and engage with fans of the franchise across India.



KINGS XI PUNJAB

STYLAM

RECORDS AND TRENDS WILL NOW BE SET TOGETHER.

STYLAM IS PROUD TO BE OFFICIAL PARTNERS OF KINGS XI PUNJAB.

www.stylam.com

Business Transformation; Phase I Done...

(₹ CRORE)	FY15	FY20
Revenue	214	462
EBITDA	23	80
EBITDA (%)	10.5%	17.2%
PAT	9	19
PAT (%)	4.4%	4.1%
Net Worth	44	204
Total Net Debt	80	112
Net Debt to Equity (x)	1.8x	0.6x
Gross Block	79	206

A fulfilling five years of building foundation and creating growth

- Over the last five years, we have focussed on building a strong foundation, sustainable growth, upgrading our manufacturing capacities, building a strong team as well as improving our sales and marketing networks
- There has been a transformation in our product mix to substantially enhance our share of value added products in the mix, which reflects in our improving margins
- We have set up a world-class manufacturing facility to support our expanding product offerings. A few are as below:
 - High gloss and anti-fingerprint laminates,
 - Solid acrylic surfaces and panels (artificial soft marble)
- Deleveraging the Balance Sheet on the back of:
 - On-boarding an institutional investor (INR 51 crore)
 - Divestment of non-core real estate asset (INR 34 crore)
- We have completed the merger of Golden Chem-Tech Limited during FY20.

Business Transformation; Phase II Begun...



Focus on value added business providing customer delight

- Expansion of our manufacturing capacities to over 14 mn sheets per annum, having the capability to double our revenues over the next few years
- 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 (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 using 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”

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Thank You

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