



Date: 29th October 2020

To, Manager - Department of Corporate Services BSE Limited Phiroze Jeejeebhoy Towers, Dalal Street, Fort, Mumbai - 400 001 Scrip Code: 523694	To, The Manager - Listing Department, The National Stock Exchange of India Limited Exchange Plaza, Plot No. C/1, Block G, Bandra - Kurla Complex, Bandra (East), Mumbai - 400 051 Symbol: APCOTEXIND
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Sub: Earnings Presentation – October 2020 (Q2 – FY 2020-21)

Dear Sir/Madam,

Please find enclosed herewith Earnings Presentation – October 2020. The same is for your reference and records.

Thanking you,

For Apcotex Industries Limited

Anand V Kumashi
GM – Finance & Company Secretary

apcotex industries limited

REGD. OFFICE : 49-53, 3rd Floor, Mahavir Centre, Plot No. 77, Sector-17, Vashi, Navi Mumbai-400703, Maharashtra, India Tel:+91-22-27770800
CORPORATE OFFICE : NKM International House, 178 Backbay Recl., B. M. Chinai Marg, Mumbai-400020, Maharashtra, India. Tel:+91-22-22838302/04
TALOJA PLANT : Plot No. 3/1, MIDC Industrial Area, Talaja-410208, Dist-Raigad, Maharashtra, India. Tel:+91-22-27403500 Fax:+91-22-27412052
CIN NO. L99999MH1986PLC039199 Website:www.apcotex.com

A collage of various products from Apcotex Industries Limited, including tires, a bicycle, a Rasna detergent packet, and a light bulb, all rendered in a blue and green color scheme.

apcotex industries limited

EARNINGS PRESENTATION

H1/Q2-FY21

OVERVIEW

- ▶ Apcotex Industries Ltd (Apcotex) is a leading producer of Synthetic Rubber (Nitrile Rubber, High Styrene Rubber, Nitrile Polyblends and Nitrile Powder) and Synthetic Latex (XSB Latex, VP Latex, Styrene Acrylics and Nitrile Latex) in India.
- ▶ The company has one of the broadest range of Emulsion Polymers available in the market today.
- ▶ The various grades of Synthetic Rubber find application in products such as Automotive Components, Hoses, Gaskets, Rice De-husking Rollers, Printing and Industrial Rollers, Friction Materials, Belting and Footwear.
- ▶ Apcotex is listed on both the BSE and NSE and has an approximate market capitalisation of INR 7,432 Mn as on 30th September, 2020.

BUSINESS MIX

- ▶ SYNTHETIC LATEX
 - ▷ Paper/ Paper Board, Carpet, Construction, Tyre Cord, Speciality.
- ▶ SYNTHETIC RUBBER
 - ▷ Automobile, Footwear, Rice Rolls.

MARQUEE CLIENTS

- ▶ SYNTHETIC LATEX
 - ▷ ITC Ltd, BILT, JK PAPER, Pidilite Industries, MRF, SRF, Century Enka, etc.
- ▶ SYNTHETIC RUBBER
 - ▷ Paragon Footwear, Ajanta Footwear, Relaxo Footwear, Jayshree Polymers, Parker Hannifin, etc.

MANUFACTURING

- ▶ Taloja Facility: Maharashtra
 - ▷ 55,000 MTPA Synthetic Latex
 - ▷ 7,000 MTPA High Styrene Rubber
- ▶ Valia Facility: Gujarat
 - ▷ 21,000 MTPA Nitrile Rubber and Allied Products.

FY20 FINANCIALS

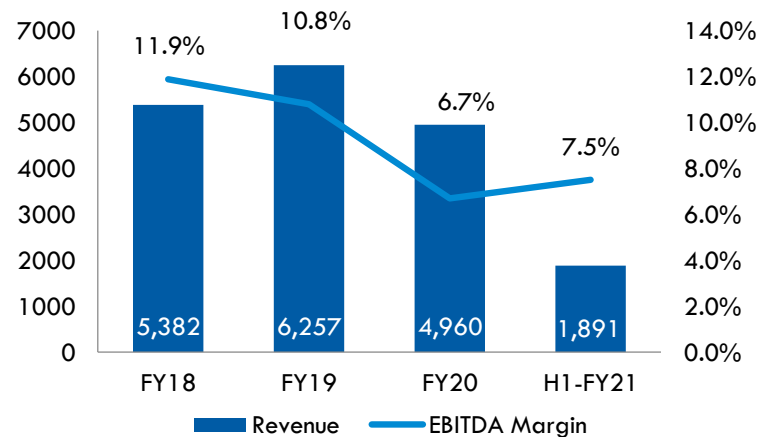
Revenue - **INR 4,960 Mn**

Operating EBITDA - **INR 334 Mn**

PAT- **INR 166 Mn**

- ▶ The company's Taloja plant was established in 1980 as a division of Asian Paints (India) Ltd. In 1991, the division was spun off as a separate company, which was headed by Mr. Atul Choksey, former MD of Asian Paints. The company is currently headed by Abhiraj Choksey who is the Managing Director.
- ▶ Apcotex has a significant global presence and for last few years has done business in all continents and several countries.
- ▶ It is one of the leading producers of Synthetic Rubber and Synthetic Latex in India.
- ▶ Its state-of-the-art manufacturing plants are strategically located on the western coast of India.
- ▶ Over the past several years, the company has developed a strong Research & Development base, which has enabled them to develop, manufacture and export products and compete effectively against global players.
- ▶ Apcotex Industries has a workforce strength of over 450 fulltime employees.

Revenue (INR Mn) and Operating EBITDA Margin (%)



Q2-FY21 Financial Highlights:

- **Total Revenue:** INR 1,293 Mn
- **Operating EBITDA:** INR 185 Mn
- **Operating EBITDA Margin:** 14.31%
- **Net Profit:** INR 116 Mn
- **Net Profit Margin:** 8.97%
- **EPS:** INR 2.24 per share

H1-FY21 Financial Highlights:

- **Total Revenue:** INR 1,891 Mn
- **Operating EBITDA:** INR 142 Mn
- **Operating EBITDA Margins:** 7.51%
- **Net Profit:** INR 50 Mn
- **Net Profit Margin:** 2.64%
- **EPS:** INR 0.96 per share

Q2-FY21 Operational Highlights



- All business operations back to normal in this quarter.
- This quarter Apcotex has achieved highest ever quarterly sales volumes, in domestic as well as in the Exports side.
- We have managed the cash flow well during the pandemic/lockdown period without enhancing working capital limits.
- The company have made investments to make assets more flexible to make multiple products which helped in ramping up production of XNBR Latex for Gloves where demand is strong.
- Apcotex had completed all Phase 1 projects as well - total 3 years Capex Plan of INR 100 Cr (FY18, FY19 and FY20). The benefits of cost reduction and enhanced capacity have started accruing.
- New Capex Plan: Approximately INR 130-140 Cr capex plan starting from October 1, 2020 till December 31, 2021 (15 months period), which will be used for XNBR Latex for Gloves in Valia and other de-bottlenecking, efficiency and EHS projects across both plants.

Q2-FY21 Income Statement (As per IndAS)



Particulars (INR Mn)	Q2-FY21	Q2-FY20	Y-o-Y	Q1-FY21	Q-o-Q
Revenue	1,293	1,241	4.2%	599	115.9%
Total Expenses	1,108	1,173	(5.5)%	642	72.6%
Operating EBITDA	185	68	172.1%	(43)	NA
Operating EBITDA Margin	14.31%	5.48%	883 Bps	-	NA
Depreciation	40	32	25.0%	37	8.1%
Finance Cost	14	3	NA	9	55.6%
Other Income	12	21	(42.9)%	19	(36.8)%
PBT	143	54	164.8%	(70)	NA
Tax	27	18	50.0%	(3)	NA
PAT	116	36	222.2%	(67)	NA
PAT Margin	8.97%	2.90%	607 Bps	-	NA
Other Comprehensive Income	36	1	NA	35	2.9%
Total Comprehensive Income	152	37	310.8%	(32)	NA
Diluted EPS (INR)	2.24	0.70	220.0%	(1.29)	NA

H1 -FY21 Income Statement (As per IndAS)



Particulars (INR Mn)	H1-FY21	H1-FY20	Y-o-Y
Revenue	1,891	2,708	(30.2)%
Total Expenses	1,749	2,459	(28.9)%
Operating EBITDA	142	249	(43.0)%
Operating EBITDA Margin	7.51%	9.19%	(168) Bps
Depreciation	77	63	22.2%
Finance Cost	23	7	NA
Other Income	31	33	(6.1)%
PBT	73	212	(65.6)%
Tax	23	62	(62.9)%
PAT	50	150	(66.7)%
PAT Margin	2.64%	5.54%	(290) Bps
Other Comprehensive Income	70	(6)	NA
Total Comprehensive Income	120	144	(16.7)%
Diluted EPS (INR)	0.96	2.89	(66.8)%

Historical Income Statement



Particulars (INR Mn)	FY18	FY19	FY20	H1-FY21
Revenue	5,382	6,257	4,960	1,891
Total Expenses	4,744	5,581	4,626	1,749
Operating EBITDA	638	676	334	142
Operating EBITDA Margin	11.85%	10.80%	6.73%	7.51%
Depreciation	121	118	134	77
Finance Cost	16	18	13	23
Other Income	71	77	59	31
PBT	572	617	246	73
Exceptional Items	15	-	-	-
Tax	171	151	80	23
PAT	386	466	166	50
PAT Margin	7.17%	7.45%	3.35%	2.64%
Other Comprehensive Income	(3)	(2)	(56)	70
Total Comprehensive Income	383	464	110	120
Diluted EPS (INR)	18.63	8.99	3.21	0.96

Balance Sheet



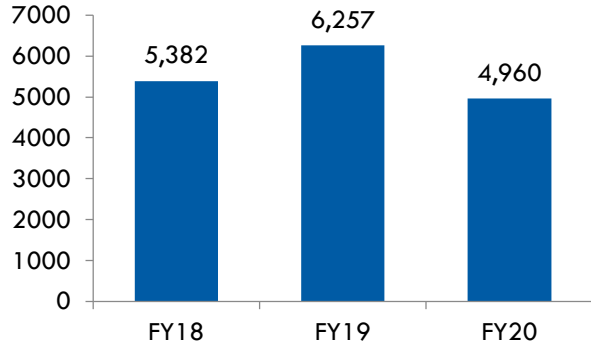
Particulars (INR Mn)	FY-19	FY-20	H1-FY21
Shareholders Fund	2,778	2,513	2,633
Equity Share Capital	104	104	104
Other Equity	2,674	2,409	2,529
Total Non Current Liabilities	86	349	367
Deferred Tax liabilities	14	57	74
Borrowings	10	226	222
Long Term Provision	28	29	29
Other Financial Liabilities	34	37	42
Total Current Liabilities	906	1,107	938
Short Term Borrowings	30	189	92
Trade Payables	526	460	327
Other Current Liabilities	240	374	428
Short Term Provision	4	5	4
Other Current Liabilities	106	79	87
TOTAL EQUITY & LIABILITIES	3,770	3,969	3,938

Particulars (INR Mn)	FY-19	FY-20	H1-FY21
Total Non Current Assets	1,624	1,916	2,148
Property, Plant and Equipment	750	1,239	1,447
Capital Work in progress	212	193	46
Non Current Investments	428	334	520
Intangible Assets	14	9	7
Current Tax Assets (net)	38	55	57
Other Non Current Assets	182	86	71
Total Current Assets	2,146	2,053	1,790
Investments	261	211	387
Inventories	482	597	381
Trade Receivables	1,112	891	819
Cash & Cash Equivalents	57	117	39
Other Bank Balances	44	43	42
Short Term loans & Advances	2	3	3
Other Financial Assets	40	60	35
Other Current Asset	148	131	84
TOTAL ASSETS	3,770	3,969	3,938

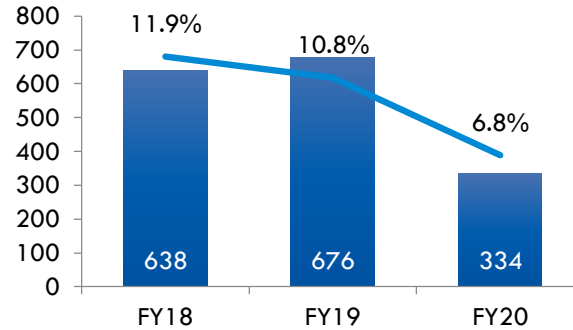
Historical Performance Indicators



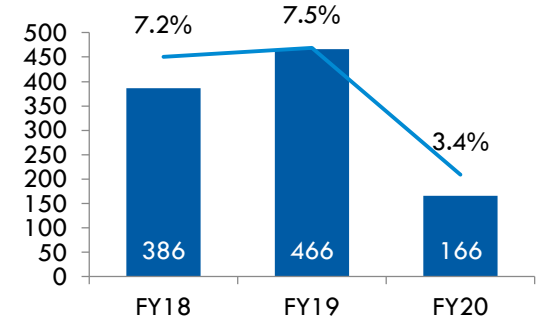
Operational Revenue (In Mn)



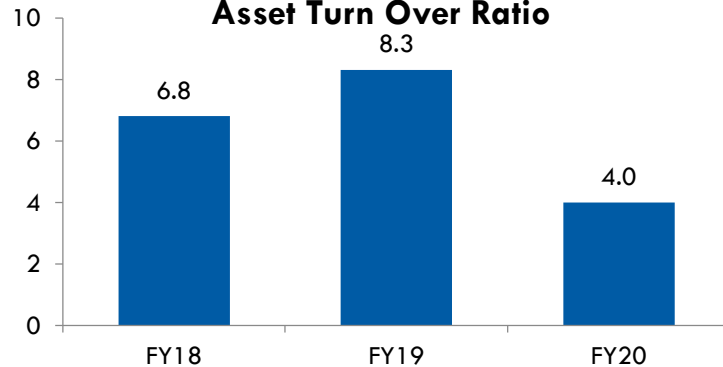
Operating EBITDA and EBITDA Margin



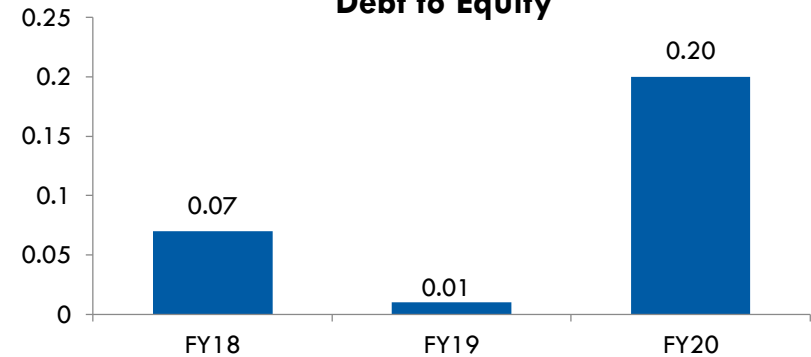
PAT and PAT Margin



Asset Turn Over Ratio



Debt to Equity



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The background features three overlapping, curved shapes. A blue shape is on the left, a white shape is in the center, and a green shape is at the bottom. The shapes are separated by thin, dark borders.

Thank You