



29<sup>th</sup> July 2019

To, The Manager - Listing Department, The National Stock Exchange of India Ltd Exchange Plaza, 5th floor, Plot no. C/1, "G" Block, Bandra-Kurla Complex, Mumbai-400051  Symbol: APCOTEXIND	To, Manager-Department of Corporate Services BSE Limited Jeejeebhoy Towers, Dalal Street, Fort, Mumbai - 400 001  Security Code: 523694
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**Subject: Investor Presentation – July 2019**

Dear Sir/Madam,

Please find enclosed herewith Earnings/Investor Presentation – July 2019. The same is for your reference and records.

Thanking you,

Yours truly,

**For Apcotex Industries Limited**

**Authorised Signatory**

**Encl: As above.**

**apcotex industries limited**

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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



# **apcotex industries limited**

EARNINGS PRESENTATION

Q1-FY20

## 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 11,718 Mn as on 30<sup>th</sup> June, 2019.

## 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
  - ▷ 16,000 MTPA Nitrile Rubber and Allied Products.

## FY19 FINANCIALS

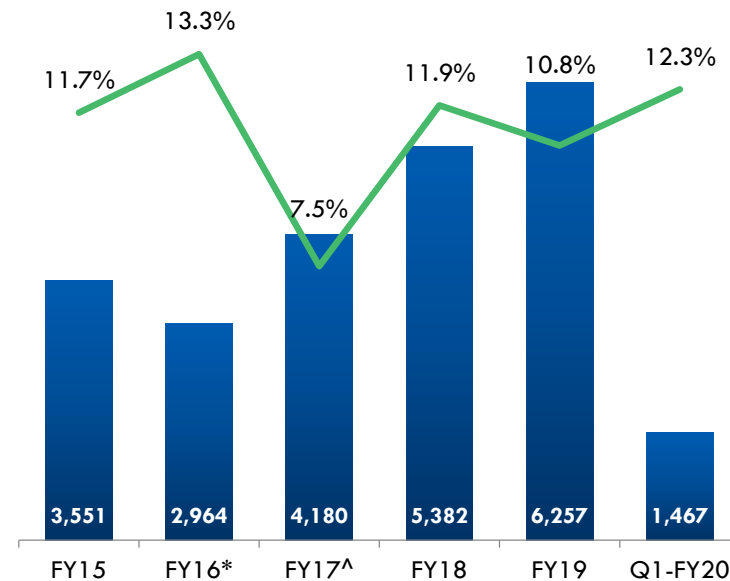
Revenue - **INR 6,257 Mn**

Operating EBITDA - **INR 676 Mn**

PAT- **INR 466 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 (%)**



\* Consolidated

^ The financial figures are excluding the recent merger of Saldhar Investment and Trading Company Pvt. Ltd

## Q1-FY20 Financial Highlights:

- ▶ **Total Revenue:** INR 1,467 Mn
- ▶ **Operating EBITDA:** INR 181 Mn
- ▶ **Operating EBITDA Margin:** 12.34%
- ▶ **Net Profit:** INR 114 Mn
- ▶ **PAT Margin:** 7.77%
- ▶ **EPS:** INR 5.48 per share

## Q1-FY20 Operational Highlights:

- ▶ Even though revenue in INR has decreased to softening Finished Goods prices, there was reasonable volume growth across most industry verticals in Q1 FY 2019-20.
- ▶ Margin improvement mainly due to softening of Raw Material prices.
- ▶ Spent Rs. 60cr till June 30, 2019 against planned 3 year capex of Rs. 90cr. Remaining will be invested by March 31, 2020.

# Q1-FY20 Income Statement (As per IndAS)



Particulars (INR Mn)	Q1-FY20	Q1-FY19	Y-o-Y	Q4-FY19	Q-o-Q
<b>Revenue</b>	<b>1,467</b>	<b>1,497</b>	<b>(2.0)%</b>	<b>1,517</b>	<b>(3.3)%</b>
Total Expenses	1,286	1,326	(3.0)%	1,378	(6.7)%
<b>Operating EBITDA</b>	<b>181</b>	<b>171</b>	<b>5.8%</b>	<b>139</b>	<b>30.2%</b>
<b>Operating EBITDA Margin</b>	<b>12.34%</b>	<b>11.42%</b>	<b>92 Bps</b>	<b>9.16%</b>	<b>318 Bps</b>
Depreciation	30	29	3.4%	30	NA
Finance Cost	4	4	NA	3	33.3%
Other Income	11	26	(57.7)%	30	(63.3)%
<b>PBT</b>	<b>158</b>	<b>164</b>	<b>(3.7)%</b>	<b>136</b>	<b>16.2%</b>
Exceptional Items	-	-	NA	-	NA
Tax	44	52	(15.4)%	(17)	NA
<b>PAT</b>	<b>114</b>	<b>112</b>	<b>1.8%</b>	<b>153</b>	<b>(25.5)%</b>
<b>PAT Margin</b>	<b>7.77%</b>	<b>7.48%</b>	<b>29 Bps</b>	<b>10.09%</b>	<b>(232) Bps</b>
Other Comprehensive Income	(7)	(1)	NA	(1)	NA
<b>Total Comprehensive Income</b>	<b>107</b>	<b>111</b>	<b>(3.6)%</b>	<b>152</b>	<b>(29.6)%</b>
Diluted EPS (INR)	5.48	5.42	1.1%	7.37	(25.6)%

# Historical Income Statement



Particulars (INR Mn)	FY16*	FY17** ^	FY18^	FY19^
<b>Revenue</b>	<b>2,964</b>	<b>3,880</b>	<b>5,382</b>	<b>6,257</b>
Total Expenses	2,570	3,589	4,744	5,581
<b>Operating EBITDA</b>	<b>394</b>	<b>291</b>	<b>638</b>	<b>676</b>
<b>Operating EBITDA Margin</b>	<b>13.29%</b>	<b>7.50%</b>	<b>11.85%</b>	<b>10.80%</b>
Depreciation	94	121	121	118
Finance Cost	24	29	16	18
Other Income	83	102	71	77
<b>PBT</b>	<b>359</b>	<b>243</b>	<b>572</b>	<b>617</b>
Exceptional Items	-	-	15	-
Tax	(26)	32	171	151
<b>PAT</b>	<b>385</b>	<b>211</b>	<b>386</b>	<b>466</b>
<b>PAT Margin</b>	<b>12.99%</b>	<b>5.44%</b>	<b>7.17%</b>	<b>7.45%</b>
Other Comprehensive Income	-	(1)	(3)	(2)
<b>Total Comprehensive Income</b>	<b>385</b>	<b>210</b>	<b>383</b>	<b>464</b>
EPS (INR)	18.58	10.20	18.63	22.47

\* Consolidated

^ As per IndAS \*\*The financial figures are excluding the recent merger of Saldhar Investment and Trading Company Pvt. Ltd.

# Balance Sheet



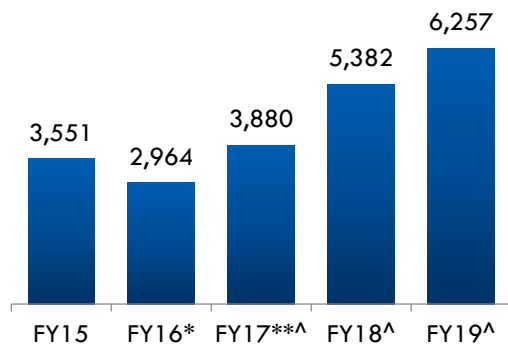
Particulars (INR Mn)	Mar 17	Mar 18	Mar 19
<b>Shareholders Fund</b>	<b>2,229</b>	<b>2,464</b>	<b>2,778</b>
Equity Share Capital	104	104	104
Other Equity	2,125	2,360	2,674
<b>Total Non Current Liabilities</b>	<b>67</b>	<b>70</b>	<b>86</b>
Deferred Tax liabilities	9	18	14
Other Long Term Liabilities	9	-	10
Long Term Provision	18	22	28
Other Financial Liabilities	31	30	34
<b>Total Current Liabilities</b>	<b>675</b>	<b>906</b>	<b>906</b>
Short Term Borrowings	222	174	30
Trade Payables	222	642	766
Other Current Liabilities	111	87	106
Short term provision	3	3	4
Current Tax Liabilities (Net)	117	-	-
<b>TOTAL EQUITY &amp; LIABILITIES</b>	<b>2,971</b>	<b>3,440</b>	<b>3,770</b>

Particulars (INR Mn)	Mar 17	Mar 18	Mar 19
<b>Total Non Current Assets</b>	<b>1,576</b>	<b>1,535</b>	<b>1,624</b>
Fixed Assets	878	782	750
Capital Work in progress	60	91	212
Investment in properties	1	1	-
Non Current Investments	398	499	428
Intangible Assets		4	14
Current Tax Assets (Net)	-	65	38
Long term loans & advances	-	-	-
Other Non Current assets	239	93	182
<b>Total Current Assets</b>	<b>1,395</b>	<b>1,905</b>	<b>2,146</b>
Investments	-	255	261
Inventories	445	493	482
Trade Receivables	781	982	1,112
Cash & Cash Equivalents	56	55	57
Other Bank Balances	10	18	44
Short Term loans & Advances	-	3	2
Other Financial Assets	64	42	40
Other current asset	39	57	148
<b>TOTAL ASSETS</b>	<b>2,971</b>	<b>3,440</b>	<b>3,770</b>

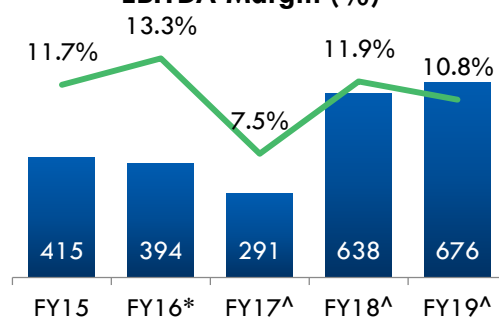


# Historical Performance Indicators

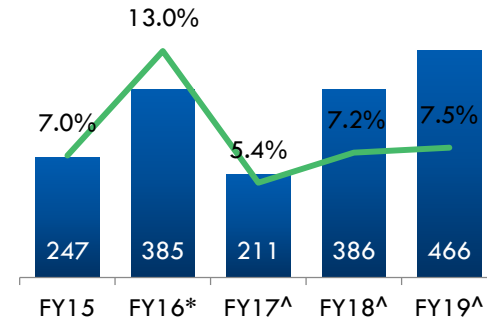
### Revenue (In Mn)



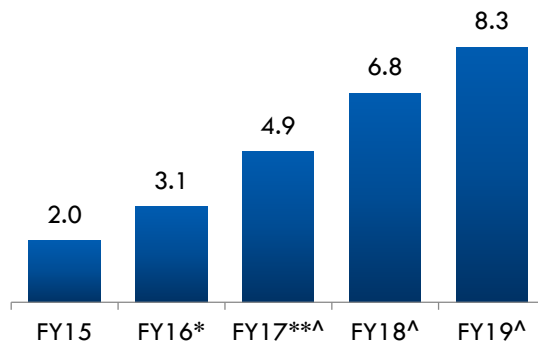
### Operating EBITDA (INR Mn) and EBITDA Margin (%)



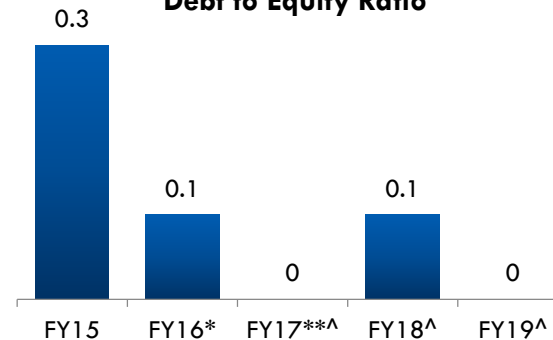
### PAT (INR Mn) and PAT Margin (%)



### Asset Turn Over Ratio



### Debt to Equity Ratio



\*Consolidated ^ As per IndAS

\*\* The figures are including the recent merger of Saldhar Investment and Trading Company Pvt. Ltd

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The background features three overlapping, curved shapes. On the left, a dark blue shape curves from the top-left towards the center. In the middle, a white shape curves from the bottom-left towards the top-right. On the right, a green shape curves from the bottom-right towards the center. The text 'Thank You' is positioned in the white area on the right side.

Thank You