



Date: 11th August 2021

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: Investor Presentation – August 2021

Dear Sir/Madam,

Please find enclosed herewith Investor Presentation – August 2021. The same is for your reference and records.

Thanking you,

For Apcotex Industries Limited

Anand V Kumashi
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



apcotex industries limited

INVESTOR PRESENTATION
AUGUST 2021

Executive Summary

Company Overview

Business Overview

Industry Overview

Strategic Overview

Financial Overview



Executive Summary

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, Footwear, Medical and Industrial Nitrile Gloves.
- ▶ Apcotex is listed on both the BSE and NSE and has an approximate market capitalisation of INR 16,660.4 Mn as on 30th June, 2021.

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, Jayshree Polymers, Inarco, Parker Hannifin, Top Glove, Brightway, 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.

FY21 FINANCIALS

Revenue - **INR 5,406 Mn**

Operating EBITDA - **INR 685 Mn**

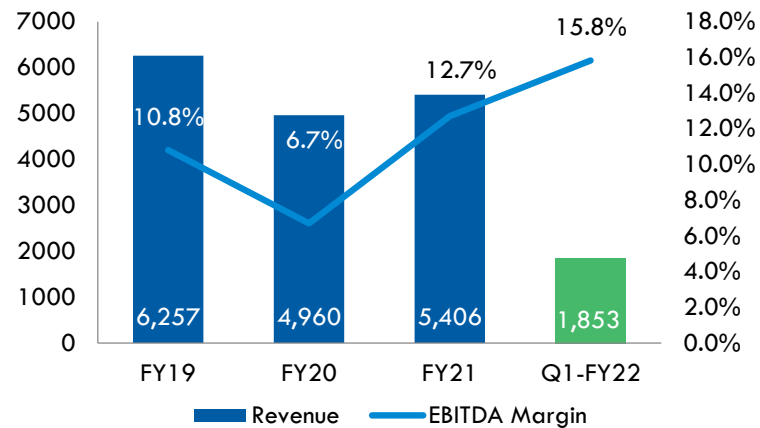
PAT- **INR 442 Mn**



Company Overview

- ▶ 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 (%)



Promoter Background and Board of Directors



MR. ATUL C. CHOKSEY
Chairman

•He is a Chemical Engineer from Illinois Institute of Technology, Chicago, USA and has more than four decades of experience in managing the affairs of the Company. He is on the board of reputed companies like Ceat.



MR. AMIT C. CHOKSEY
Director

•He is a Bachelor of Commerce and has over 30 years of experience in managing industries manufacturing various types of construction chemicals, specialty water proofing compounds and inorganic pigments. He is the Chairman of Mazda Colours Ltd.



DR. S. SIVARAM
Independent Director

•He obtained his MSc degree from IIT-Kanpur followed by PhD and DSc degrees from Purdue University, W. Lafayette, Indiana, USA. He was the Director of CSIR-NCL from 2002-10 and is presently an INSA Senior Scientist and Professor at the Indian Institute of Science Education and Research, Pune. He has over fifty years of R&D experience in the area of chemicals and polymers. The President of India bestowed on him the coveted civilian honour Padma Shri in 2006.



MR. KAMLESH S. VIKAMSEY
Independent Director

•He is a Chartered Accountant and a Senior Partner in reputed firm of Khimji Kunverji & Co. He was member of the Central Council of ICAI from 1998 to 2007 and held the post of president in 2005.



MR. UDAYAN D. CHOKSI
Independent Director

•He is a graduate in Economics from Warwick University. In addition to his CA degree, he also holds an LLB from Mumbai University. He is a senior indirect tax professional and practising counsel, and was previously at Big 4 – accounting and prominent law firms. He is a Partner at Khaitan & Co.



MR. ABHIRAJ A. CHOKSEY
Managing Director

•He is a Bachelor of Science in Economics from Wharton Business School and also Bachelor of Science in Engineering from the Engineering School, University of Pennsylvania in U.S.A.



MR. SHAILESH S. VAIDYA
Independent Director

•He is a law graduate from Government Law College and became Solicitor in the year 1983 and has been practicing as Advocate and Solicitor. He is one of the senior partner at Kanga & Co.



MS. PRIYAMVADA BHUMKAR
Independent Director

•She is a graduate in Chemistry and MBA in Finance from Mumbai University having 25 years of rich experience in the field of colour dispersions. She is Managing Director of Soujanya Color Pvt. Ltd., the well-known Indian colorant manufacturing company.



MR. RAVISHANKAR SHARMA
Executive Director

•He is a Chemical Engineer from Laxminarayan Institute of Technology, Nagpur, passed out in 1988 and PGDBM from Goa Institute of Management, Goa (Executive MBA) in 2009 and has more than 30 years of rich experience in the field of Production, Projects, Specialty Chemicals, operations and Manufacturing.

Key Milestones



1980

Started as division of Asian Paints (I) Limited & Pioneered in manufacture of Vinyl Pyridine latex and Carboxylated Styrene-Butadiene latex



1991

The company was spun off as a division of Asian Paints and listed on stock exchanges as Apcotex Lattices Limited



1998

Started Synthetic Rubber production with 10,000 MT (Dry) capacity



2005

Name changed to Apcotex Industries Limited



2009

Started Acrylic emulsion to exploit synergies with other products and markets



2013

Installed capacity of saleable latex increased from 40,000 MT/Annum to 55,000 MT/Annum (wet)



2014

Responsible care and TPM Special Award journey begins



2016

Synergistic acquisition of Omnova Solutions



2019

Reported highest ever turnover, exports and profit. Developed and entered Nitrile Latex business

PAPER

- ▶ ITC Ltd
- ▶ BILT
- ▶ JK PAPER
- ▶ NR Group

CARPET

- ▶ Obeetee Industries
- ▶ ABC Industries

RUBBER

- ▶ Paragon Footwear
- ▶ Lunars Footwear
- ▶ Josco
- ▶ Distributors all over India

CONSTRUCTION

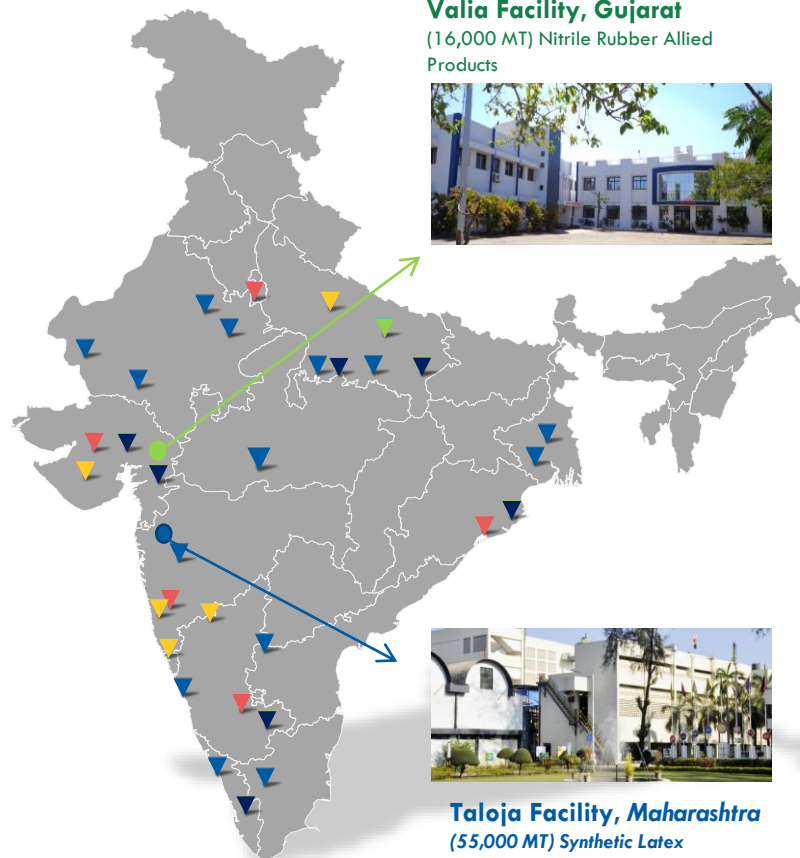
- ▶ Pidilite Industries
- ▶ Sika
- ▶ Fosroc

TYRE / CORD DIPPER

- ▶ MRF
- ▶ SRF
- ▶ Rajshree Polyfill (Century Enka)
- ▶ Madura

Valia Facility, Gujarat

(16,000 MT) Nitrile Rubber Allied Products



Talaja Facility, Maharashtra

(55,000 MT) Synthetic Latex
(7,000 MT) High Styrene Rubber

AUTO & INDUSTRIAL

- ▶ Unique Auto Rub Udyog Pvt Ltd
- ▶ Varroc Elast
- ▶ G.B. Rubber
- ▶ Jayashree Polymers

HOSES & LPG

- ▶ Vansh Industries
- ▶ Super Hoze
- ▶ Jugaltara
- ▶ Parker Hannifin India

RICE ROLLS

- ▶ Shaktiman
- ▶ Hindustan Rubber Industries (RR)
- ▶ Golden Rolls Pvt Ltd/Cable Corp

GLOVES

- ▶ Top Glove
- ▶ Brightway
- ▶ SRI Trang
- ▶ PT Shamrock

PRODUCT DEVELOPMENT LAB



DCS PROCESS CONTROL



PRODUCT APPLICATION LAB



QUALITY ASSURANCE LAB



The company has been **continuously upgrading** their **technology** through **in house research & development** efforts to meet the **changing needs** of customers
Currently 47 employees are dedicated for R&D and technical support.

Quality Certifications



ISO
9001
certified

TPM
Journey
starts

Safety
Excellence
Grade by
Telos

ISO
14001:2004,
OHSAS
18001:2007
Certified

TPM
Excellence
Category
A

Integration
Of Quality,
Environment
and OHSAS
Systems

TPM
Consistency
Award

Responsible
Care Certified

Valia plant
RC
certified

2000

2006

2010

2011

2011

2012

2013

2015

2018

Experienced Promoters
along with professional
management team



Marquee list of clients



Only producer of Nitrile Rubber and High
Styrene Rubber in India.



Strategic location of
manufacturing units in India and
lean business operations



Apcotex is a Globally
Reputed Brand



High entry barriers due to
proprietary product and process
technology, large capex, long sales
lead times and difficult-to-handle
RMs



Advanced technological
knowhow, in-house R&D and
customisation capability

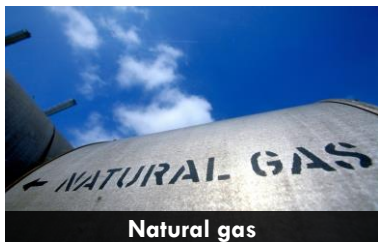




Business Overview

VALUE CHAIN

Sources of Raw Materials



Raw Materials

Butadiene

Styrene

Acrylonitrile




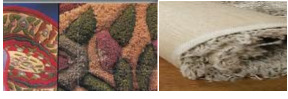


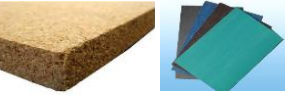







Final Products

<p>PAPER</p>	<p>CARPET</p>	<p>CONSTRUCTION</p>
<p>TYRE CORD</p>	<p>GLOVES</p>	<p>SPECIALTY</p>

<p>NITRILE RUBBER</p>	<p>NBR POLYBLEND</p>
<p>HIGH STYRENE RUBBER</p>	<p>NBR POWDER</p>

Synthetic Latex Products

The company caters to a large customer base for synthetic latex across industries and commands high market share across industries like Paper, Carpets, Tyres and Construction.

PAPER	CARPET	CONSTRUCTION	TYRE CORD	GLOVES	SPECIALTY
<p>Provides high wet and dry binding strength, high sheet gloss; Provides excellent wet and dry binding strengths; Provides excellent coverage and coating holdout; Provides excellent gloss.</p>	<p>Soft secondary backings of tufted carpets, Needle felt coating and impregnation, Textile Finishing / Softener, produces chemical additives for Textile Flooring, Synthetic Turf, Mattresses etc.</p>	<p>Bonding agent, cementitious waterproofing 2 component repair mortar, Hydraulic cement admixture, damp proof coatings, bonding agent for cement sand plaster on concrete and Gypsum.</p>	<p>Tyre cord / belting fabric dipping.</p>	<p>For Medical and Industrial Purpose.</p>	<p>Binder for Nonwoven Fabric, Paper saturation, Binder for cork sheets, Jointing sheets, Textile finishing, Adhesives.</p>
					
CLIENTS	CLIENTS	CLIENTS	CLIENTS	CLIENTS	CLIENTS
  	 	  	 	 	 

Synthetic Rubber Products

Apcotex is the only manufacturer of Nitrile Rubber and High Styrene Rubber in India. It has a high market share in HSR but a low market share in NBR due to capacity constraints.

NITRILE RUBBER (NBR)

Low viscosity grade with excellent processibility, good tack and easy flow suitable for moulded & extruded rubber goods.



CLIENTS



NBR POLYBLEND

Cost effective medium ACN blend for general purpose automotive and industrial moulded and extruded products, footwear products etc.

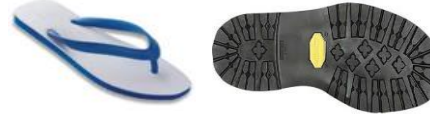


CLIENTS



HIGH STYRENE RUBBER

Low hardness rubber grade with very good processibility for Hawaii and Micro-cellular sheets, Medium hardness grade for general purpose footwear products, Banwar and Neolite applications.



CLIENTS



NBR POWDER

Linear powder grade suitable for jointing sheets, PVC modifications, medium ACN grade suitable for footwear, moulded and extruded goods, joining sheets, adhesives and Friction materials, Suitable for brake pads.



CLIENTS



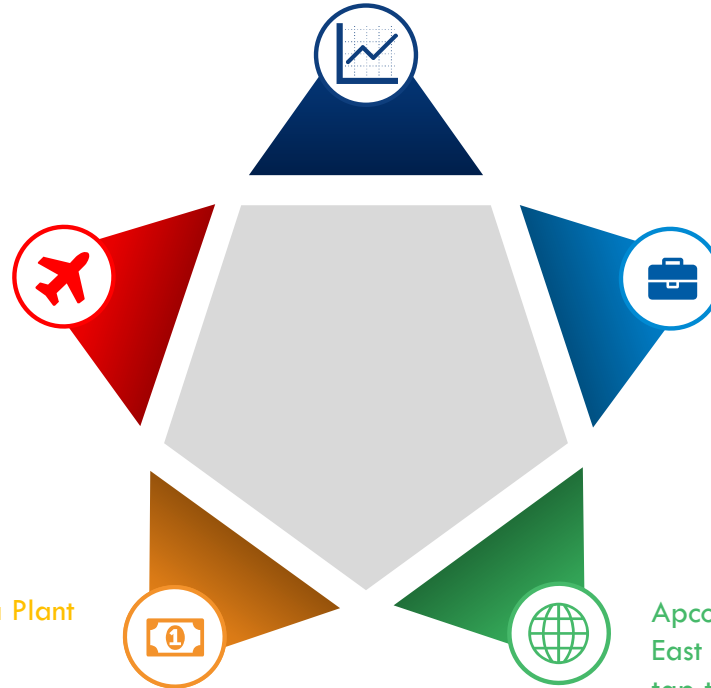


Strategic Overview

The company's presence in the stable growth industries like Paper, Construction, Carpet, Tyre and Rubber provides stable growth & is a strong base for Apcotex.

The company also plans to increase capacities for Nitrile Rubber to cater to domestic and export market.

Planned capex worth INR 100 Cr at Valia Plant with the purpose of reduction in costs and debottlenecking completed in June 2020.



Apart from the existing product portfolio, the next generation product pipeline is strong to propel growth. Launched new product XNBR Latex for gloves mainly catering to exports and plan to build capacity of 60,000 MT for this product by Q2-FY2022-23.

Apcotex has a strong global presence in South East Asia, Middle East & Africa and intends to tap the Asian Markets.



Financial Overview

Income Statement

Particulars (INR Mn)	FY19	FY20	FY21	Q1-FY22
Revenue	6,257	4,960	5,406	1,852
Total Expenses	5,581	4,626	4,721	1,559
Operating EBITDA	676	334	685	293
Operating EBITDA Margin	10.80%	6.80%	12.67%	15.82%
Depreciation	118	134	145	33
Finance Cost	18	13	38	8
Other Income	77	59	65	24
PBT	617	246	567	276
Tax	151	80	125	57
PAT	466	166	442	219
PAT Margin	7.50%	3.40%	8.18%	11.83%
Other Comprehensive Income	(2)	(56)	177	77
Total Comprehensive Income	464	110	619	296
Diluted EPS (INR)	8.99	3.21	8.52	4.22

Balance Sheet



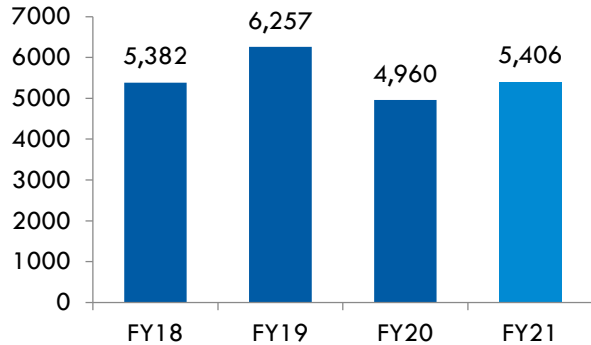
Particulars (INR Mn)	FY20	FY21
Shareholders Fund	2,513	3,054
Equity Share Capital	104	104
Other Equity	2,409	2,950
Total Non Current Liabilities	349	241
Deferred Tax liabilities	57	105
Borrowings	226	60
Long Term Provision	29	31
Other Financial Liabilities	37	45
Total Current Liabilities	1,107	1,222
Short Term Borrowings	189	51
Trade Payables	460	589
Other Current Liabilities	374	438
Short Term Provision	5	5
Other Current Liabilities	79	139
TOTAL EQUITY & LIABILITIES	3,969	4,517

Particulars (INR Mn)	FY20	FY21
Total Non Current Assets	1,916	2,383
Property, Plant and Equipment	1,239	1,441
Capital Work in progress	193	116
Non Current Investments	334	682
Intangible Assets	9	7
Current Tax Assets (net)	55	73
Other Non Current Assets	86	64
Total Current Assets	2,053	2,134
Investments	211	142
Inventories	597	558
Trade Receivables	891	1,048
Cash & Cash Equivalents	117	106
Other Bank Balances	43	44
Short Term loans & Advances	3	4
Other Financial Assets	60	72
Other Current Asset	131	160
TOTAL ASSETS	3,969	4,517

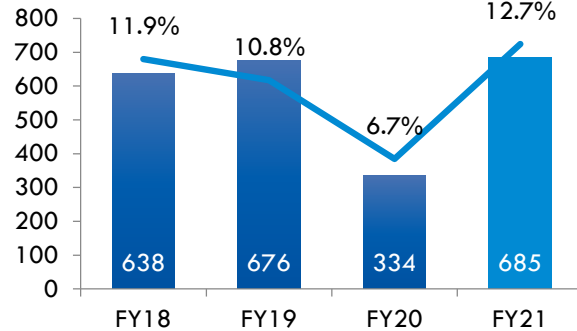
Historical Performance Indicators



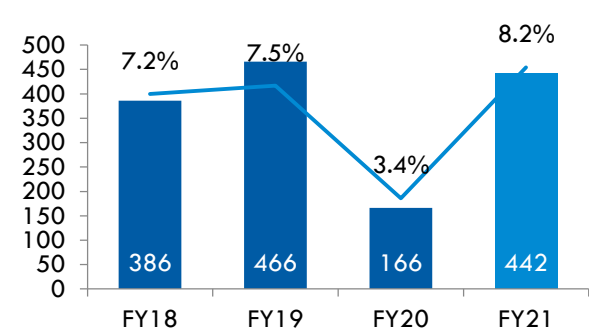
Operational Revenue (In Mn)



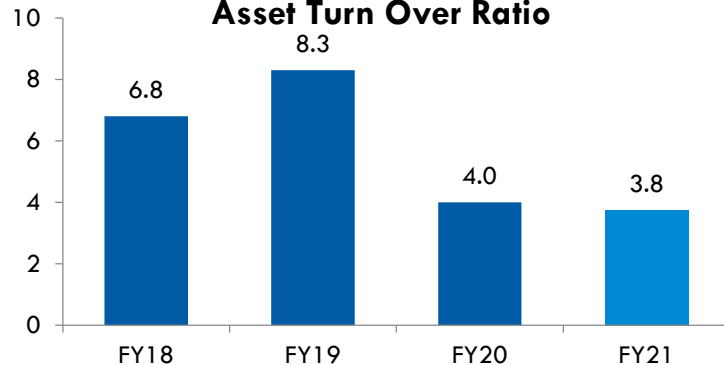
Operating EBITDA and EBITDA Margin



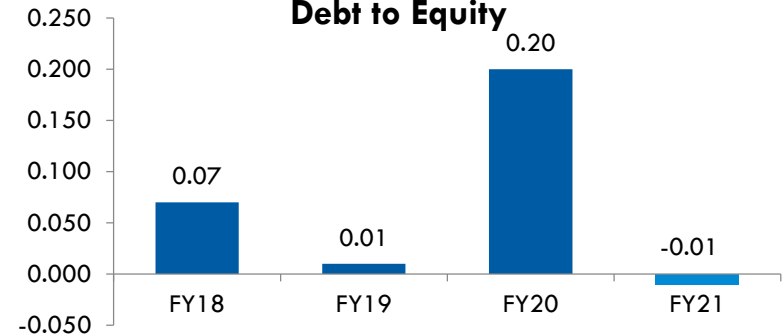
PAT and PAT Margin



Asset Turn Over Ratio



Debt to Equity



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Apcotex Industries Limited
CIN: L99999MH1986PLC039199
Email: avkumashi@apcotex.com

The background features three overlapping, curved shapes. A dark blue shape is at the top left, a white shape is in the middle, and a green shape is at the bottom right. The shapes are separated by soft, dark shadows, giving them a layered appearance.

Thank You