



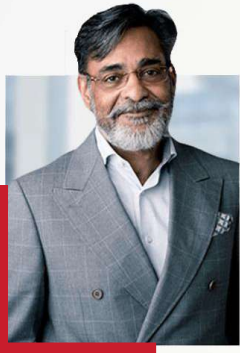
**AYM Syntex**

THE STRENGTH WITHIN

## VISION

We aim to create **innovative, multi-polymer technical products** catering to **global customers** wowing them with **unmatched quality, price** and **service**

# PROMOTERS BACKGROUND



## Rajesh R. Mandawewala

Chairman, AYM Syntex Ltd.

- **Co-founded the \$5 billion Welspun Group** and continues to drive its growth as **Co-Promoter** and **Group Managing Director**
- Under his leadership, **Welspun India Ltd.** became a **global leader** in Home Textiles, and **Welspun Corp Ltd.** ranks among the **world's largest** Line Pipe companies
- **40 years of experience – unparalleled domain expertise across various industries including but not limited to textiles, steel, infrastructure and energy**
- **Chartered Accountant** by profession



## Abhishek R. Mandawewala

MD and CEO, AYM Syntex Ltd.

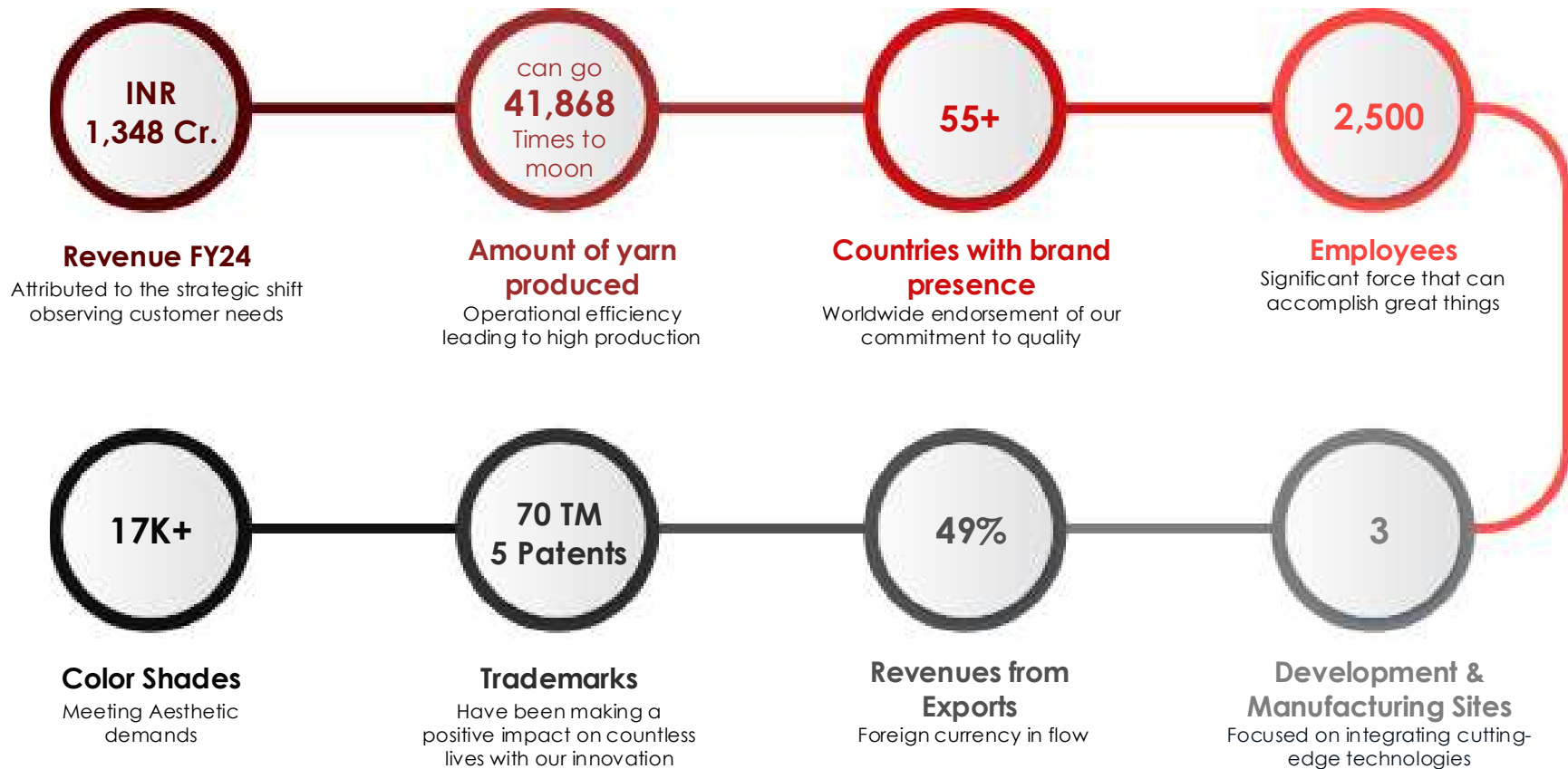
- Led the turnaround of **Remi Metal's Ltd.**, **Welspun Advanced Textiles**, and **AYM Syntex Ltd**
- **Filed multiple patents** across his career in the **nonwovens and filament yarn** space
- Holds 3 Degrees: a **B.A., M.A., and M. Eng (Honours)** in **Manufacturing Engineering** from the University of Cambridge
- Passionate about **value investing**, showcasing strong expertise in this area



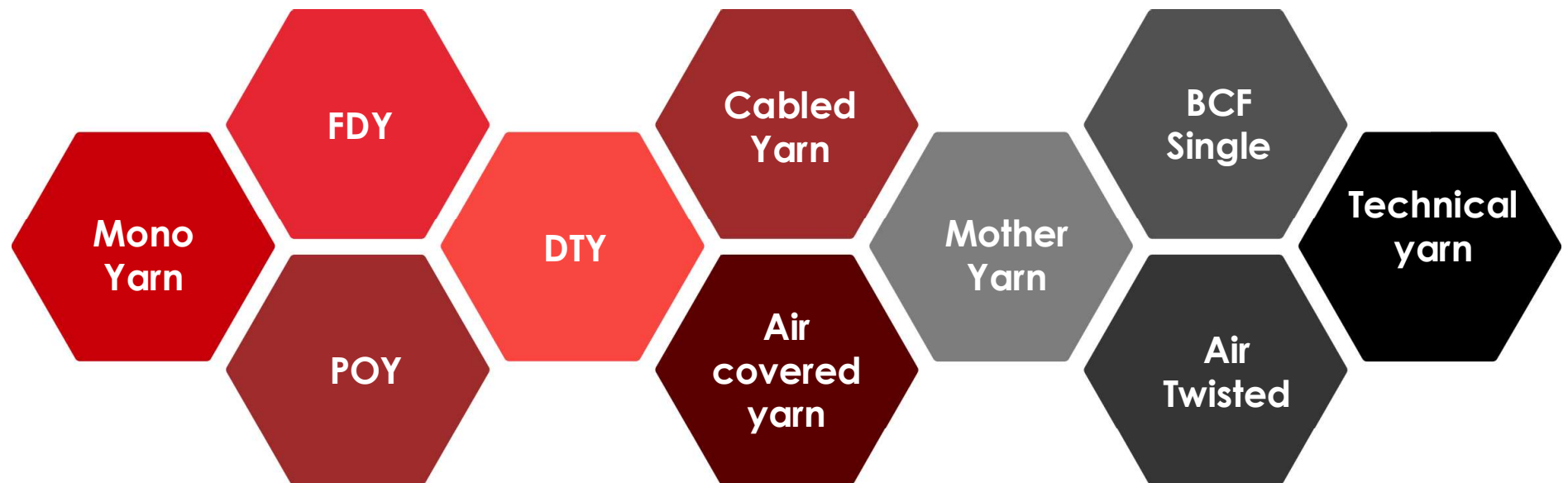
# OUR BUSINESS

*Where we stand today*

# COMPANY AT A GLANCE

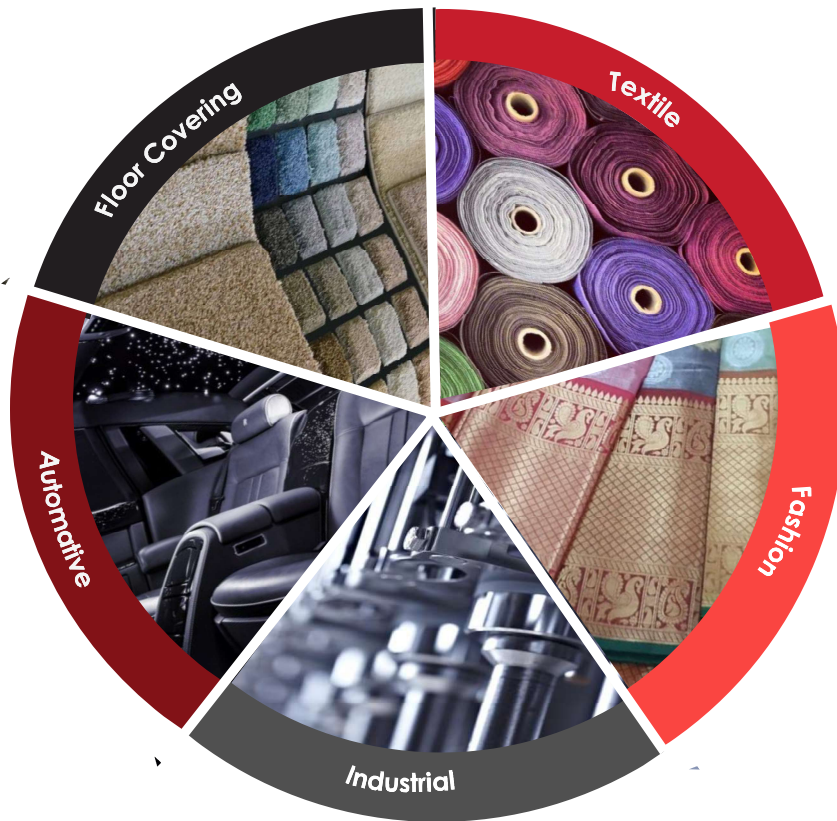


# DIVERSIFIED PRODUCT PORTFOLIO





# MULTIPLE END APPLICATIONS



Daily wear, Formal wear, Sport wear, sarees, Ethnic etc.

Elastics, Socks, Straps, etc

Upholstery, Safety Devices,, Others Woven, Interior Mats

Coated Fabric, Ropes and Nets, Wet Filtration

Rugs, Mats, Carpets, Wall to wall flooring, Soft Coverings

# FOCUS ON INNOVATION

## Innovative Capabilities



Quality assurance in-house testing infrastructure with modern equipment



World class manufacturing technology for multi polymer products



In house masterbatch development & auto colour matching



Advance lab scale & pilot line



Expertise in niche & tailor-made products through customized solutions

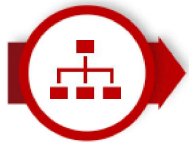
## Researched/ Patent Brands



# STRONG CUSTOMER BASE



**Long term relationship with clients**  
underscoring our commitment to quality



Customer base comprising esteemed entities  
with **long standing market presence**



Diversified **customer base across countries**

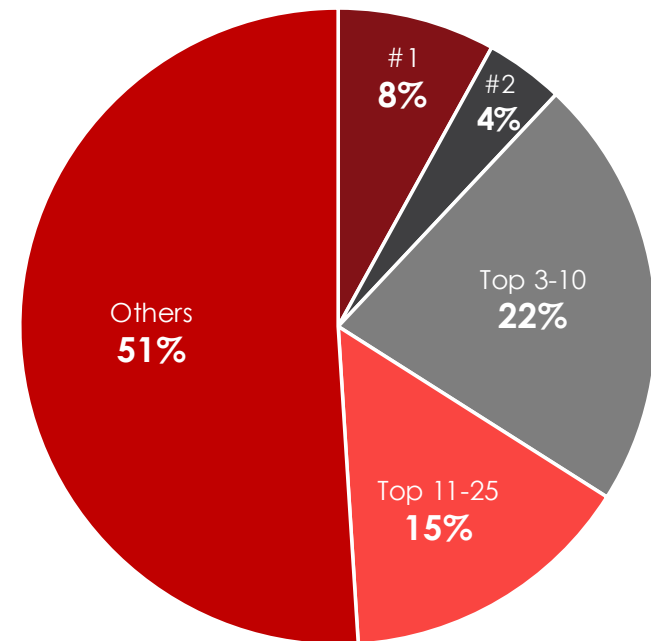


Exporting to the Industry leaders in the  
**flooring and textile sector**



**Servicing clients with presence** across countries

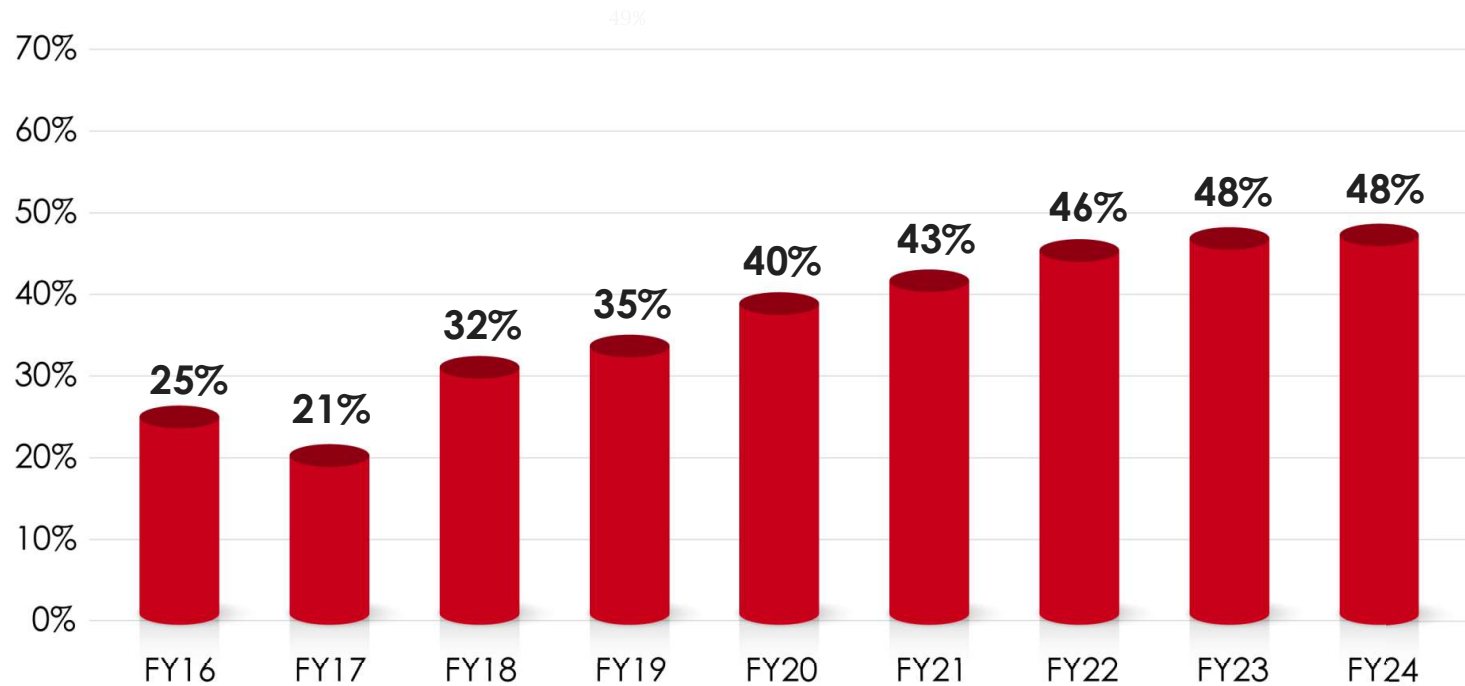
## High customer diversification in terms of sales contribution





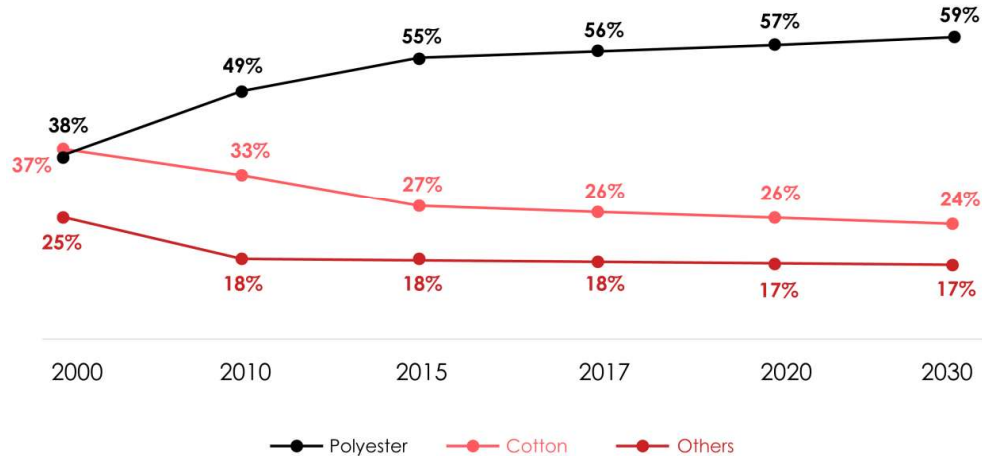
# STRENGTHENING OUR PRESENCE

Significant increase in Revenue from Exports



# STRUCTURAL SHIFT TOWARD **MMF** GLOBALLY

Global Fibre Consumption Trend



- **Structural shift toward MMF** (man-made fibres) underway in the global market. **75:25** MMF: Cotton consumption ratio globally
- However, **India still dominated by cotton** with a **40:60** MMF: Cotton consumption ratio
- Inevitable shift likely toward MMF in the domestic market due to **cost, functionality and availability**
- **AYM well positioned** to benefit with a good presence in the domestic market

Source: Wazir Report: Synthetic Textiles industry in India and opportunities ahead

# CHINA +1 OPPORTUNITY IN EXPORTS

- India's share in **global MMF textiles** is just **3.4%**<sup>1</sup> & share in **global MMF fiber production** is **8%**<sup>2</sup>
- **China accounts for 72%** of global **MMF fiber production** and has a dominant share in **MMF global trade**
- AYM is well positioned to benefit from the ongoing structural shift in trade from China to the rest of the world:
  - **Opportunity to export yarns** replacing China and other high-cost countries
  - **Opportunity to supply yarn to India based MMF fabric/garment exporters** who gain share in global trade at the expense of China

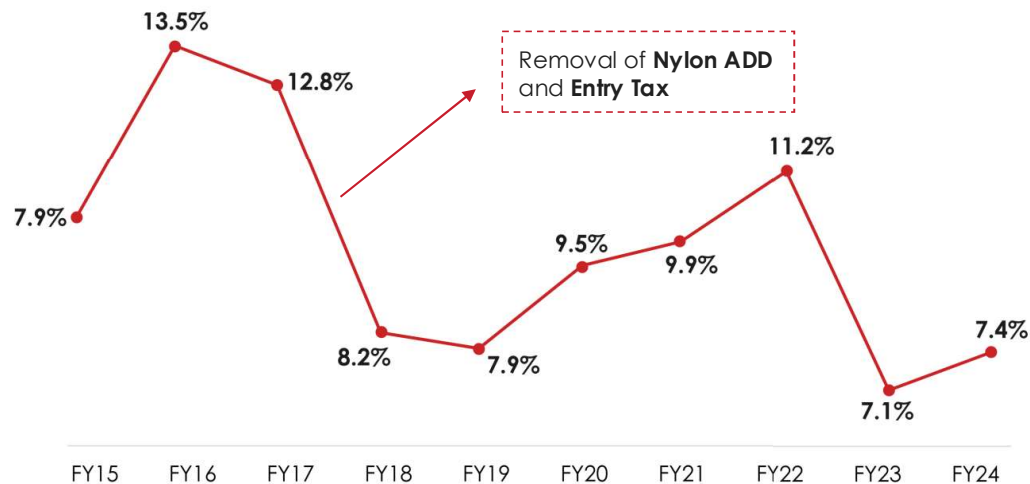
1. <https://www.ibef.org/news/manmade-fibre-textiles-exports-to-rise-75-by-2030-textile-industry>

2. <https://www.statista.com/statistics/271653/distribution-of-global-chemical-fiber-production-by-region/>



## **HISTORICAL PERFORMANCE AND WAY FORWARD**

# 2016 BUSINESS MARGINS WERE BUILT ON SHAKY FOUNDATIONS



EBITDA margin trend

2016 plants we inherited were not in the best shape:

- Uncompetitive Production Lines
- Poor maintenance leading to **frequent breakdowns**
- **QC and SCM systems** to service high quality customers were lacking

Despite these issues, 2016 business was highly profitable due to 3 major reasons

- Nylon **anti-Dumping** duty
- **Entry** tax benefit
- Cheap power due to **open access**

All 3 of these benefits were taken away in subsequent years which led to decline in margins



## BUT WE HAVE SPENT THE LAST 8 YEARS FIXING THESE ISSUES WITH **PAINFUL BUT LONG TERM SOLUTIONS**

### AYM in 2016

- Machinery was **technologically obsolete** and textile spinning lines were **fundamentally uncompetitive**
- **QC and SCM systems** to handle high quality customers was poor
- Equipment had not been **properly maintained**
- Experienced Senior Mgmt Team. Mid mgmt. strength was weak

### AYM in 2024

- **Modernized 9/24 lines** with low capex and inhouse expertise to make business competitive
- **Scrapped 4/24 lines**
- **On 5/24 lines**, changed the product mix
- **Process control** is our competitive advantage
- Invested across functions: **PPC, sourcing, maintenance, etc**
- Capex undertaken to **replace utilities and equipment** that hadn't been properly maintained
- **Built up stores & spares** and created a robust schedule for preventive maintenance
- **Refreshed management team** with distinguished experience and background. Strengthened mid management level with **engineers and talent** from reputed institutions

Long term investments done to make the business competitive.  
**Legacy issues almost fully resolved**

# NUMEROUS LOW HANGING FRUITS TO ENHANCE **BUSINESS PROFITABILITY**

## Utilize Full Capacities

- Current Capacities are **significantly underutilized**
- As utilization improves, EBITDA can grow **30-50 cr**
- Utilizations low in FY24 due to **fire impact and line replacements/modifications**

## Grow Specialty Segments

- **Enhance capacities in specialty segments** seeded from the textile business
- **Will derisk the business** from commodity products

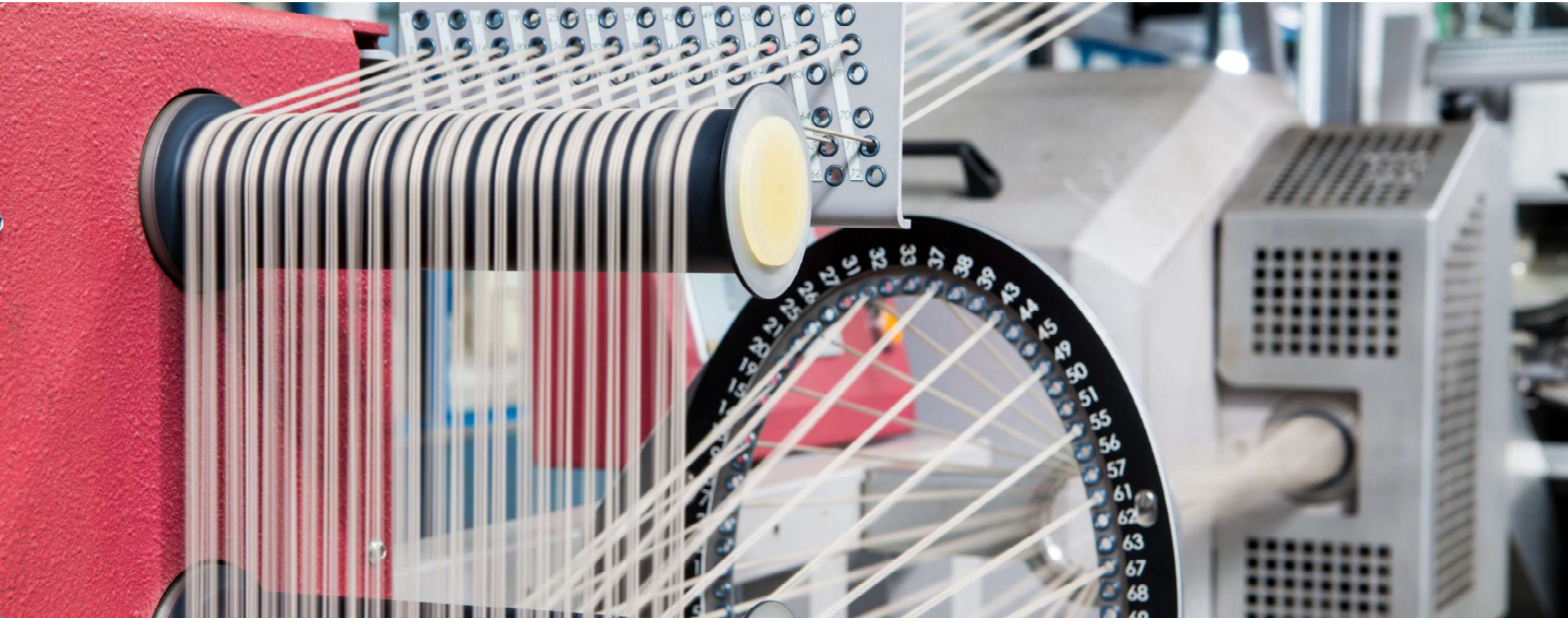
## Improve Operational Efficiencies

- Numerous operational improvement initiatives ongoing at production plants
- Targeting waste, downgrades, re-work, efficiencies, etc
- Further cost optimization initiatives targeting utility costs such as power, water, compressors, etc
- Potential impact of **~15-20 cr/year**

# FINANCIAL SNAPSHOT

	FY 22	FY 23	FY 24
<b>Sales (MT)</b>	63031	61182	60866
<b>Net Revenue</b>	1491	1458	1358
<b>EBITDA</b>	166	104	101
<b>%</b>	11.1%	7.2%	7.4%
<b>PBT</b>	80	12	1
<b>Net Worth</b>	410	420	424
<b>Net Debt<sup>1</sup></b>	306	312	370

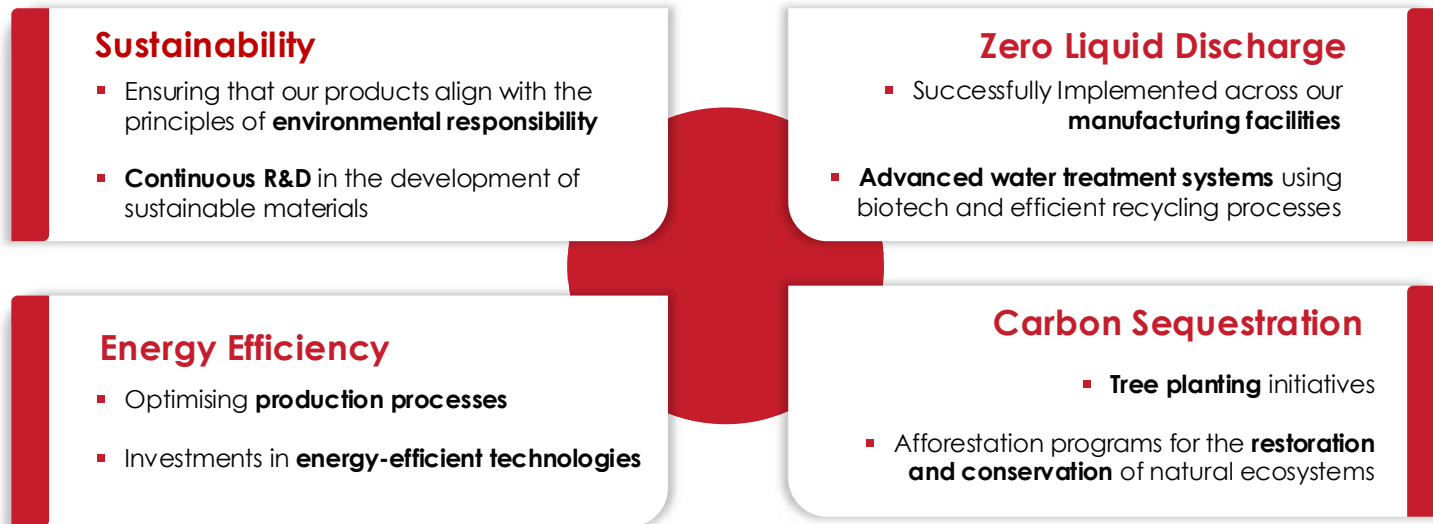
*1. Net debt includes interest bearing acceptances.*



# FOCUS ON ESG

*Running business responsibly*

# 100% ENVIRONMENTALLY COMPLIANT PRACTICES



**Effluent treatment plant**  
Re-using & Re-cycling water



**Zero liquid discharge**  
Dyeing exhaust effluent water is recycled & re-used for dyeing process

**100% Environmentally Compliant yarn dyeing facilities**



# ENDORSED BY VARIOUS **QUALITY** **CERTIFICATIONS**



**ISO 45001:2018**  
(For Health & Safety at Work Places)



**OEKO TEX**  
(For Protection From Harmful Substance)



**LIFE-CYCLE ASSESSMENT**



**ZERO LIQUID DISCHARGE**  
(Dyeing exhaust effluent water is recycled & reused)



**ISO 14001:2015**  
(For Environment Management System)



**OHSAS 18001:2007**  
(Occupational Health & Safety Assessment Series)



**ISO 9001:2015**  
(For Quality Management System)



**GRS**  
(Global Recycled Standards)



**BIS**  
(Certified Products)



**ISO 17025**  
(From NABL for Laboratory Precision)



**IATF 16949**  
(For Automotive Application)

# FULFILLING OUR SOCIAL RESPONSIBILITY

Vision: *Uplift the underprivileged from vicious cycle of poverty*

## 4s Strategy for social upliftment



### SWASTHYA



Addressing key healthcare requirements of the local community through safe drinking water initiatives



### SWABHIMAN



Providing educational opportunities to the local communities



### SRISHTI



Reducing the negative impact on environment by using clean sources of energy



### SUDHAAR



Developing holistic strategies to meet needs of the communities through rural development projects

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