



# FINEOTEX CHEMICAL LIMITED



15s/92

25<sup>th</sup> June, 2015

To,

<p>General Manager, Listing Department, <b>The Bombay Stock Exchange Limited,</b> P.J. Towers, Dalal Street, Mumbai – 400 001</p> <p><b>Company code: 533333</b></p>	<p>The Manager, Listing &amp; Compliance Department <b>The National Stock Exchange of India Limited</b> Exchange Plaza, Bandra Kurla Complex, Bandra East, Mumbai - 400051</p> <p><b>Company code: FCL</b></p>
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Dear Sirs/Madam,

**Subject:- Investor Presentation 2015.**

With reference to the above caption subject, we hereby enclose revised Investor Presentation 2015 after incorporating some changes, requesting you to kindly take it in your record and ignore the earlier submitted presentation.

Kindly acknowledge receipt of the same.

Thanking You.

Yours faithfully,

**For Fineotex Chemical Limited**

**Surendrakumar Tibrewala  
(Chairman & Managing Director)**

Encl.: As above.

# Fineotex Chemical Limited

*Where Dependability Counts...*



**Investor Presentation**

June 2015

**FCL**

# Safe Harbour

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# Snapshot

**Product  
Range of over  
400 Products**

**Presence  
across 33  
Countries**

**Expertise of  
over 35 years  
in Speciality  
Chemicals**

**EBITDA - 30%  
PAT - 29%  
4YCAGR**

**ZERO DEBT**

**FCL**

**Diversified  
Customers  
and Product  
Base**

**Technical  
Knowhow  
from Europe  
and Malaysia**

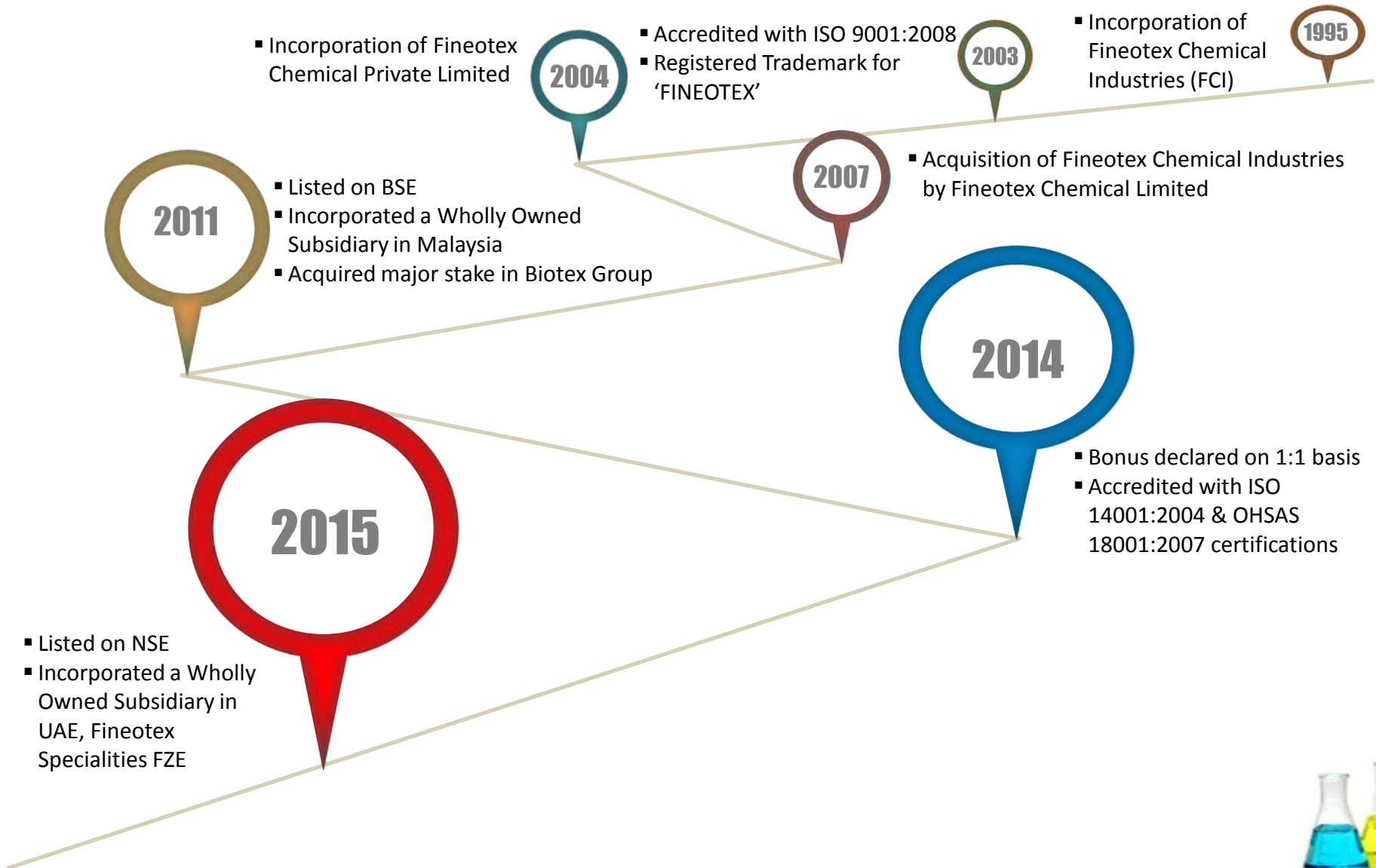
**Strong R&D  
Relationships  
with Large  
Customers**

**Production  
Facilities in  
India &  
Malaysia**

**Experienced  
Management  
Team from  
MNC  
background**



# Evolution





# 01 Experienced Board Of Directors

## *Mr. Surendra Kumar Tibrewala - Chairman & MD*

- Commerce graduate from from Mumbai University & a Law graduate from Government Law College
- 4 decades of experience into manufacturing Specialty Chemicals & Enzymes for various industries namely Textiles & Garments, Construction, Water Treatment, Leather, Paper, Paint, Adhesives etc.

## *Mr. Sanjay Tibrewala – Executive Director & CFO*

- Commerce Graduate from Mumbai University & a Post Graduate, having specialized in Textile Processing and Chemicals from Sasmira University, Mumbai
- Spearheading the company into Organic & Inorganic Growth by venturing into Exports & Foreign Acquisitions
- Diversified into segments like Construction Chemicals, Adhesives & Enzymes

## *Mr. Manmohan Mehta – Independent Director*

- Chairman of the Remuneration Committee
- Commerce Graduate with over 20 years of experience in various industries
- Extensive knowledge in the field of Law and Business

## *Mr. Navin Mittal – Independent Director*

- Graduate with experience in Iron & Steel Industry
- More than 2 decade experience in bringing innovation to its peak and to build value in growth oriented businesses and support them to achieve higher levels of performance

## *Mrs. Ritu Gupta – Independent Director*

- MBA Finance from S P Jain, School of Global Management
- A part of Key Management Team at the time of IPO
- Experience includes managing campuses of S P Jain School of Global Management in Dubai, Singapore and Sydney

## *Mr. Alok Dhanuka – Independent Director*

- Qualified MBA from Harriot Watt University in UK
- Experience in EXIM and is an entrepreneur running his business in export of Agro products





## 02 Multi-Product Manufacturing Facilities

*Indian Facility at Mahape, Navi Mumbai*



*Malaysian Facility at Bander Baru Bangi, Malaysia*





# Varied Manufacturing Process

## SULPHONATION

Sulphation and Sulphonation are the most widely used processes for the production of synthetic anionic surface active agents derived from a wide range of synthetic and natural feedstocks

## ESTERIFICATION

The method to derive products from acids by the exchange of the replaceable hydrogen of the latter of an organic radical. The usual reaction is that of an acid (organic or inorganic) with an alcohol or other organic compound rich in OH groups

## PHOSPHONATION

Phosphonation is a process for the production of Phosphate ester which can be called organic salts of orthophosphoric acid  $O=P(OH)_3$ . They are also organophosphorous compounds



## POLYMERIZATION

A chemical reaction, usually carried out with a catalyst, heat or light, and often under high pressure, in which a large number of relatively simple molecules combine to form a chain like macromolecule

## BLENDING & FORMULATION

It is the adding and mixing of several raw materials with water in the required proportion at the right temperature with a specialized technique



## 03 In-House Research & Development



- 2 state-of-the-art laboratories at Navi Mumbai & Andheri continually updated with in house R&D
- Undertaking constant development measures through in-house R&D to stand up with the growing requirements of the clients
- Laboratories are equipped with all kinds of modern equipments like Brookfield Viscometers, Refractometers, Pilot Vessels and Application Equipments to perform Pre-treatment, Dyeing, Printing & Finishing Trials
- An experienced and technically qualified team strives round the clock to develop and improve upon the product features by incorporating the latest technology and developing New Specialty and Cost-Effective Products which will in turn add value to our products

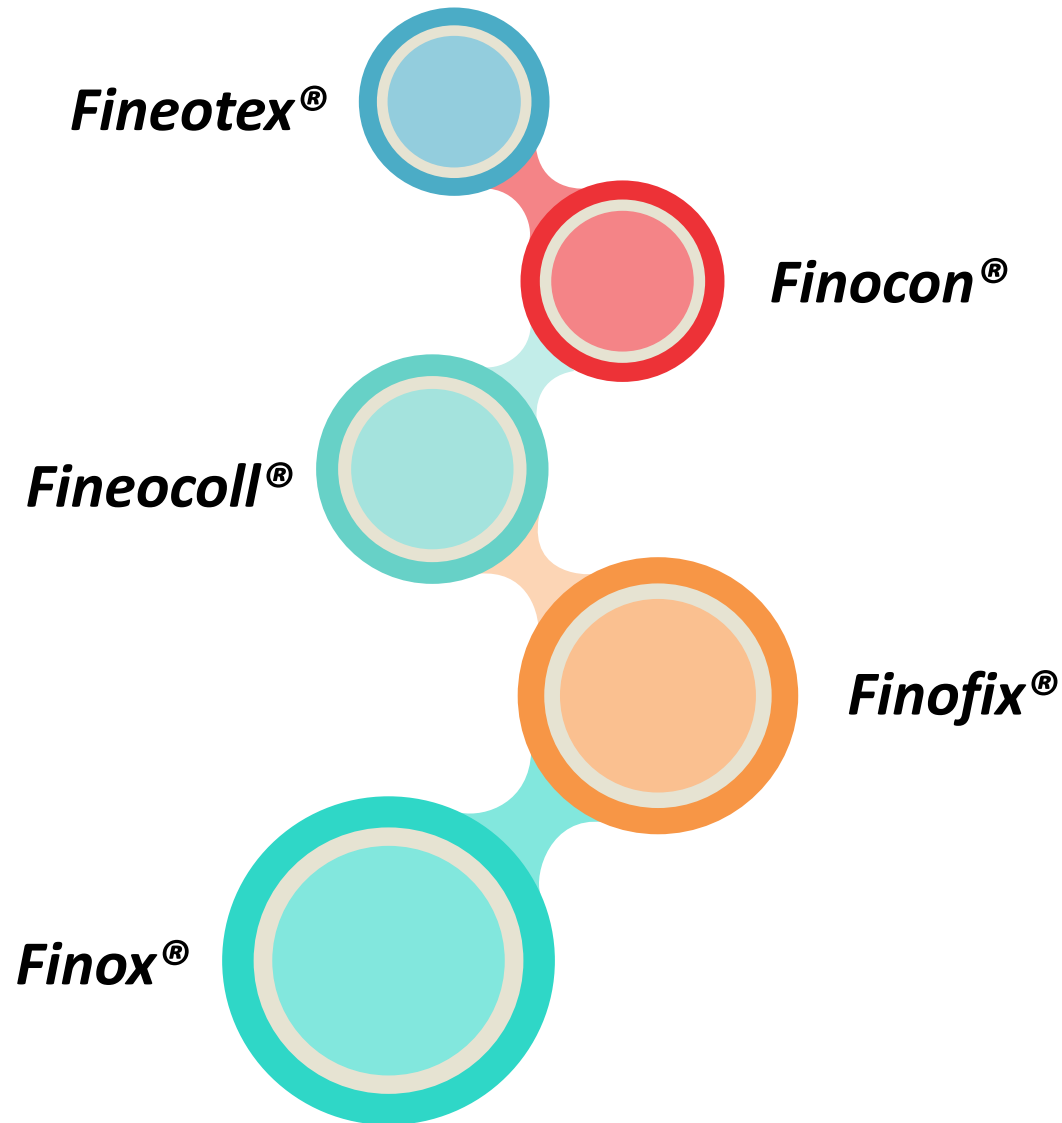


# Well Equipped Research Laboratories



# Strong Brand Positioning

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## 04 Presence across the Globe



- Presence in 33 countries like Argentina, Bangladesh, Indonesia, Thailand, Pakistan, Colombia, Singapore, Sri Lanka, Tanzania etc
- Company expands its export directly & also indirectly through export house
- Constantly tapping new markets, tie ups with reputed distributors with a sole selling policy to channelize its efforts in view of long term relationship





# 05 Strong Client Relationships



Banswara Syntex Ltd.



# Strong Client Relationships



Himatsingka



# Strong Client Relationships



**Chenab Textile Mills**  
Blending Perfection  
*(A unit of Sulej Textiles & Industries Ltd.)*



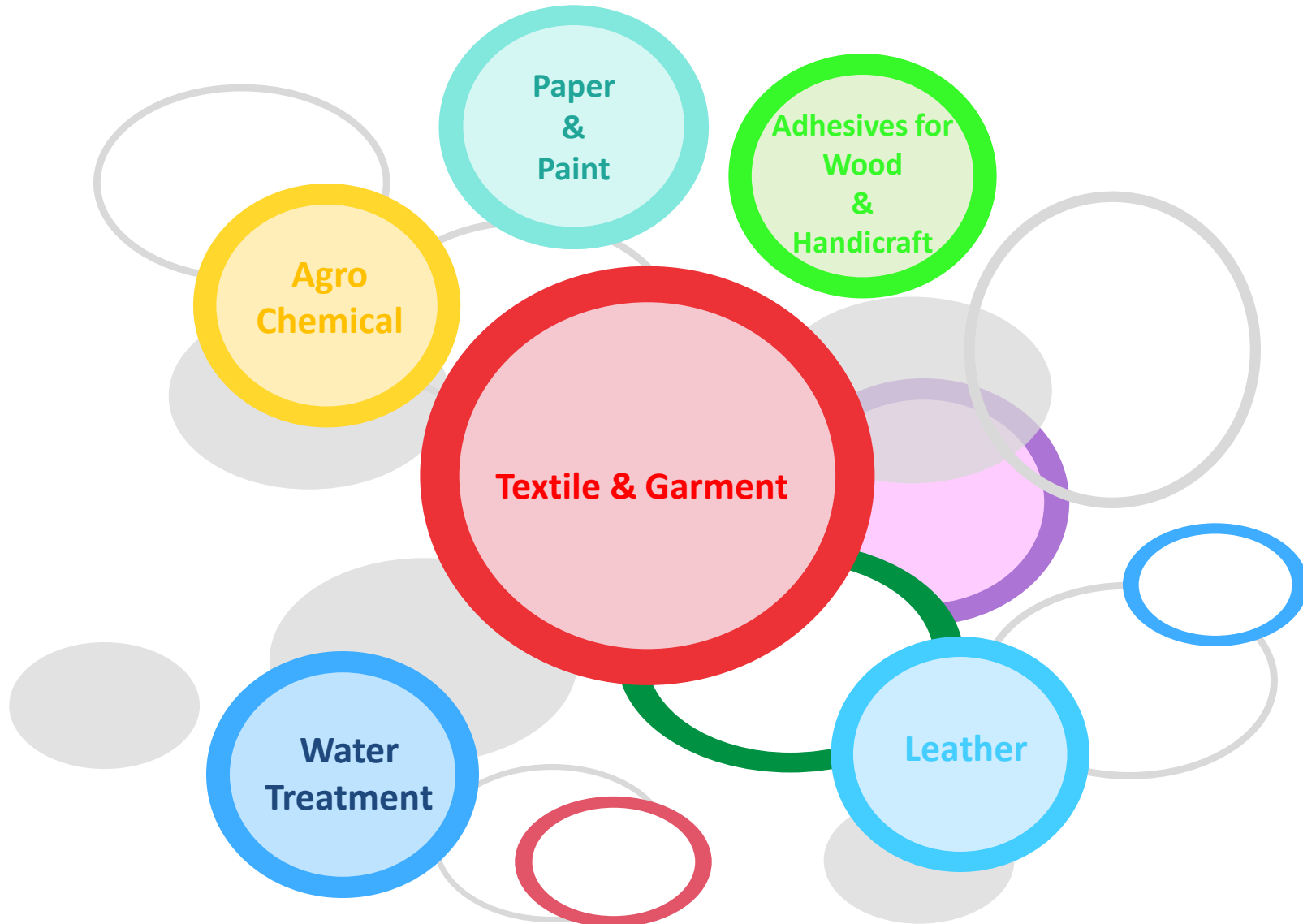
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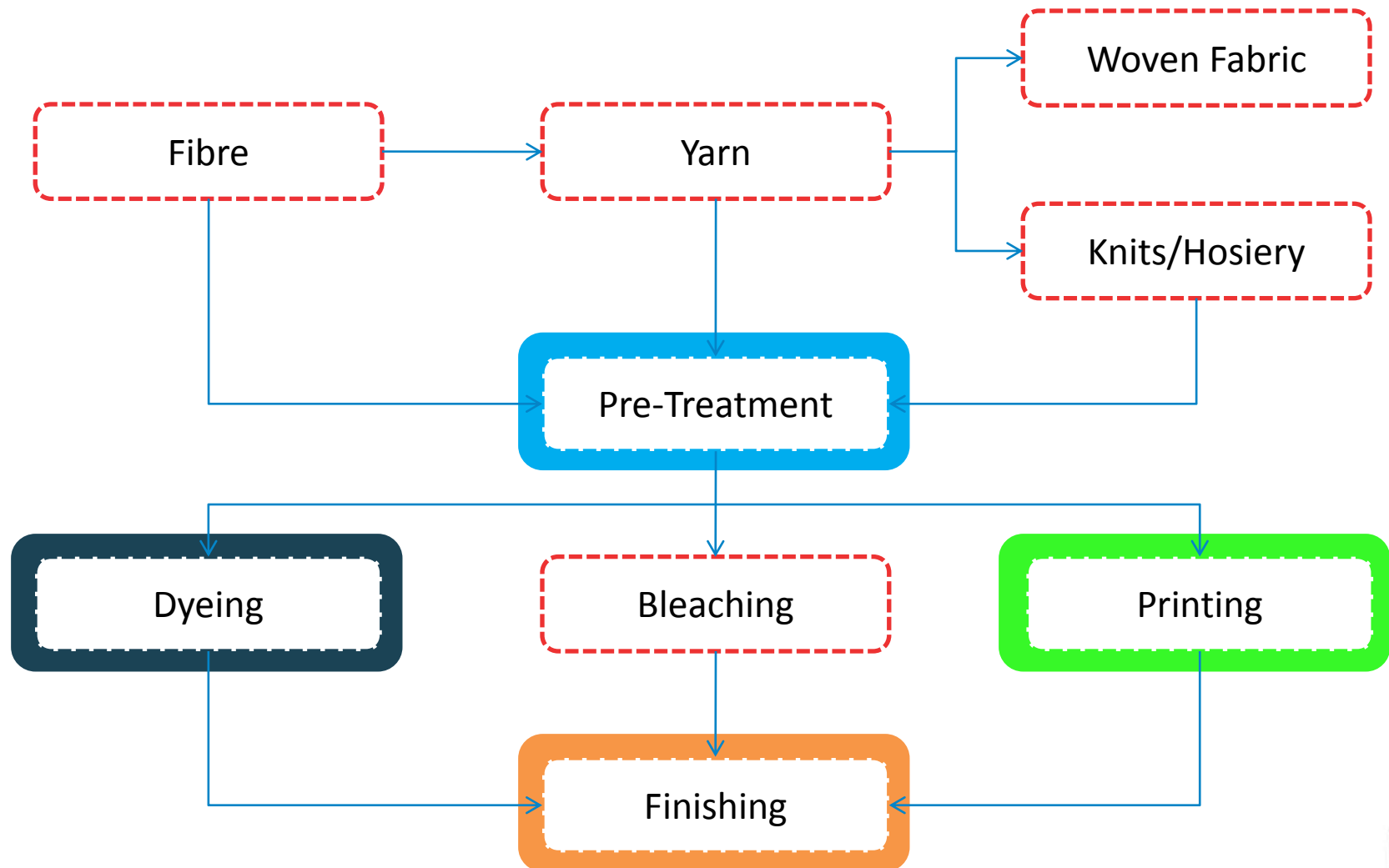
**H.B. Fuller**



# 06 Varied Products for Multiple Industries



# Multi-Stage Textile Applications...





# ...with Multiple Product Offering

*Desizing Agent*  
*Sequestering Agent*  
*Demineralising Agent*  
*Silicone Defoamer*  
*Neutralizer*  
*Anti-back Staining Agent*  
*Core Alkali Neutraliser*  
*Wetting Agent*  
*Penetrating Agents*

## Pre-Treatment Process

### Dyeing Process

*Anti Crease Lubricant*  
*Acid Buffers*  
*Soda Ash Substitute for Reactive Dyeing*  
*Leveling Agent*  
*Washing Off Agent*  
*Reduction Clearing Agents*  
*Sequestering Agents*  
*Silicon Defoamer*  
*Anti Crease Lubricants*

## Printing Process

*Fixation Accelerators in Polyester*

*White Inks*

*Thickeners*

*Fixers in Pigment Printing*

*Binders-Acrylic, Self-Thickening for Gold & Flock*

### Finishing Process

*Stiffeners*  
*Silicone Emulsions*  
*Polyurethane Finishing Agent*  
*Antistatic Agent*  
*Wax Finishing Agent*  
*Yarn Lubricant*  
*Softeners*  
*Water Repellants*



# 07 Innovating Products...

*Sodium Alginate Substitute*



*Low Temperature Bleaching Process*



*Multifunctional Auxiliary for Pretreatment*



*Soda Ash Substitute*



*Acetic Acid Substitute*



*Water & Oil Repellent*



*Zero Formaldehyde Resin*



*Highly Concentrated Silicone*



*Towel Silicones*



# ...with Value Proposition

## Innovation - Better Efficacy Products

- Products with higher efficiency
- Suits all types of Substrates, Processes and Machines
- Improves properties of the Final Product

## Reduce in Effluent Load

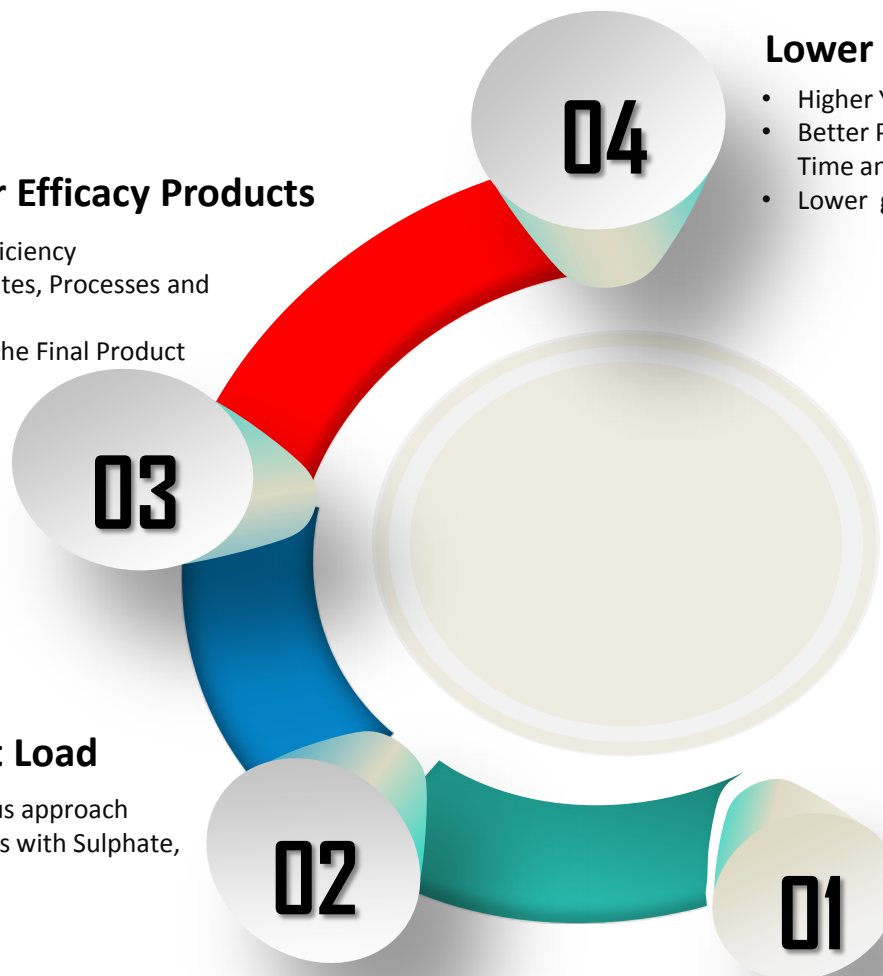
- Environmentally Conscious approach
- Replacement of Chemicals with Sulphate, Chloride, Formate etc
- Appropriate Acid Value

## Lower Per Unit Cost

- Higher Yield Products
- Better Productivity leading to reduction of Time and Energy
- Lower generation of Effluent

## Process Improvement

- New Generation Products
- Reduce Consumption of Energy
- Improved Productivity



# 08 Product Customization



## Customized Products

Modifying the products as per customer needs is one of our core competencies



## On Time Delivery

Special focus is given by the team to ensure an on time delivery

## Customer Centric Workforce

The philosophy of every person working at Fineotex is 'Customer Comes First'



## Packaging

Fineotex provides the right packaging as per Seaworthy International Standards, taking utmost care & safety to prevent hazards



## On Line Solutions

Customers needs and demands right from the product utilization to trouble shooting are met by online assistance





# 09 Certifications

ISO 9001:2008

ISO 14001:2004

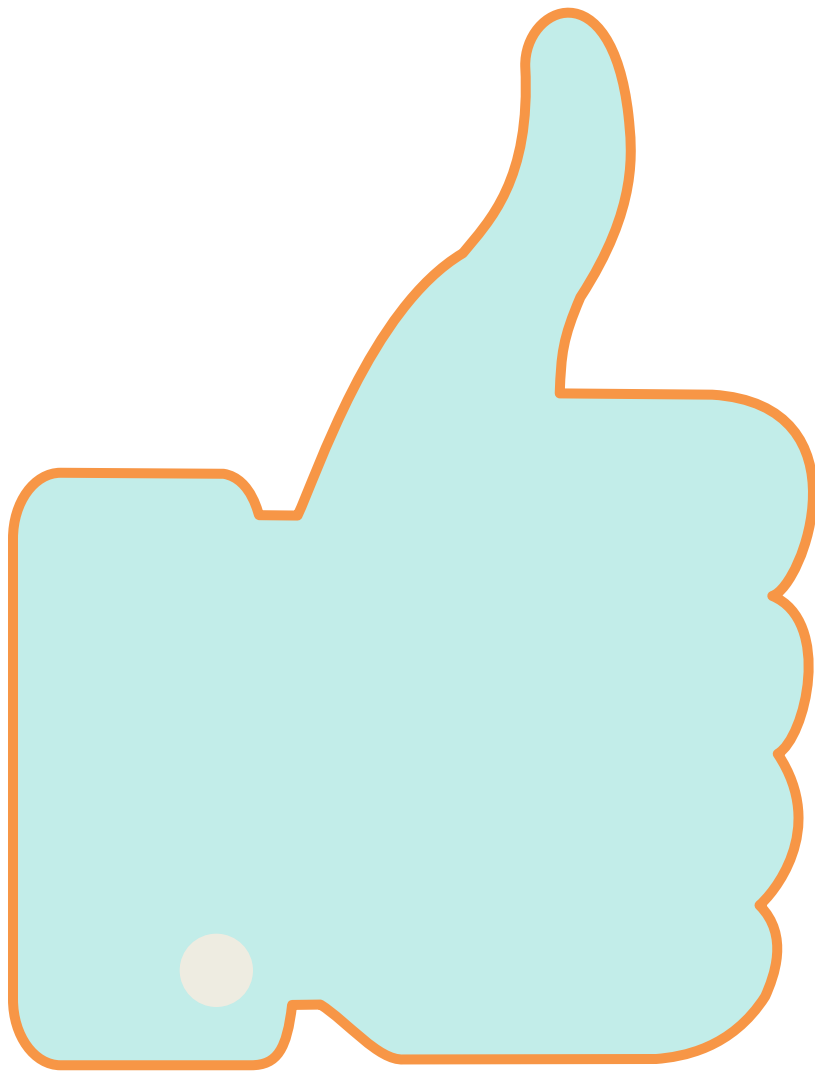
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# 10 | Strengthening Stakeholders Value



**01** | Zero Debt Company

**02** | Bonus Issued in 1:1 ratio

**03** | 4 years PAT CAGR of 29%

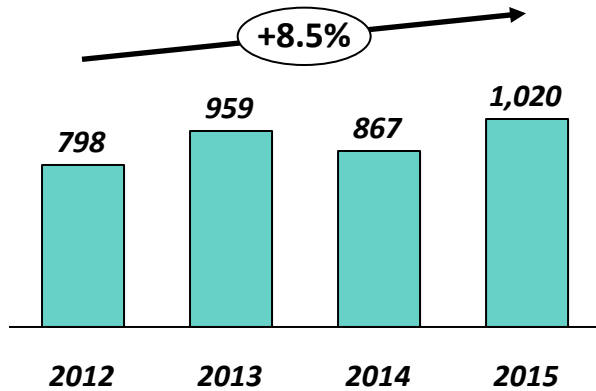
**04** | Promoter Stake up from 62.5% to ~72%

**05** | Proposed Dividend Payout Doubled

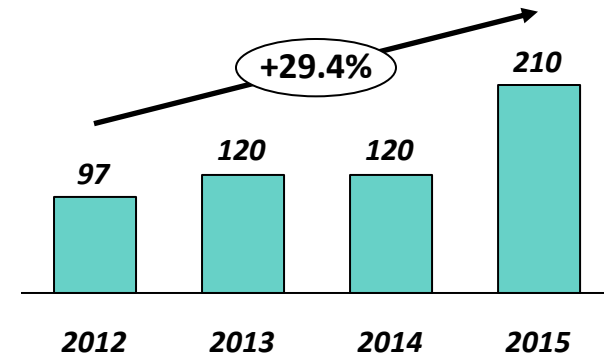


# Improving Financial Performance

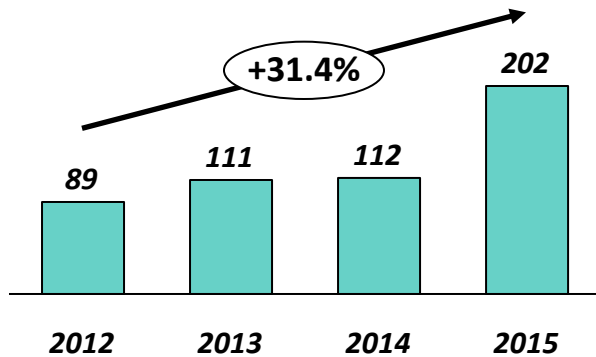
## Total Income



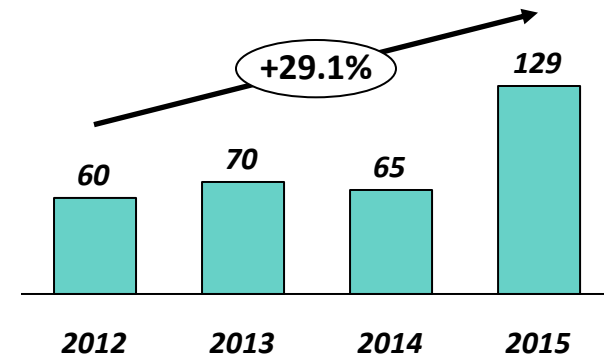
## EBITDA



## PBT



## PAT after MI



# Consolidated Profit & Loss account

<i>Rs. In Millions</i>	<i>FY2015</i>	<i>FY2014</i>	<i>FY2013</i>	<i>FY2012</i>
<b>Total Income</b>	<b>1,020</b>	<b>867</b>	<b>959</b>	<b>798</b>
Raw Material	682	616	693	595
Employee Cost	37	35	43	36
Other Expenses	136	123	128	93
Other Income	45	28	25	23
<b>EBITDA</b>	<b>210</b>	<b>120</b>	<b>120</b>	<b>97</b>
<b>EBITDA Margin</b>	<b>20.6%</b>	<b>13.9%</b>	<b>12.5%</b>	<b>12.1%</b>
Depreciation	5	3	3	3
Finance Cost	3	4	5	5
Exceptional Items	0	2	0	0
<b>PBT</b>	<b>202</b>	<b>112</b>	<b>111</b>	<b>89</b>
Tax	56	33	30	25
<b>PAT</b>	<b>146</b>	<b>78</b>	<b>81</b>	<b>65</b>
Minority Interest	17	13	11	5
<b>PAT After MI</b>	<b>129</b>	<b>65</b>	<b>70</b>	<b>60</b>
<b>PAT Margin</b>	<b>12.7%</b>	<b>7.5%</b>	<b>7.3%</b>	<b>7.5%</b>



# Consolidated Balance Sheet

<i>Rs. In Millions</i>	<i>FY15</i>	<i>FY14</i>
<b>Shareholder's Fund</b>	<b>763</b>	<b>648</b>
Share capital	225	112
Reserves & Surplus	539	535
<b>Minority Interest</b>	<b>54</b>	<b>43</b>
<b>Non-current liabilities</b>	<b>0</b>	<b>7</b>
Long term borrowings	0	7
<b>Current liabilities</b>	<b>191</b>	<b>181</b>
Short term borrowings	10	0
Trade payables	138	137
Other current liabilities	15	34
Short Term Provisions	28	9
<b>Total Liabilities</b>	<b>1,008</b>	<b>879</b>

<i>Rs. In Millions</i>	<i>FY15</i>	<i>FY14</i>
<b>Non-current assets</b>	<b>305</b>	<b>225</b>
Fixed assets (inc. CWIP)	117	76
Goodwill on Consolidation	61	61
Non – Current Investments	42	2
Deferred Tax Assets (net)	5	4
Long Term Loans & Adv.	80	81
<b>Current assets</b>	<b>703</b>	<b>654</b>
Current Investments	251	156
Inventories	104	114
Trade receivables	217	219
Cash and bank balances	100	127
Short term loan & advances	21	30
Other current assets	9	7
<b>Total Assets</b>	<b>1,008</b>	<b>879</b>



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**For further information, please contact:**

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