

29<sup>th</sup> May 2024

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

Dear Sir/Madam,

Please find enclosed herewith Investor Presentation – May 2024. The same is for your reference and records.

Thanking you,

For **Apcotex Industries Limited**

Jeevan Mondkar

Company Secretary & Head - Legal

**REGISTERED OFFICE**

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Sector-17, Vashi, Navi Mumbai 400703  
Maharashtra, India  
T: + 91 22 2777 0800

**CORPORATE OFFICE**

NKM International House, 178, Backbay  
Reclamation, Babubhai M. Chinai Marg  
Mumbai 400020, India  
T: + 91 22 2283 8302/04

**TALOJA FACTORY**

Plot No. 3/1, MIDC Industrial Area  
Taloja, Dist. Raigad 410208  
Maharashtra, India  
T: + 91 22 2740 3500



# INVESTOR PRESENTATION

May 2024



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01

# EXECUTIVE SUMMARY

# 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.
- ▶ Apcotex is listed on both the BSE and NSE and has an approximate market capitalisation of INR 22,845.48 Mn as on 31st March, 2024.

## BUSINESS MIX

- ▶ **SYNTHETIC LATEX**  
Paper/ Paper Board, Carpet, Gloves, Construction, Tyre Cord, Speciality, Textile.
- ▶ **SYNTHETIC RUBBER**  
Automobile, Footwear, Rice Rolls, Various Rubber Products.

## MARQUEE CLIENTS

- ▶ **SYNTHETIC LATEX**  
ITC, Asian Paints, Ultratech Cement, Welspun, BILT, JK PAPER, Pidilite Industries, MRF, SRF, Century Enka, Standard, Mac, Kordsa etc.
- ▶ **SYNTHETIC RUBBER**  
Paragon Footwear, Jayshree Polymers, Parker Hannifin, Gates India, Armacell, Supreme Industries etc.

## MANUFACTURING

- ▶ **Taloja Facility: Maharashtra**  
1,00,000 MTPA Synthetic Latex  
7,000 MTPA High Styrene Rubber
- ▶ **Valia Facility: Gujarat**  
21,000 MTPA Nitrile Rubber and Allied Products  
50,000 MTPA Nitrile Latex

**INR 11,246 MN**

OPERATIONAL REVENUE

**INR 1,139 MN**

EBITDA

**INR 539 MN**

PAT

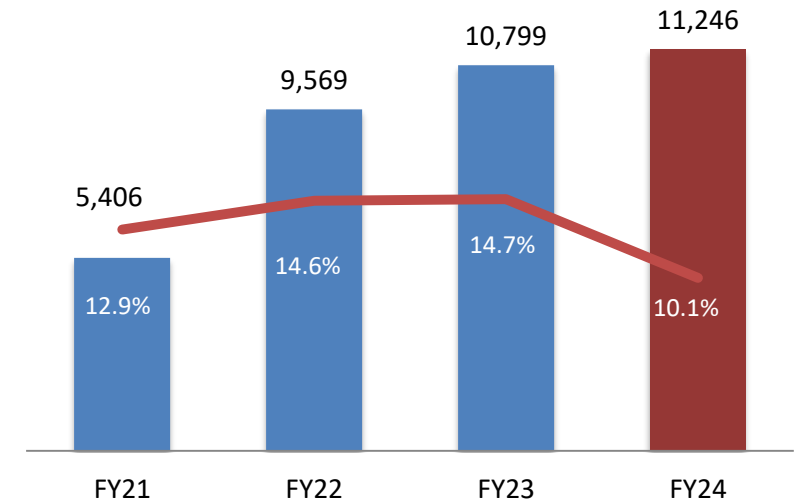
02

# COMPANY OVERVIEW

# 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 550 fulltime employees.
- ▶ Apcotex Industries is also a part of the Top 10 Indian companies on the list of "Forbes Asia Best Under A Billion 2023".

## Operational Revenue (INR Mn) and EBITDA Margin (%)



# Board of Directors



**MR. ATUL C. CHOKSEY (CHAIRMAN)**

He is a Chemical Engineer from the Illinois Institute of Technology, Chicago, USA. He joined Asian Paints (India) Limited as Junior Executive in 1973 and was subsequently appointed as Whole-time Director with effect from May 1979. He served as the Managing Director of Asian Paints Limited from April 1984 to August 1997. Over the years he has served on the Boards of Marico Limited, Finolex Cables Limited, Blue Star India Ltd. and the Asian Board of the Wharton Business School. He has served as the President of the Indian Paint Association and Bombay Chamber of Commerce and Industry (BCCI) as well as Deputy President of the Associated Chamber of Commerce and Industry of India. He is a member of Young Presidents Organization (YPO). He is currently a Trustee of Shree Mahalakshmi Temple Trust located in Mumbai and an Independent Director on the Board of Ceat Ltd.

**DR. SWAMINATHAN SIVARAM (INDEPENDENT DIRECTOR)**

He obtained his MSc degree in chemistry 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 Honorary Scientist and Honorary Professor Emeritus at the Indian Institute of Science Education and Research, Pune. He has over fifty years of R&D experience, both in industry and academia, in the area of chemicals and polymers. He served on the Board of Asian Paints (India) Limited from 2002 to 2021 and currently serves on the Boards of Supreme Petrochem Limited, 20 Microns Limited and Gharda Chemicals Limited as an Independent Director. The President of India bestowed, on him the coveted civilian honour Padma Shri in 2006.



**MR. AMIT C. CHOKSEY (DIRECTOR)**

He is a Commerce Graduate from Bombay University and currently Chairman & Managing Director of Mazda Colours Limited in Mumbai, India. Mazda Colours is one of the leading manufacturers of Phthalocyanine Pigments and leading exporters of its products all over the world. He has over four decades of rich experience in managing the Manufacturing Plants of Inorganic Pigments and Intermediates, Construction Chemicals, Specialty Water Proofing compounds. He hails from a family which promoted Asian Paints (I) Limited, the largest manufacturers of Paints in India. He is a member of the prestigious Young Presidents' Organisation (YPO is the Global Leadership Community of Extraordinary CEOs). He also holds the Diplomatic position as 'Honorary Consul of the Slovak Republic' in Mumbai.



**MR. KAMLESH S. VIKAMSEY (INDEPENDENT DIRECTOR)**

He is a Chartered Accountant and a Senior Partner in reputed firm of Khimji Kunverji & Co LLP. He was member of the Central Council of ICAI from 1998 to 2007 and held the post of president in 2005. He has served on the Board of GIC Housing Finance Limited, currently serving on the Board of AU Small Finance Bank Limited, Navneet Education Limited to name a few.





# Board of Directors

**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 an Advocate and Solicitor. He is one of the senior partners at Kanga & Co. He has served on the Board of Siyaram Silk Mills Limited, currently serving on the Board of Excel Industries Limited as an Independent Director.



**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. UDAYAN D. CHOKSI**  
(INDEPENDENT DIRECTOR)

He is a graduate in Economics from Warwick University. In addition to his C.A. degree, he also holds an LL.B. 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.



**Dr. Achala Danait**  
(INDEPENDENT DIRECTOR)

She has done M.Sc. Chemistry from IIT Bombay in 1987 and Ph.D. Polymer Chemistry from IIT Bombay in 1992. She is a strategic visionary with 30 plus years of experience across industry and academia. She was the Managing Director of Clariant India Limited, Director of Sud Chemie India Pvt Ltd. She was also responsible for leading the Technology & Innovation function in Asia Pacific. Recently, she has joined Somaiya Vidyavihar University as Director, Strategy & Industry Partnerships and Dean, Research.



**MR. ABHIRAJ A. CHOKSEY**  
(MANAGING DIRECTOR)

He graduated from the University of Pennsylvania with degrees in Engineering and Business from Wharton. He worked in strategy consulting and IT in the United States for a few years before joining Apcotex in 2005. He is associated with the Company since 2005 in various capacities and has been the Managing Director since May 2010.



**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.

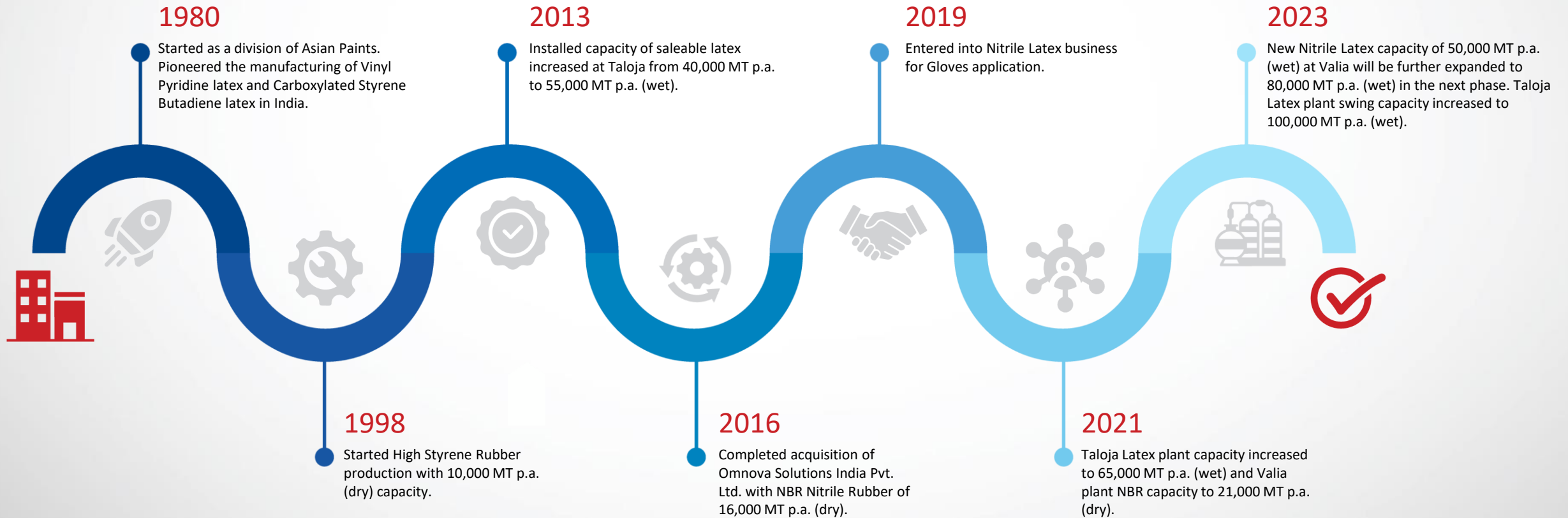


**PRITI SAVLA**  
INDEPENDENT DIRECTOR

Ms. Priti Savla is a fellow member of the Institute of Chartered Accountants of India (ICAI) and partner in K P B & Associates. She's practising since more than 24 years in the areas of strategic planning, business advisory, corporate governance, ESG advisory, CSR & impact assessment, internal audit & risk mitigation. She is Chairperson of Sustainability Reporting Standard Board, ICAI. She is member of Sustainability Standards Advisory Forum of International Sustainability Standards Board (ISSB) of IFRS Foundation. She is Director in Institute of Social Auditors of India, Governing Council Member of Social Stock Exchange - BSE. She is Public Interest Director in NSE Clearing Limited.



# Key Milestones



# Industry Clients

## PAPER

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

## CARPET

- ▶ Obeetee Industries
- ▶ Standard
- ▶ ABC Industries
- ▶ Mac

## RUBBER

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

## TYRE/CORD DIPPER

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

## CONSTRUCTION

- ▶ Pidilite Industries
- ▶ Sika
- ▶ Asian Paints
- ▶ Fosroc
- ▶ Ultratech Cements

## RICE ROLLS

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

## HOSES & LPG

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

## AUTO & INDUSTRIAL

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

## GLOVES

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



Valia Plant

Taloja Plant

Taloja plant in Maharashtra  
50 km from Mumbai airport  
36 km from JNPT ports



Valia plant in Gujarat  
120 km from Baroda Airport  
40 km from Hajira & Dahej ports

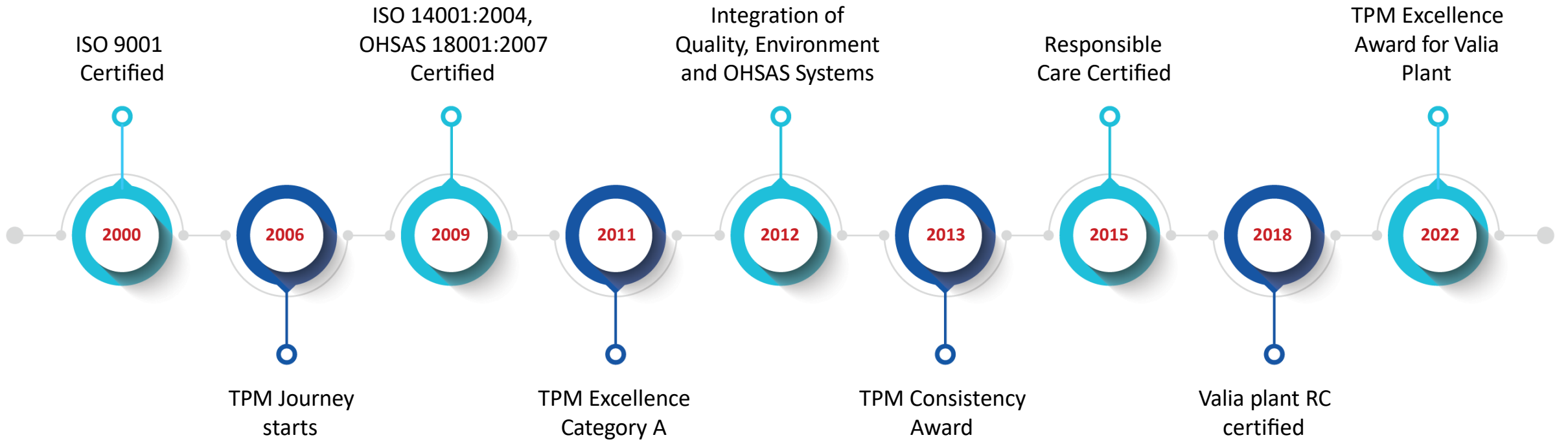


# R&D and Quality Control



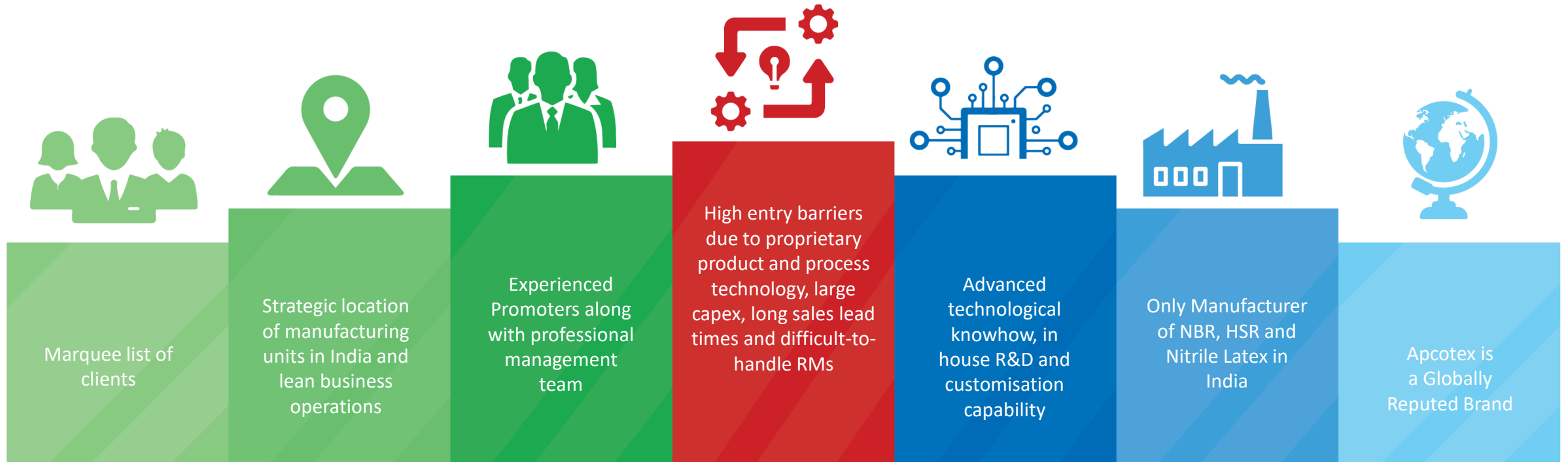
The Company has been continuously upgrading their technology through in house research & development efforts to meet the changing needs of customers  
Currently  
41 employees are dedicated for R&D and technical support.

# Quality Certifications





# Key Strengths



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# BUSINESS OVERVIEW

# Process

## VALUE CHAIN





# 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

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.



### CLIENTS



## CARPET

Soft secondary backing of tufted carpets, needle felt coating and impregnation, Textile Finishing / Softener, produces chemical additives for Textile Flooring, Synthetic turf, Mattresses etc.



### CLIENTS



## CONSTRUCTION

Bonding agent, cementitious waterproofing 2 component repair mortar, Hydraulic cement admixture, damp proof coatings, bonding agent for cement sand plaster on concrete and Gypsum.



### CLIENTS



## SPECIALTY

Binder for Nonwoven Fabric, Paper saturation, Binder for cork sheets, Jointing sheets, Textile finishing, Adhesives.



### CLIENTS



## TYRE CORD

Tyre cord / belting fabric dipping.



### CLIENTS



## GLOVES

For Medical and Industrial Purpose.



### 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 fast 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, jointing sheets, adhesives and Friction materials. Suitable for brake pads.



### CLIENTS



04

# STRATEGIC OVERVIEW

# Future Strategy

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



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.



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



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 50,000 MT for this product and 35,000 MT for existing product portfolio commissioned in Q4-FY2022-23.



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# FINANCIAL OVERVIEW

# Historical Income Statement

| Particulars (INR Mn)              | FY21          | FY22          | FY23          | FY24          |
|-----------------------------------|---------------|---------------|---------------|---------------|
| <b>Operational Revenue</b>        | <b>5,406</b>  | <b>9,569</b>  | <b>10,799</b> | <b>11,246</b> |
| Total Expenses                    | 4,708         | 8,171         | 9,214         | 10,107        |
| <b>EBITDA</b>                     | <b>698</b>    | <b>1,398</b>  | <b>1,585</b>  | <b>1,139</b>  |
| <b>EBITDA Margins</b>             | <b>12.91%</b> | <b>14.61%</b> | <b>14.68%</b> | <b>10.13%</b> |
| Depreciation                      | 145           | 141           | 152           | 315           |
| Finance Cost                      | 38            | 32            | 51            | 156           |
| Other Income                      | 52            | 79            | 73            | 77            |
| <b>PBT</b>                        | <b>567</b>    | <b>1,304</b>  | <b>1,455</b>  | <b>745</b>    |
| Tax                               | 125           | 316           | 376           | 206           |
| <b>PAT</b>                        | <b>442</b>    | <b>988</b>    | <b>1,079</b>  | <b>539</b>    |
| <b>PAT Margins</b>                | <b>8.18%</b>  | <b>10.33%</b> | <b>10.00%</b> | <b>4.79%</b>  |
| Other Comprehensive Income        | 177           | 127           | (21)          | 203           |
| <b>Total Comprehensive Income</b> | <b>619</b>    | <b>1,115</b>  | <b>1,058</b>  | <b>742</b>    |
| Diluted EPS (INR)                 | 8.52          | 19.06         | 20.82         | 10.39         |

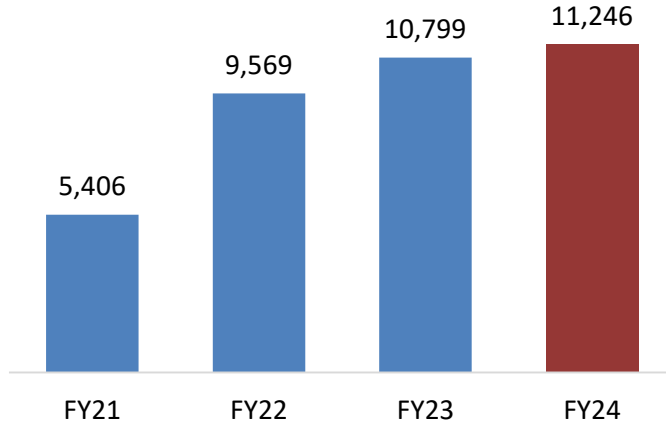
# Balance Sheet

| Particulars (INR Mn)                  | FY22         | FY23         | FY24         |
|---------------------------------------|--------------|--------------|--------------|
| <b>Shareholders Fund</b>              | <b>3,962</b> | <b>4,760</b> | <b>5,218</b> |
| Equity Share Capital                  | 104          | 104          | 104          |
| Other Equity                          | 3,858        | 4,656        | 5,114        |
| <b>Total Non Current Liabilities</b>  | <b>439</b>   | <b>1,474</b> | <b>1,281</b> |
| Deferred Tax liabilities              | 81           | 122          | 199          |
| Borrowings                            | 264          | 1248         | 936          |
| Lease liabilities                     | 1            | -            | 45           |
| Long Term Provision                   | 33           | 34           | 31           |
| Other Financial Liabilities           | 60           | 70           | 70           |
| <b>Total Current Liabilities</b>      | <b>1,648</b> | <b>1,800</b> | <b>2,722</b> |
| Short Term Borrowings                 | 238          | 270          | 892          |
| Lease Liabilities                     | -            | -            | 10           |
| Trade Payables                        | 1,000        | 1,021        | 1,348        |
| Other Financial Liabilities           | 256          | 360          | 341          |
| Short Term Provision                  | 16           | 16           | 15           |
| Other Current Liabilities             | 138          | 133          | 116          |
| <b>TOTAL EQUITY &amp; LIABILITIES</b> | <b>6,049</b> | <b>8,034</b> | <b>9,221</b> |

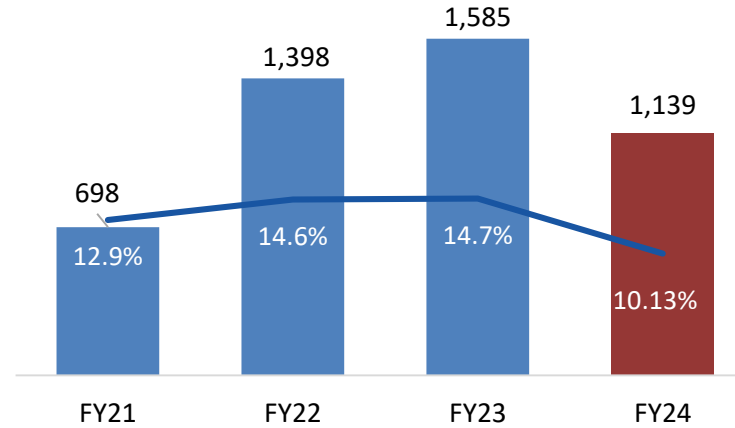
| Particulars (INR Mn)            | FY22         | FY23         | FY24         |
|---------------------------------|--------------|--------------|--------------|
| <b>Total Non Current Assets</b> | <b>3,014</b> | <b>4,809</b> | <b>4,959</b> |
| Property, Plant and Equipment   | 1,560        | 3,834        | 3,838        |
| Capital Work in progress        | 386          | 123          | 79           |
| Investment Properties           | -            | 15           | 15           |
| Financial Assets                | 823          | 732          | 887          |
| Intangible Assets               | 6            | 4            | 5            |
| Non Current Tax Assets (net)    | 28           | 47           | 68           |
| Other Non Current Assets        | 211          | 54           | 67           |
| <b>Total Current Assets</b>     | <b>3,035</b> | <b>3,225</b> | <b>4,262</b> |
| Investments                     | 153          | 148          | 225          |
| Inventories                     | 871          | 1,051        | 1,250        |
| Trade Receivables               | 1,618        | 1,371        | 2,030        |
| Cash & Cash Equivalents         | 20           | 153          | 152          |
| Other Bank Balances             | 69           | 71           | 90           |
| Short Term loans & Advances     | 4            | 5            | 5            |
| Other Financial Assets          | 93           | 74           | 162          |
| Other Current Asset             | 207          | 352          | 348          |
| <b>TOTAL ASSETS</b>             | <b>6,049</b> | <b>8,034</b> | <b>9,221</b> |

# Historical Performance Indicators

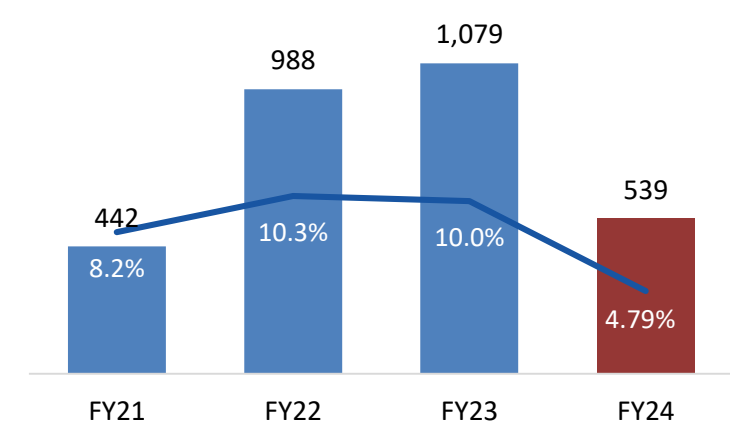
Operational Revenue (INR Mn)



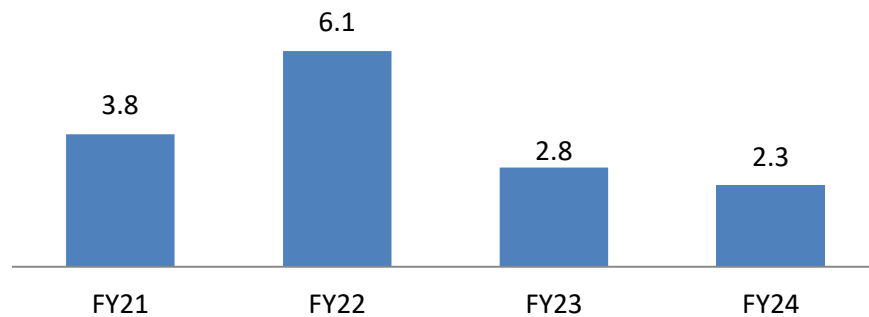
EBITDA (INR Mn) EBITDA Margin (%)



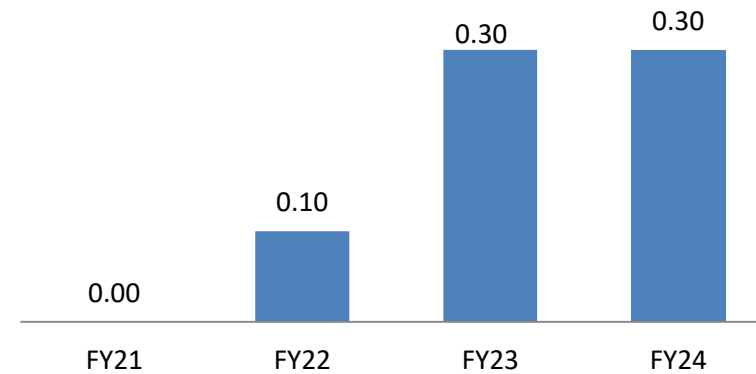
PAT (INR Mn) and PAT Margin (%)



Asset Turn Over Ratio (x)



Net Debt to Equity (x)





# Disclaimer

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For further details, please feel free to contact our  
**INVESTOR RELATIONS REPRESENTATIVES:**



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**Apcotex Industries Limited**  
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