



Date: 29<sup>th</sup> January 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: Earnings Presentation – January 2021 (Q3 – FY 2020-21)**

Dear Sir/Madam,

Please find enclosed herewith Earnings Presentation – January 2020. The same is for your reference and records.

Thanking you,

**For Apcotex Industries Limited**

Anand V Kumashi  
GM – Finance & Company Secretary

**apcotex industries limited**

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CIN NO. L99999MH1986PLC039199 Website:www.apcotex.com



# **apcotex industries limited**

EARNINGS PRESENTATION

9M /Q3-FY21

## 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 8,593 Mn as on 31<sup>st</sup> December, 2020.

## 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
  - ▷ 21,000 MTPA Nitrile Rubber and Allied Products.

## FY20 FINANCIALS

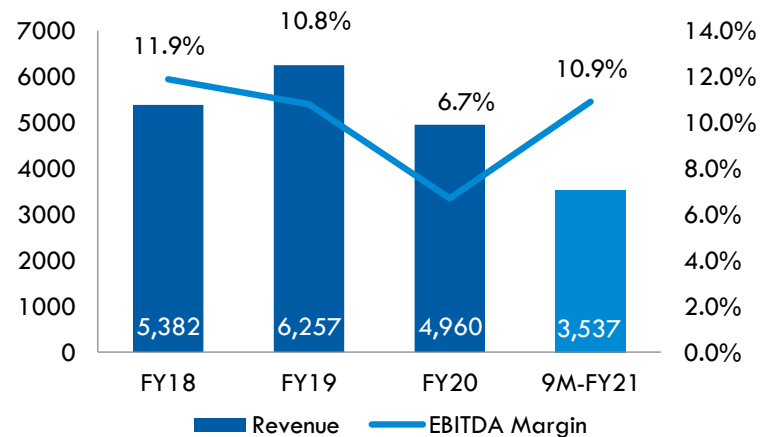
Revenue - **INR 4,960 Mn**

Operating EBITDA - **INR 334 Mn**

PAT- **INR 166 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 (%)



# 9M/Q3-FY21 Financial Highlights



## Q3-FY21 Financial Highlights

**INR 1,646 Mn**

Total Revenue

**INR 243 Mn**

Operating EBITDA

**14.76%**

Operating EBITDA Margin

**INR 166 Mn**

Net Profit

**10.09 %**

Net Profit Margin

**INR 3.20 /share**

EPS

## 9M-FY21 Financial Highlights

**INR 3,537 Mn**

Total Revenue

**INR 386 Mn**

Operating EBITDA

**10.91%**

Operating EBITDA Margin

**INR 216 Mn**

Net Profit

**6.11 %**

Net Profit Margin

**INR 4.16 /share**

EPS

- **Business Performance:** This quarter we have been able to achieve highest ever quarterly revenue of INR 164 Cr. In the terms of volumes, also we have achieved Highest ever quarterly volumes sales including exports. In the terms of EBITDA, PBT and PAT also we have achieved the highest no. in this quarter which are INR 25.67 Cr, 21.36 Cr. And 16.6 Cr respectively.
- **Project Highlights:** Out of INR 130-140 Cr capex plan from October 1, 2020 to December 31, 2021, the following are the major projects:
  - **XNBR Latex for Gloves** (INR100 Cr): Detailed design completed and working on implementation plan, subject to permissions, expect commissioning during Q3 of FY 21-22.
  - **De-bottlenecking:** At Taloja Plant (approx INR 15 Cr) to increase Latex manufacturing capacity by 15-20%
- **Anti-dumping:**
  - In the terms of Korea sunset review: Directorate General of Trade Remedies (DGTR) recommended extending duty for another 5 years on November 24, 2020. Awaiting for the notification from the Department of Revenue, Ministry of Finance but previous anti dumping duty from Korea has lapsed on December 3, 2020.
  - On the other hand Apcotex has filed a fresh petition against Russia, China, Japan and EU. Public hearing completed and awaiting final findings from DGTR.

# Q3-FY21 Income Statement (As per IndAS)



Particulars (INR Mn)	Q3-FY21	Q3-FY20	Y-o-Y	Q2-FY21	Q-o-Q
<b>Revenue</b>	<b>1,646</b>	<b>1,096</b>	<b>50.2%</b>	<b>1,293</b>	<b>27.3%</b>
Total Expenses	1,403	1,090	28.7%	1,108	26.6%
<b>Operating EBITDA</b>	<b>243</b>	<b>6</b>	<b>NA</b>	<b>185</b>	<b>31.4%</b>
<b>Operating EBITDA Margin</b>	<b>14.76%</b>	<b>0.55%</b>	<b>NA</b>	<b>14.31%</b>	<b>45 Bps</b>
Depreciation	35	36	(2.8)%	40	(12.5)%
Finance Cost	8	2	NA	14	(42.9)%
Other Income	14	14	NA	12	16.7%
<b>PBT</b>	<b>214</b>	<b>(18)</b>	<b>NA</b>	<b>143</b>	<b>49.7%</b>
Tax	48	(4)	NA	27	77.8%
<b>PAT</b>	<b>166</b>	<b>(14)</b>	<b>NA</b>	<b>116</b>	<b>43.1%</b>
<b>PAT Margin</b>	<b>10.09%</b>	<b>-</b>	<b>NA</b>	<b>8.97%</b>	<b>112 Bps</b>
Other Comprehensive Income	91	15	NA	36	NA
<b>Total Comprehensive Income</b>	<b>257</b>	<b>1</b>	<b>NA</b>	<b>152</b>	<b>69.1%</b>
Diluted EPS (INR)	3.20	(0.27)	NA	2.24	42.9%

# 9M-FY21 Income Statement (As per IndAS)



Particulars (INR Mn)	9M-FY21	9M-FY20	Y-o-Y
<b>Revenue</b>	<b>3,537</b>	<b>3,804</b>	<b>(7.0)%</b>
Total Expenses	3,151	3,550	(11.2)%
<b>Operating EBITDA</b>	<b>386</b>	<b>254</b>	<b>52.0%</b>
<b>Operating EBITDA Margin</b>	<b>10.91%</b>	<b>6.68%</b>	<b>423 Bps</b>
Depreciation	113	98	15.3%
Finance Cost	30	9	NA
Other Income	44	47	(6.4)%
<b>PBT</b>	<b>287</b>	<b>194</b>	<b>47.9%</b>
Tax	71	58	22.4%
<b>PAT</b>	<b>216</b>	<b>136</b>	<b>58.8%</b>
<b>PAT Margin</b>	<b>6.11%</b>	<b>3.58%</b>	<b>253 Bps</b>
Other Comprehensive Income	162	8	NA
<b>Total Comprehensive Income</b>	<b>378</b>	<b>144</b>	<b>NA</b>
Diluted EPS (INR)	4.16	2.62	58.8%



# Historical Income Statement



Particulars (INR Mn)	FY18	FY19	FY20	9M-FY21
<b>Revenue</b>	<b>5,382</b>	<b>6,257</b>	<b>4,960</b>	<b>3,537</b>
Total Expenses	4,744	5,581	4,626	3,151
<b>Operating EBITDA</b>	<b>638</b>	<b>676</b>	<b>334</b>	<b>386</b>
<b>Operating EBITDA Margin</b>	<b>11.85%</b>	<b>10.80%</b>	<b>6.73%</b>	<b>10.91%</b>
Depreciation	121	118	134	113
Finance Cost	16	18	13	30
Other Income	71	77	59	44
<b>PBT</b>	<b>572</b>	<b>617</b>	<b>246</b>	<b>287</b>
Exceptional Items	15	-	-	-
Tax	171	151	80	71
<b>PAT</b>	<b>386</b>	<b>466</b>	<b>166</b>	<b>216</b>
<b>PAT Margin</b>	<b>7.17%</b>	<b>7.45%</b>	<b>3.35%</b>	<b>6.11%</b>
Other Comprehensive Income	(3)	(2)	(56)	162
<b>Total Comprehensive Income</b>	<b>383</b>	<b>464</b>	<b>110</b>	<b>378</b>
Diluted EPS (INR)	18.63	8.99	3.21	4.16

# Balance Sheet



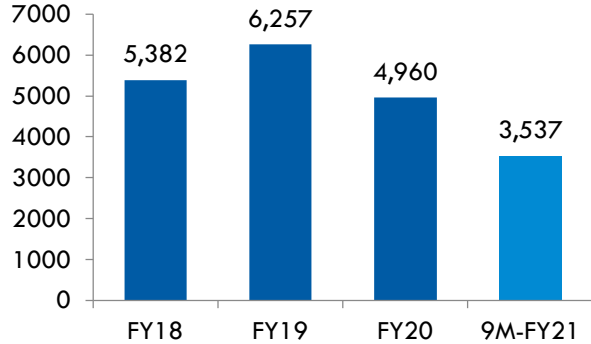
Particulars (INR Mn)	FY-19	FY-20	H1-FY21
<b>Shareholders Fund</b>	<b>2,778</b>	<b>2,513</b>	<b>2,633</b>
Equity Share Capital	104	104	104
Other Equity	2,674	2,409	2,529
<b>Total Non Current Liabilities</b>	<b>86</b>	<b>349</b>	<b>367</b>
Deferred Tax liabilities	14	57	74
Borrowings	10	226	222
Long Term Provision	28	29	29
Other Financial Liabilities	34	37	42
<b>Total Current Liabilities</b>	<b>906</b>	<b>1,107</b>	<b>938</b>
Short Term Borrowings	30	189	92
Trade Payables	526	460	327
Other Current Liabilities	240	374	428
Short Term Provision	4	5	4
Other Current Liabilities	106	79	87
<b>TOTAL EQUITY &amp; LIABILITIES</b>	<b>3,770</b>	<b>3,969</b>	<b>3,938</b>

Particulars (INR Mn)	FY-19	FY-20	H1-FY21
<b>Total Non Current Assets</b>	<b>1,624</b>	<b>1,916</b>	<b>2,148</b>
Property, Plant and Equipment	750	1,239	1,447
Capital Work in progress	212	193	46
Non Current Investments	428	334	520
Intangible Assets	14	9	7
Current Tax Assets (net)	38	55	57
Other Non Current Assets	182	86	71
<b>Total Current Assets</b>	<b>2,146</b>	<b>2,053</b>	<b>1,790</b>
Investments	261	211	387
Inventories	482	597	381
Trade Receivables	1,112	891	819
Cash & Cash Equivalents	57	117	39
Other Bank Balances	44	43	42
Short Term loans & Advances	2	3	3
Other Financial Assets	40	60	35
Other Current Asset	148	131	84
<b>TOTAL ASSETS</b>	<b>3,770</b>	<b>3,969</b>	<b>3,938</b>

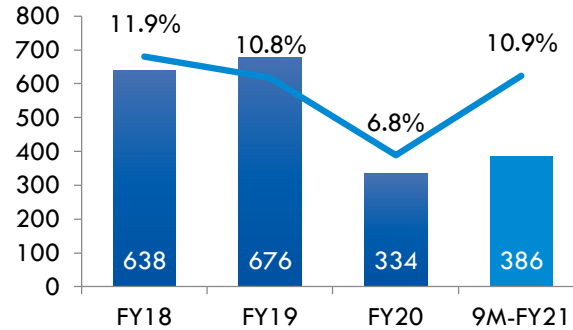
# Historical Performance Indicators



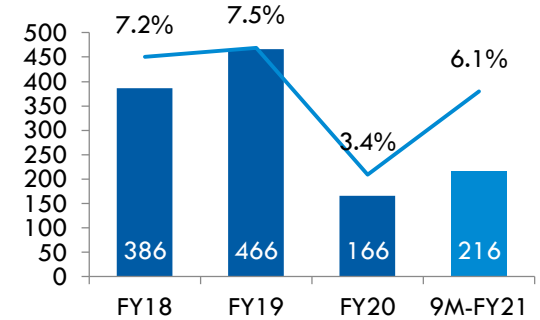
### Operational Revenue (In Mn)



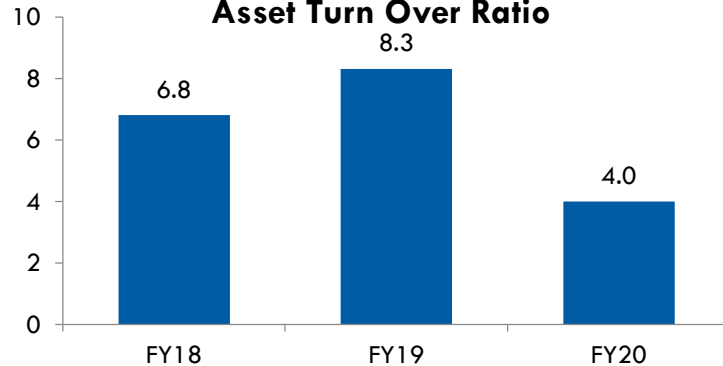
### Operating EBITDA and EBITDA Margin



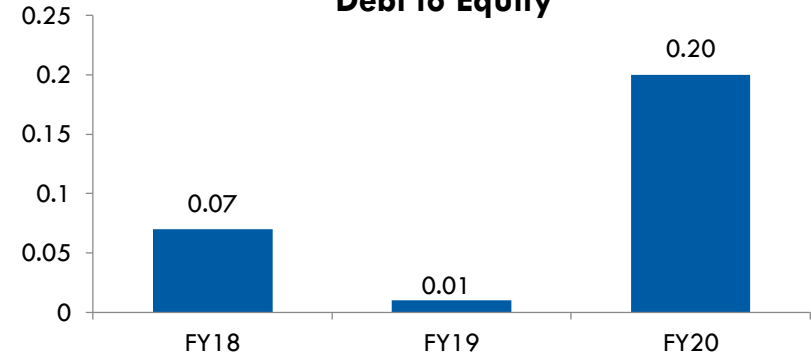
### PAT and PAT Margin



### Asset Turn Over Ratio



### Debt to Equity



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Thank You