



18<sup>th</sup> August 2017

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

Manager - Department of Corporate Services  
Bombay Stock Exchange Ltd.  
Jeejeebhoy Towers,  
Dalal Street, Fort,  
Mumbai - 400 001  
Security Code : 523694

**Subject: Investor Presentation – August 2017**

Dear Sir/Madam,

Please find enclosed herewith Investor Presentation – August 2017. The same is for your reference and records.

Thanking you,

Yours truly,

**For Apcotex Industries Limited**

**Anand Kumashi  
Company Secretary**

**Enclosed**

**apcotex industries limited**

REGD. OFFICE & TALOJA PLANT : Plot No. 3/1, MIDC Industrial Area, Taloja-410 208, Dist-Raigad, Maharashtra, India. Tel:+91-22-27403500 Fax:+91-22-27412052

CORPORATE OFFICE : NKM International House, 178, Backbay Recl., B. M. Chinai Marg, Mumbai-400 020, Maharashtra, India. Tel:+91-22-22838302/04.

CIN NO. L99999MH1986PLC039199

Website:www.apcotex.com

A collage of images including a stack of tires, a person riding a bicycle, a Rasna product, and various mechanical parts like a light bulb and a fan, all overlaid with a blue and green tint.

## **apcotex industries limited**

EARNINGS PRESENTATION

AUGUST 2017

## 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 8,500 Mn.

## 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, Banik/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.

## FY17 FINANCIALS

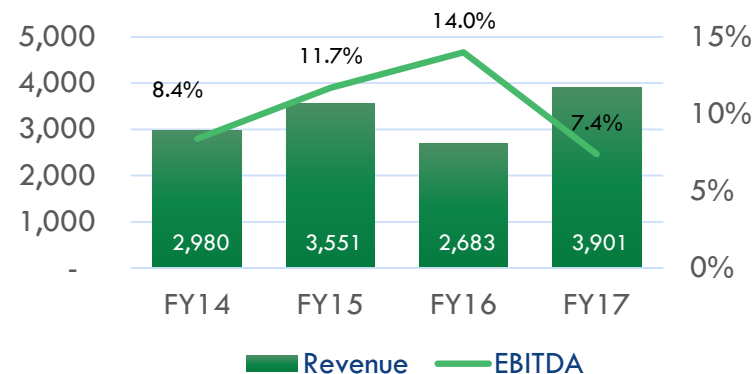
Revenue - **INR 3,551 Mn**

EBITDA - **INR 289 Mn**

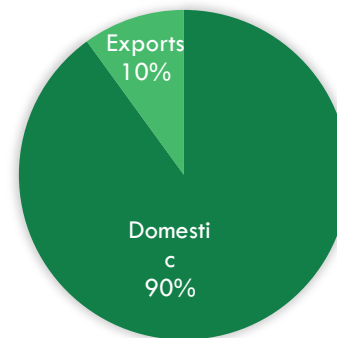
PAT- **INR 191 Mn**

- ▶ 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 Solutions ( Erstwhile Omnova Solutions) recently amalgamated with the company which has made it the leading manufacturer of Synthetic Rubber and the sole manufacturer of Nitrile Rubber in India.
- ▶ Apcotex Industries has a workforce strength of over 450 fulltime employees.

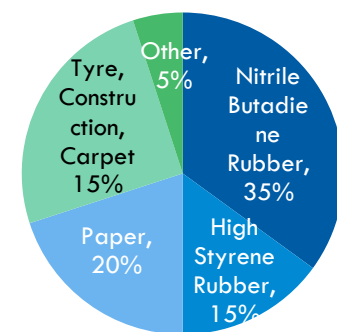
## Revenue (INR Mn) and EBITDA Margin (%)



## Geographical Mix FY17



## Revenue Breakup FY17



# Q1 - FY18 Financial & Operational Highlights



## Q1-FY18 Financial Highlights:

- **Total Revenue** : INR 1,321 Mn
- **EBITDA** : INR 86 Mn
- **EBITDA Margin** : 6.5%
- **Net Profit** : INR 52 Mn
- **PAT Margin** : 3.9%
- **Diluted EPS** : INR 2.52

## FY17 Financial Highlights:

- **Total Revenue** : INR 3,901 Mn
- **EBITDA** : INR 289 Mn
- **EBITDA Margin** : 7.4%
- **Net Profit** : INR 191 Mn
- **PAT Margin** : 4.9%
- **Diluted EPS** : INR 9.21

## Q1-FY18 Operational Highlights:

- Positives
  - Union agreement settled and full normalcy in production restored from April 2017.
  - Strong export orders in Q1.
- Challenges
  - Due to strike many customers had imported or made other arrangements so sales till April 2017 were affected.
  - Due to falling RM prices in Q1, we were stuck with some high cost raw materials resulting in depressed margins in Q1.
  - 1 large customer's volumes and collections still remain uncertain.

# Q1-FY18 Standalone Income Statement



Particulars (INR Mn)	Q1 FY18	Q1 FY17	Y-o-Y
<b>Revenue</b>	<b>1,321</b>	<b>1,169</b>	<b>13.0%</b>
Total Expenses	1,235	1,062	16.3%
<b>EBITDA</b>	<b>86</b>	<b>107</b>	<b>(19.6)%</b>
<b>EBITDA Margin</b>	<b>6.5%</b>	<b>9.1%</b>	<b>(260) Bps</b>
Depreciation	31	30	3.3%
Interest	5	6	(16.7)%
Other Income	22	35	(37.1)%
<b>PBT</b>	<b>72</b>	<b>106</b>	<b>(32.1)%</b>
Tax	20	23	(13.0)%
<b>PAT</b>	<b>52</b>	<b>83</b>	<b>(37.3)%</b>
<b>PAT Margin</b>	<b>3.9%</b>	<b>7.1%</b>	<b>(320) Bps</b>
EPS	2.52	4.01	(37.2)%

# Income Statement



Particulars (INR Mn)	FY15	FY16	FY17	Q1 FY18
<b>Revenue</b>	<b>3,551</b>	<b>2,683</b>	<b>3,901</b>	<b>1,321</b>
Total Expenses	3,136	2,309	3,612	1,235
<b>EBITDA</b>	<b>415</b>	<b>374</b>	<b>289</b>	<b>86</b>
<b>EBITDA Margin</b>	<b>11.7%</b>	<b>14.0%</b>	<b>7.4%</b>	<b>6.5%</b>
Depreciation	90	89	121	31
Interest	32	24	29	5
Other Income	56	73	83	22
<b>PBT</b>	<b>349</b>	<b>334</b>	<b>222</b>	<b>72</b>
Tax	102	88	31	20
<b>PAT</b>	<b>247</b>	<b>246</b>	<b>191</b>	<b>52</b>
<b>PAT Margin</b>	<b>7.0%</b>	<b>9.2%</b>	<b>4.9%</b>	<b>3.9%</b>
EPS	11.90	11.90	9.21	2.52

# Balance Sheet Statement



Particulars (INR Mn)	Mar – 17	Mar - 16
<b>Shareholders Fund</b>	<b>2,063</b>	<b>1,872</b>
Share Capital	104	104
Reserves & Surplus	1,959	1,768
<b>Total Non Current Liabilities</b>	<b>91</b>	<b>34</b>
Long Term Borrowings	00	00
Deferred Tax liabilities	34	00
Other Long Term Liabilities	31	14
Long Term Provision	26	20
<b>Total Current Liabilities</b>	<b>668</b>	<b>975</b>
Short Term Borrowings	222	171
Trade Payables	222	341
Other Current Liabilities	221	319
Short term provision	3	144
<b>TOTAL EQUITY &amp; LIABILITIES</b>	<b>2,822</b>	<b>2,881</b>

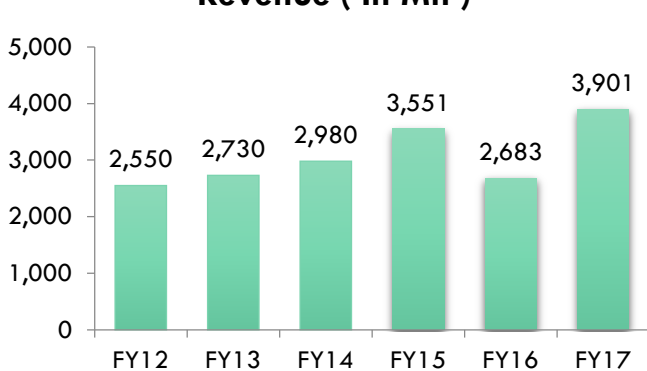
Particulars (INR Mn)	Mar-17	Mar - 16
<b>Total Non Current Assets</b>	<b>1,281</b>	<b>1,360</b>
Fixed Assets	937	948
Non Current Investments	236	178
Deferred Tax Assets (Net)	00	67
Long term loans & advances	86	106
Other Non Current assets	22	61
<b>Total Current Assets</b>	<b>1,541</b>	<b>1,521</b>
Inventories	445	433
Trade Receivables	782	839
Cash & Cash Equivalents	62	98
Short Term loans & Advances	191	74
Other current asset	61	77
<b>TOTAL ASSETS</b>	<b>2,822</b>	<b>2,881</b>



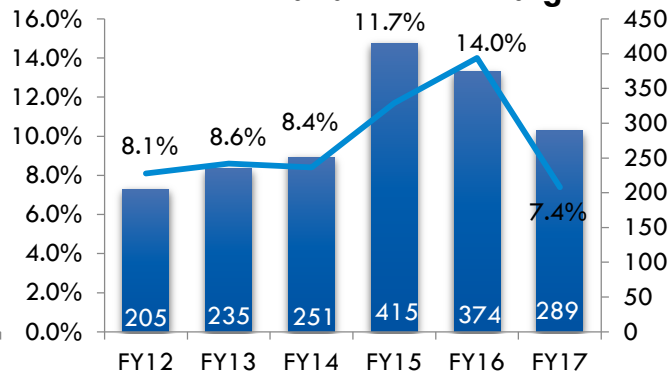
# Key Performance Indicators



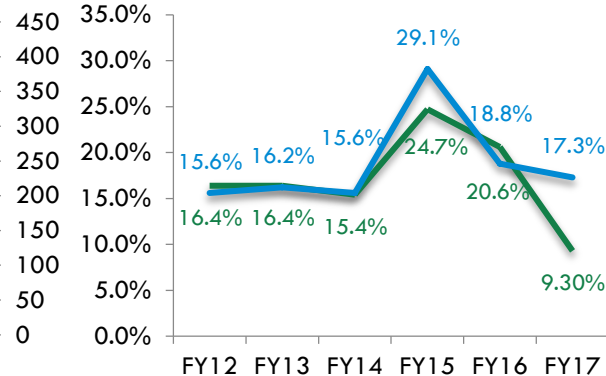
### Revenue ( In Mn )



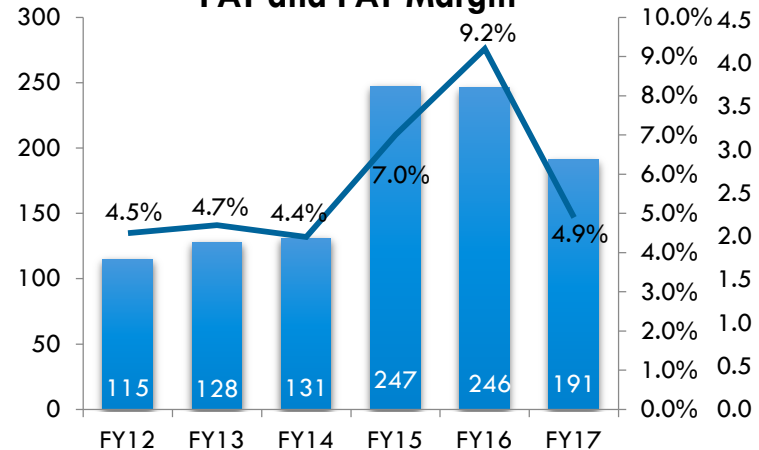
### EBITDA and EBITDA Margin



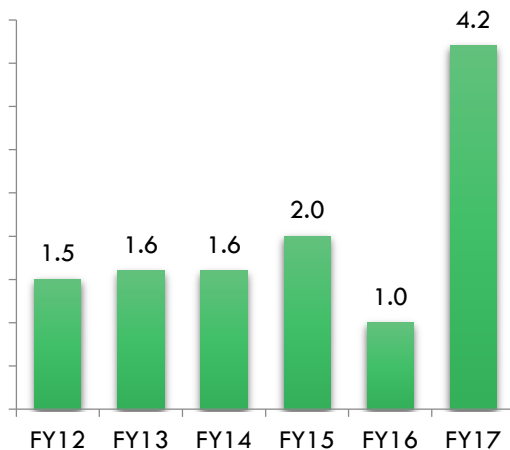
### ROE — ROCE



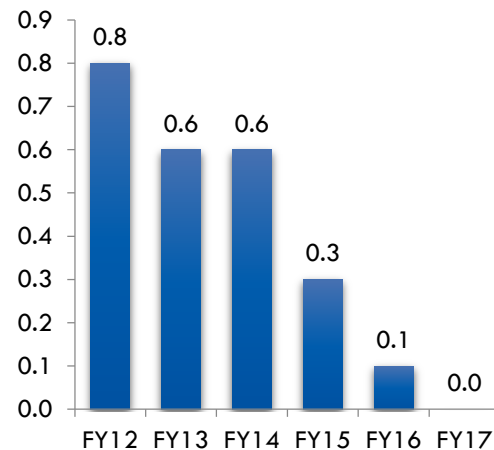
### PAT and PAT Margin



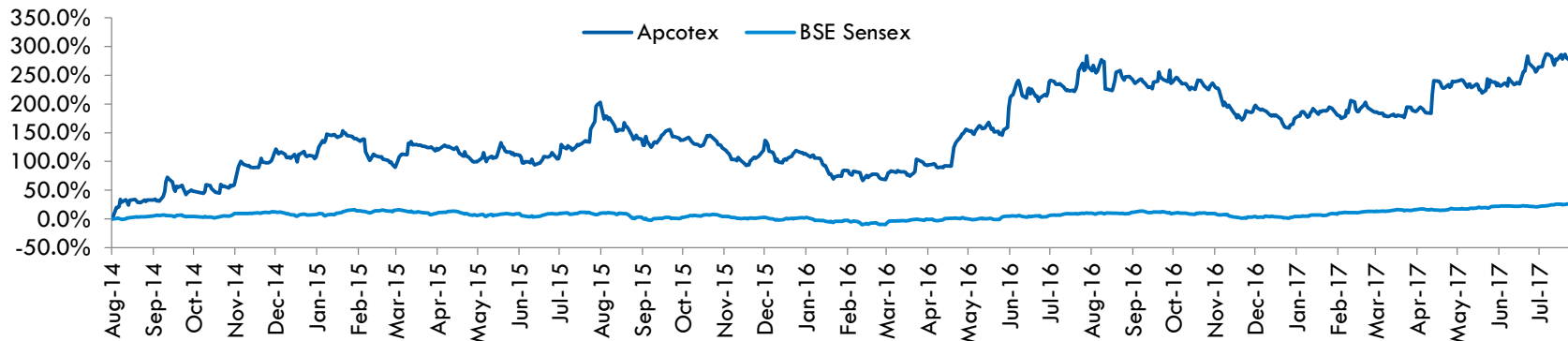
### Asset Turnover Ratio



### Debt to Equity Ratio



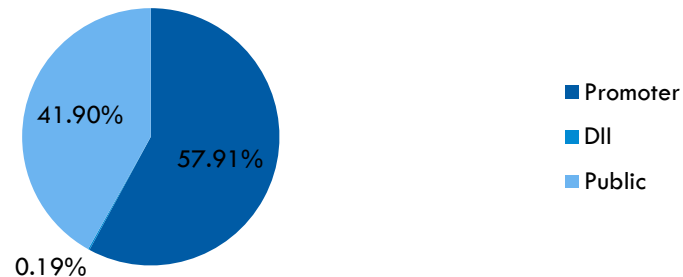
## Share Price Performance (as on July 31<sup>st</sup> 2017)



## Price Data (as on June 30<sup>th</sup> 2017)

Face Value	5
CMP	405.80
52 Week H/L	440.1/282
MCAP (Mn)	8,416
Shares O/S (Mn)	20.74
1 Yr Avg. Vol ('000)	34.7

## Shareholding Pattern (as on June 30<sup>th</sup> 2017)



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

Thank You