



FIL/SE/2022-23/66
7th February, 2023

National Stock Exchange of India Limited
Listing Department
5th Floor, Exchange Plaza, C-1, Block-G,
Bandra-Kurla Complex, Bandra (E)
Mumbai-400 051
Security Symbol: **FILATEX**

BSE Limited
Listing Department
25th Floor, Pheroze Jeejeebhoy Towers
Dalal Street,
Mumbai - 400 001
Security Code: **526227**

Sub: Investor Presentation – February 2023

Dear Sirs/ Madam,

Pursuant to Regulation 30(2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Para A of Part A of Schedule III, please find enclosed herewith the Investor Presentation – February 2023 which we propose to share with Analysts & Investors.

This is for your information and records please.

Thanking you,

Yours faithfully,
For FILATEX INDIA LIMITED

RAMAN KUMAR JHA
COMPANY SECRETARY

Encl.: a/a

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REGD. OFFICE & WORKS

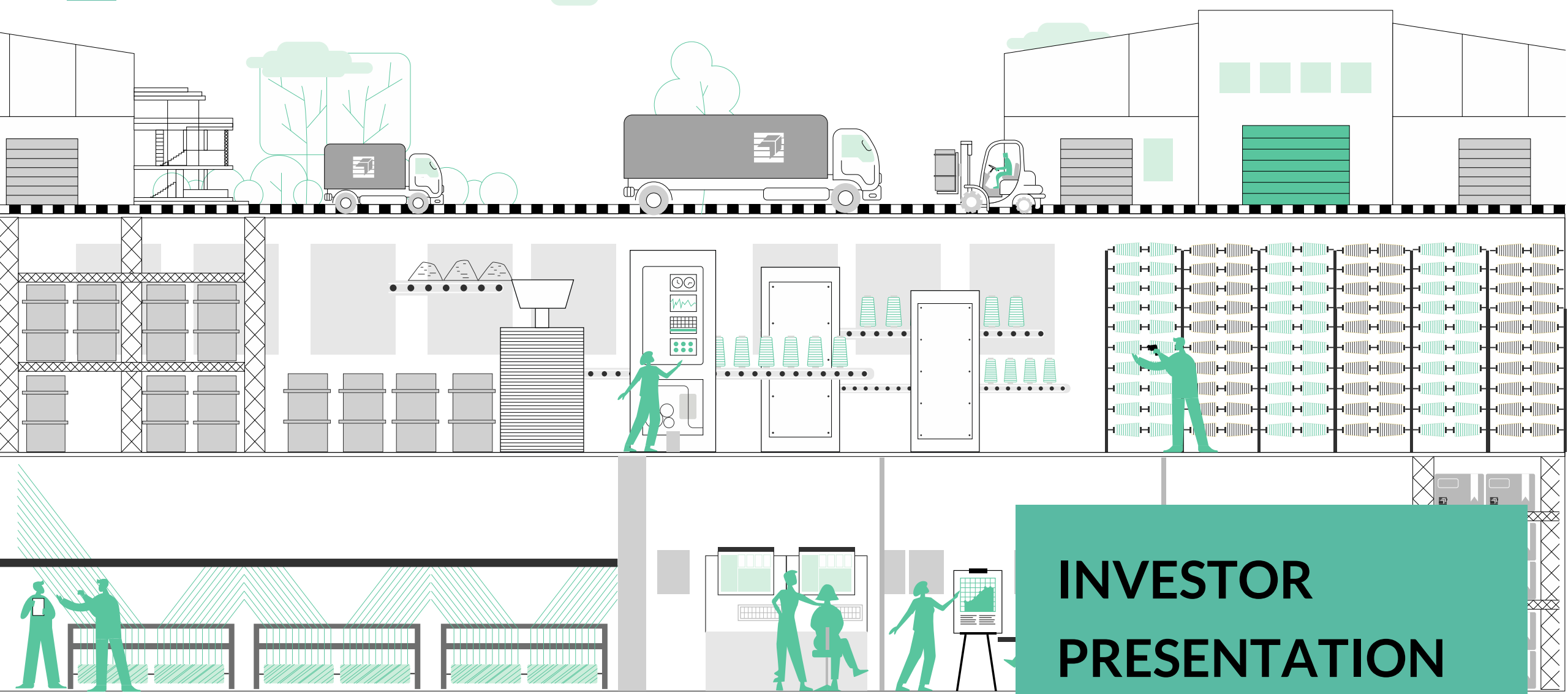
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INVESTOR PRESENTATION

FEBRUARY 2023



FILATEX INDIA LIMITED

INSIDE THE PRESENTATION

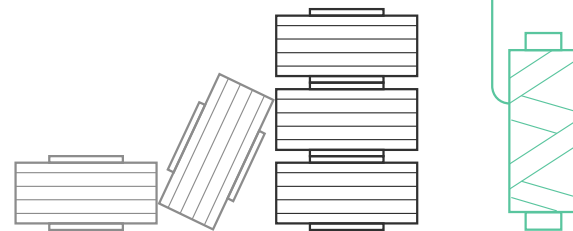
03 QUARTER & 9 MONTHS HIGHLIGHTS

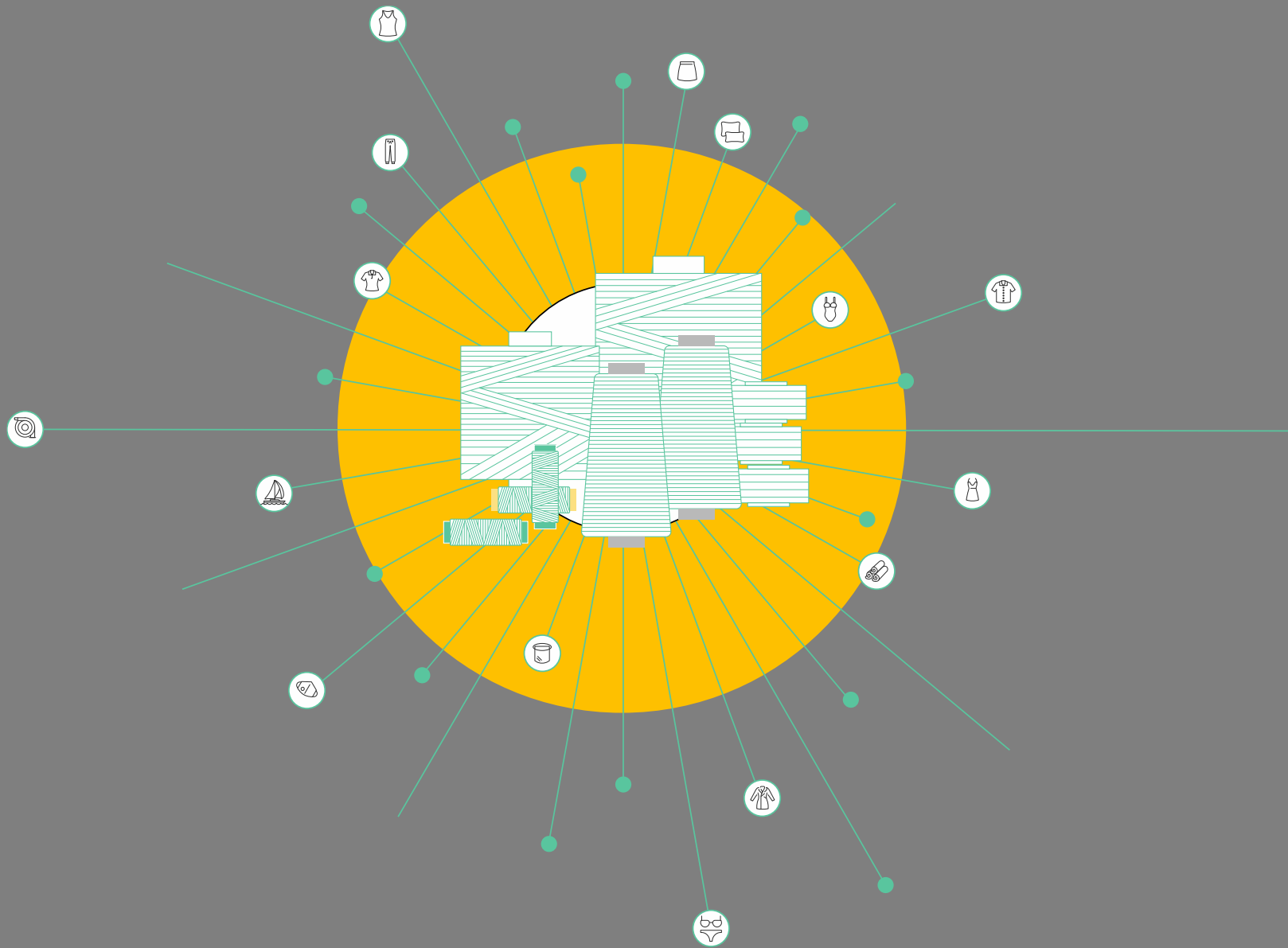
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QUARTER & 9 MONTHS HIGHLIGHTS

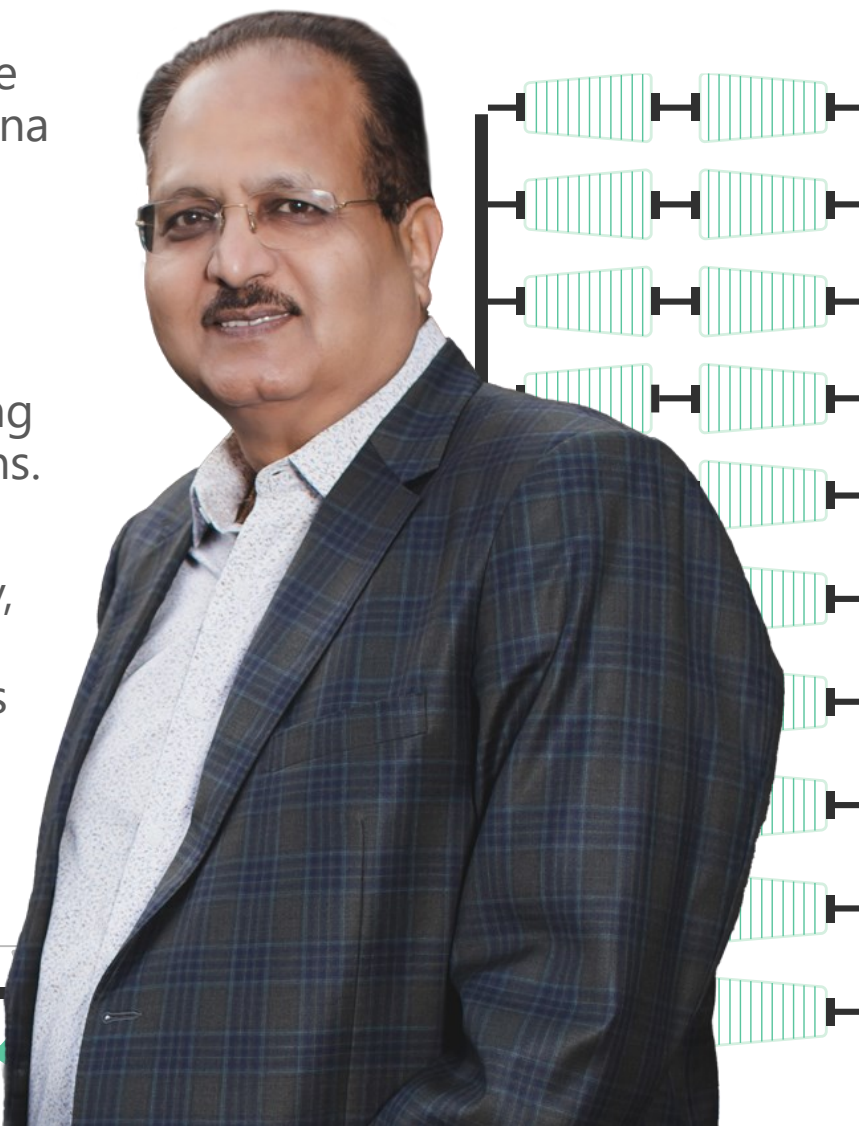
KEY MESSAGE

"China's continued zero-Covid policy adversely impacted the Indian Polyester industry. Low domestic consumption in China compelled Chinese polyester manufacturers to flood Indian markets as well as international markets at very low prices, resulting in immense pressure on margins.

The rupee devalued against the Dollar as well as the Euro in this quarter. A weakening rupee led to the company incurring mark-to-market exchange losses on account of its Euro loans. However, such losses are notional in nature.

Looking ahead, post the withdrawal of the zero Covid policy, local demand in China has perked up in January 2023. This has resulted in a positive effect on Indian domestic margins and demand is also visible."

MADHU SUDHAN BHAGERIA
Chairman & Managing Director



SUMMARY OF PROFIT AND LOSS STATEMENT

Quarterly Profit & Loss Statement

KEY PERFORMANCE METRICS	Q3FY23	Q2FY23	Q3FY22	QoQ	YoY
Revenue from operations	1,070.38	1163.42	1,074.22	(8.00%)	(0.36%)
Other Income	(6.30)	10.50	12.96		
Total Income	1,064.08	1173.92	1,087.18	(9.36%)	7.98%
EBITDA	44.44	46.26	159.18	(3.96%)	(72.08%)
EBITDA Margin (%)	4.15%	3.98%	14.82%	4.38%	(71.98%)
Finance cost	15.98	6.08	7.99	162.83%	100.00%
Depreciation and amortisation expenses	17.91	16.61	16.52	7.83%	8.41%
Profit after tax	2.74	25.16	98.25	(89.11%)	(97.21%)

* Other income and finance cost include mark-to-market exchange losses of INR 19.46 crores in Q3FY23

INR **1070.38** CRORES
Revenue

INR **44.44** CRORES
EBIDTA

INR **2.74** CRORES
Profit after Tax



[CLICK HERE FOR RESULTS](#)



SUMMARY OF PROFIT AND LOSS STATEMENT

9 Months Profit & Loss Statement

KEY PERFORMANCE METRICS	9MFY23	9MFY22	YoY
Revenue from operations	3257.09	2738.08	18.96%
Other Income	10.79	22.30	(51.61%)
Total Income	3267.88	2760.38	18.39%
EBITDA	165.01	385.48	(57.20%)
EBITDA Margin (%)	5.07%	14.08%	(59.49%)
Finance cost	28.00	27.42	2.12%
Depreciation and amortisation expenses	50.97	47.04	8.35%
Profit after tax	71.31	224.17	(68.19%)

INR **3257.09** CRORES
Revenue

INR **165.01** CRORES
EBITDA

INR **71.31** CRORES
Profit after Tax



[CLICK HERE FOR RESULTS](#)



OPERATIONAL METRICS

Q3FY23 vs Q2FY23

PRODUCTION

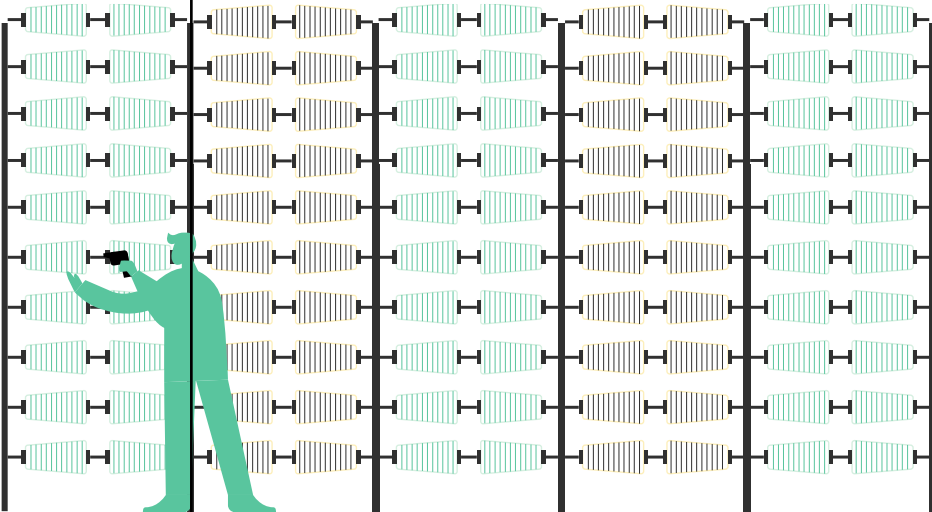
99,969 MT ↑

97,169 MT

SALES

1,00,468 MT

1,01,488 MT



9MFY23 vs 9MFY22

PRODUCTION

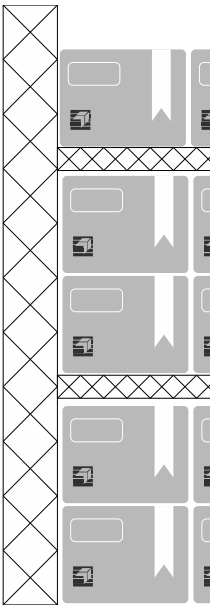
2,82,587 MT ↑

2,53,212 MT

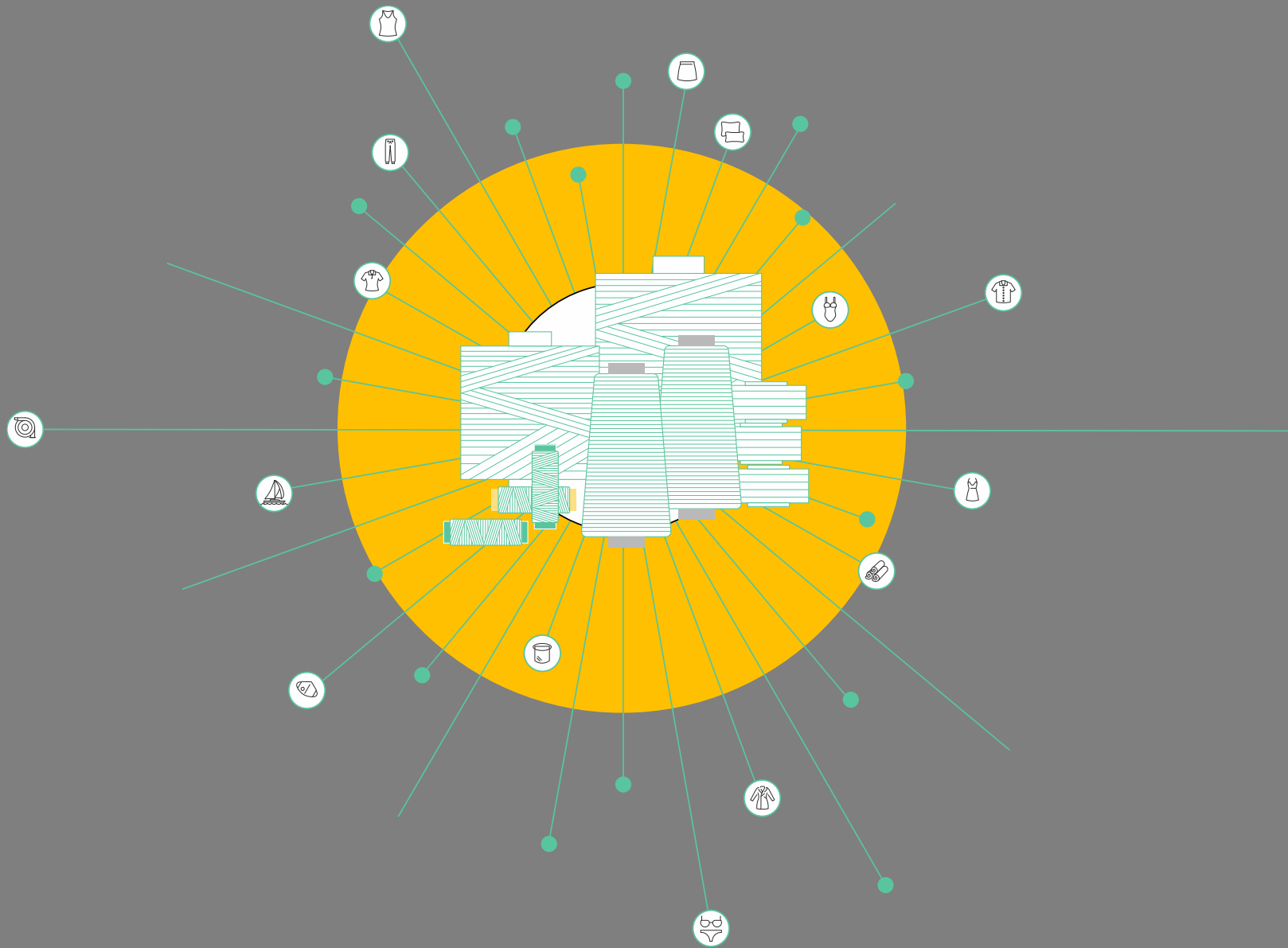
SALES

2,84,523 MT ↑

2,48,156 MT



Indian traders and consumers have imported over **2,50,000 MT** of polyester filaments in the last nine months. Despite large volumes of import from China at very low costs, we were able to achieve almost 100% utilization in our yarn capacities while maintaining inventory levels



INDUSTRY TRENDS

WORLD FIBRE PRODUCTION (2008-2021)

Production Capacity (in 1000MT)

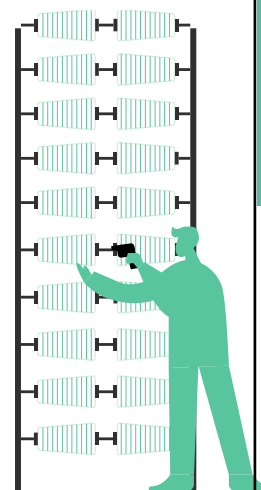
FIBRES	2008	%	2021	%	CAGR	GROWTH
NATURAL FIBRES						
Raw Cotton	23,584	31.47	24,700	21.94	0.39	1,116
Other Natural Fibres	6,971	9.30	8,500	7.55	1.67	1,529
Total Natural	30,555	40.69	33,200	29.48	0.69	2,645
SYNTHETIC FIBRES						
Cellulose Fibres	3,464	4.62	7,200	6.39	6.29	3,736
Synthetic Fibres	41,081	54.82	72,200	64.12	4.81	31,119
Total Synthetic	44,545	59.44	79,400	70.52	4.93	34,855
Total	75,100	100	1,12,600	100	3.43	37,500

93%

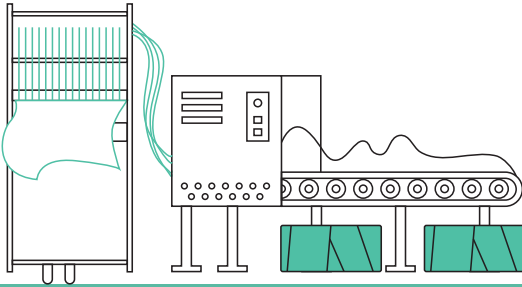
Growth in World Fibre Production in the last 13 years has come from Synthetic Fibres

Polyester is the most widely used fibre worldwide. With an annual production of around 61 million tonnes, polyester's market share was approximately 54% of the global fibre production in 2021.

Rapidly changing fashion trends and modern living standards will drive the growth of high-end polyester fibres with high durability, quick-drying, and easy-to-clean properties. Polyester fibres are also exclusively used for sports and athleisure clothing due to their lightweight and moisture-wicking properties, further accelerating market growth.



GROWTH DRIVERS FOR INDIAN MMF INDUSTRY



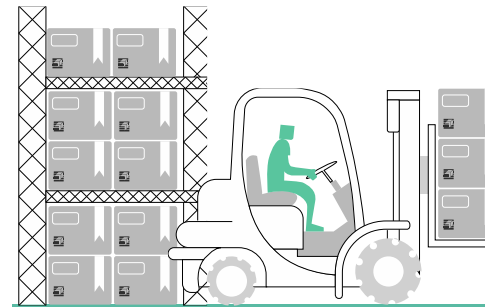
SHIFT IN DEMAND TOWARDS MMF

The global textiles business is transitioning from cotton to man-made fibres (MMF) and technical textiles. To encourage this transformation, the Indian government has enacted a number of schemes and regulations, including the PLI scheme, the National Technical Textiles Mission (NTTM), and MITRA.



INCREASING ONLINE TREND

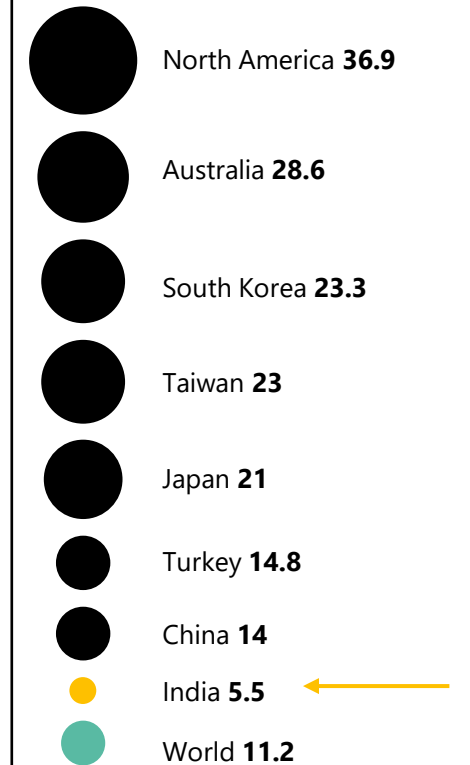
Low ticket sizes, deep discounts, the availability of a more comprehensive product range, and shopping festivals have all contributed to significant online sales in recent years. Moving forward, changing lifestyles combined with increased internet access among the general population would pave the way for a convenient and hassle-free online shopping experience, boosting demand in the textile sector.



LOWER THAN WORLD AVERAGE PER CAPITA FIBRE CONSUMPTION

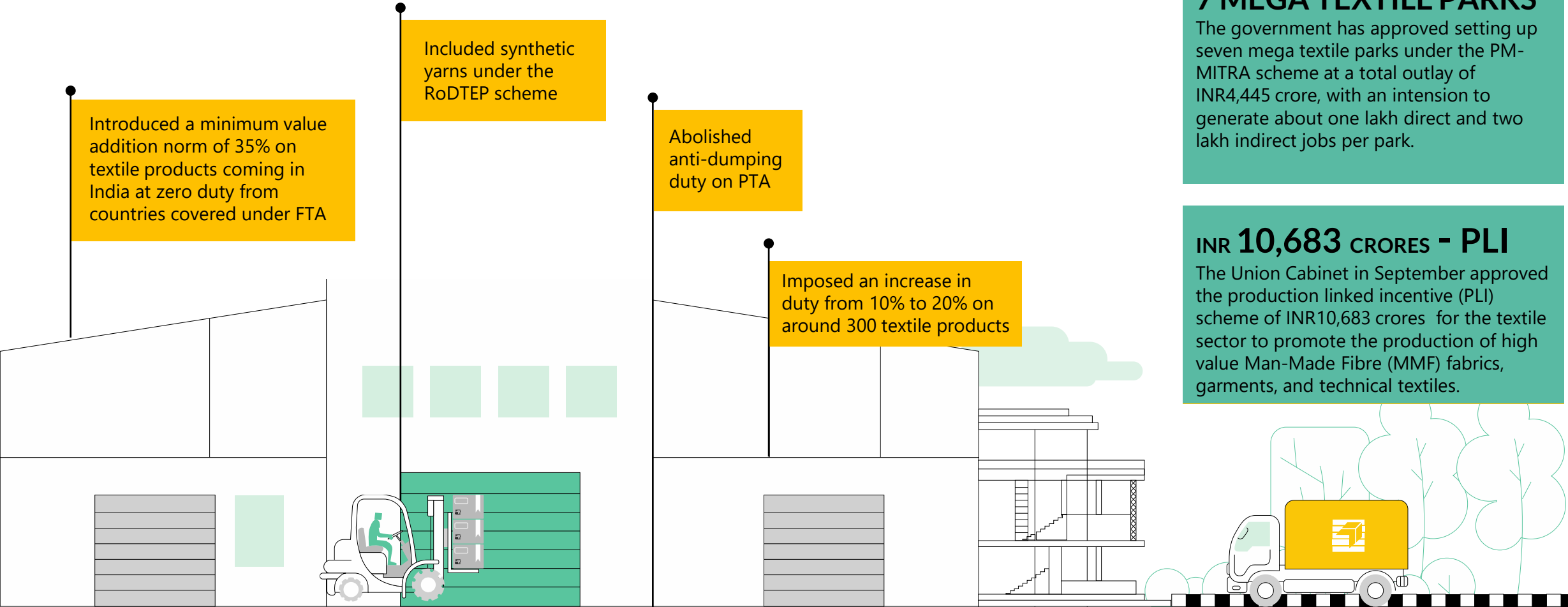
India's per-capita fibre consumption is 5.5 kg, which is less than half the global average of 11 kg. The consumption of MMF in the country (56%) is lower than the global average (69%) and that of developed countries, indicating a huge potential for MMF in the country.

PER-CAPITA CONSUMPTION OF ALL FIBRES (IN KGS)



POLICY INITIATIVES

The Government of India has taken several strategic steps to boost the manufacturing of man-made fibres in India



Introduced a minimum value addition norm of 35% on textile products coming in India at zero duty from countries covered under FTA

Included synthetic yarns under the RoDTEP scheme

Abolished anti-dumping duty on PTA

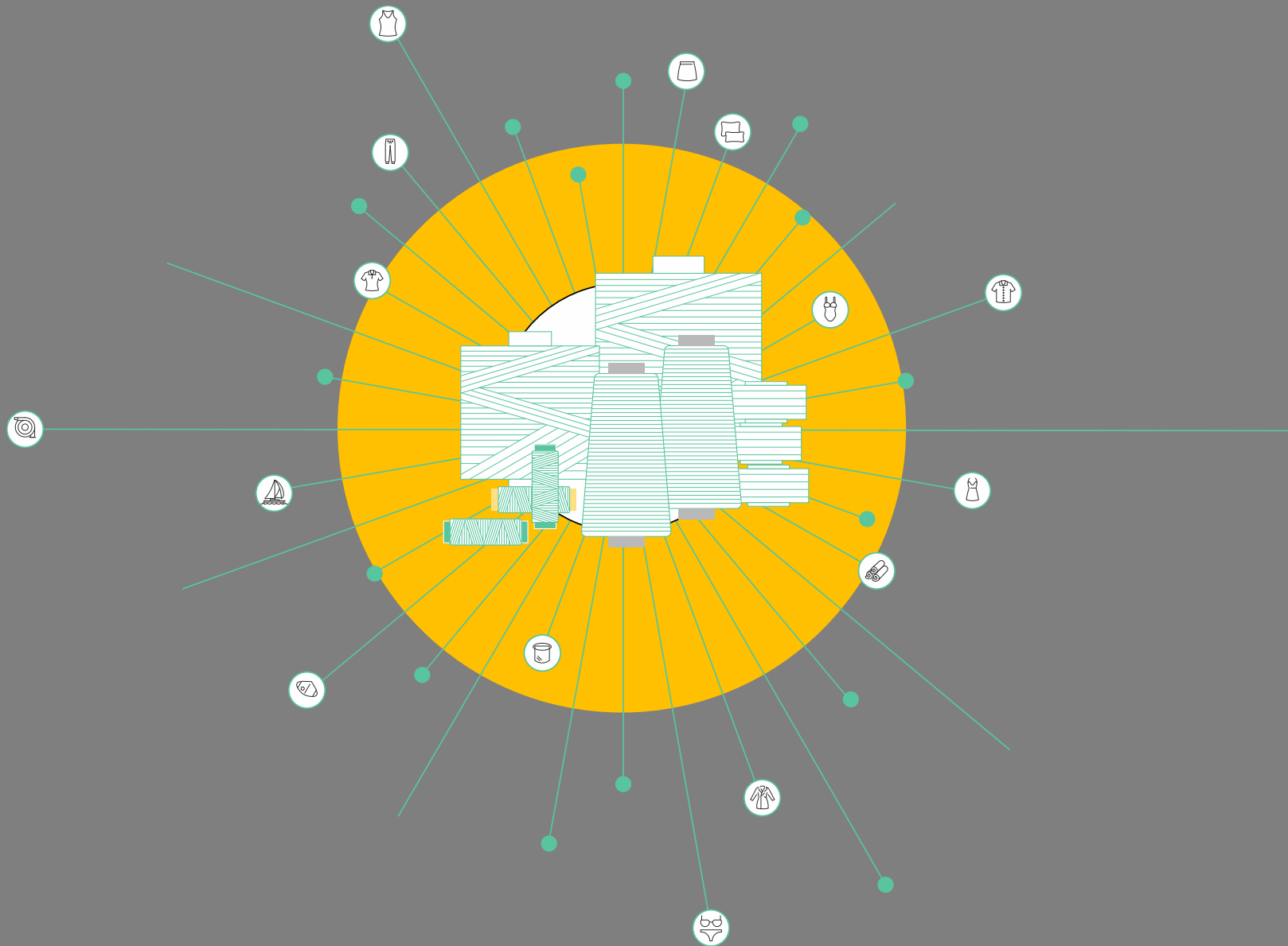
Imposed an increase in duty from 10% to 20% on around 300 textile products

7 MEGA TEXTILE PARKS

The government has approved setting up seven mega textile parks under the PM-MITRA scheme at a total outlay of INR4,445 crore, with an intension to generate about one lakh direct and two lakh indirect jobs per park.

INR 10,683 CRORES - PLI

The Union Cabinet in September approved the production linked incentive (PLI) scheme of INR10,683 crores for the textile sector to promote the production of high value Man-Made Fibre (MMF) fabrics, garments, and technical textiles.



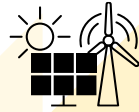
**GROWTH
WITH
PURPOSE**

BEING A RESPONSIBLE CORPORATE CITIZEN



PRIORITISING RECYCLING

The Company recycles its packaging materials, paper tubes and wooden pallets. It also collects packaging materials from its customers and recycles and reuses them. The Company also treats its effluent water in the plant and reuses it for non-drinking purposes, thus following a zero-liquid discharge policy.



FOCUS ON RENEWABLE ENERGY

The Company currently sources power from rooftop solar power plants at both its plants, with 1 MW at Dahej and 0.91 MW at Dadra. Committed to further reducing its carbon emissions, the Company has also partnered with a reputed renewable power generation company for a hybrid wind and solar power plant with a capacity of 10.8 MW. This project is scheduled for commissioning by March 2023.



ENVIRONMENT CONSERVATION

The Company conducts special tree plantation drives near the plant premises to reduce carbon footprint and address environmental issues. It also follows sound environmental management practices at its manufacturing units to assess and address potential environmental risks.



GROWING WITH OUR COMMUNITIES

Filatex prioritises sustainability and social responsibility as much as the business.

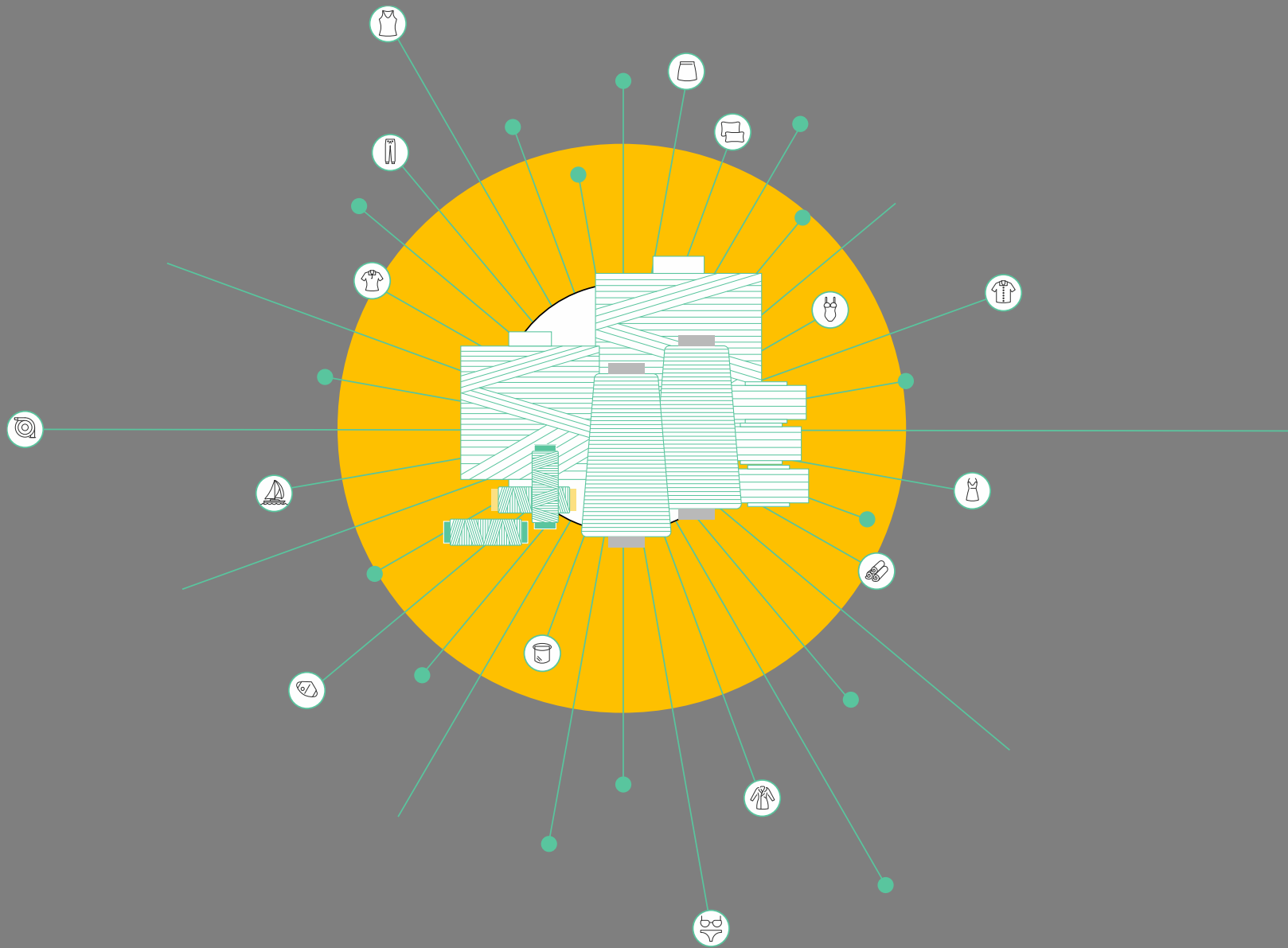
The Company continues to fulfil its role as a responsible corporate citizen by investing in a range of initiatives that target the current needs of the local communities as well as their future development.

SUPPORTING THOSE IN NEED DURING THE PANDEMIC



EMPOWERING COMMUNITIES



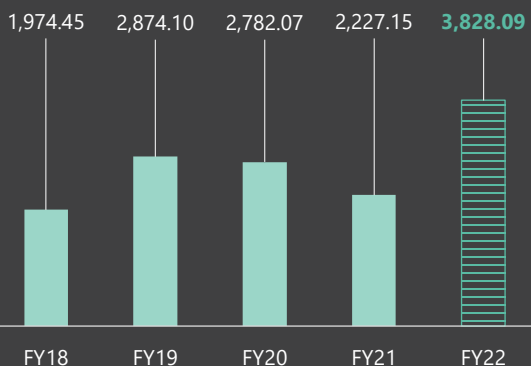


FINANCIAL HIGHLIGHTS

FINANCIAL PERFORMANCE (1/2)

REVENUE FROM OPERATIONS

(IN INR CRORE)

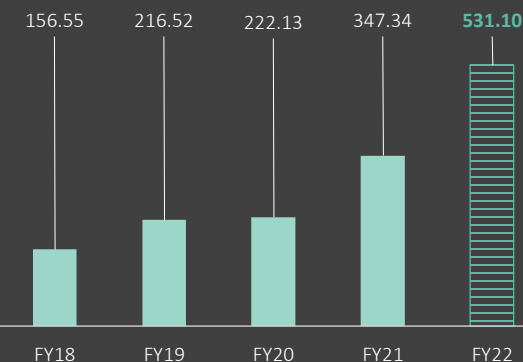


INR **3828.09** CRORES

The company has achieved a **CAGR of 20%** in the last 6 years by gradually increasing its capacity and product mix. Revenue from Operations grew by 72% to INR 3,828.09 crore compared to INR 2,227.15 crores in FY21.

EBITDA

(IN INR CRORE)

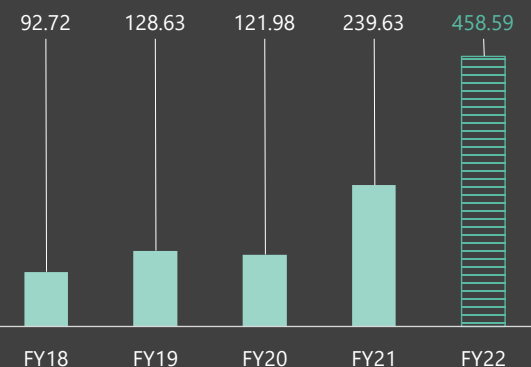


INR **531.10** CRORES

The company has focused on improving its value-added product portfolio in the past 6-7 years. The expansion of DTY and FDY capacities over the years have resulted in achieving a **CAGR of 35%** in the company's operating margins. On a year-on-year basis EBITDA stands at INR 531.10 crores compared to INR 347.3 crores, a growth of around 53%.

PROFIT BEFORE TAX

(IN INR CRORE)

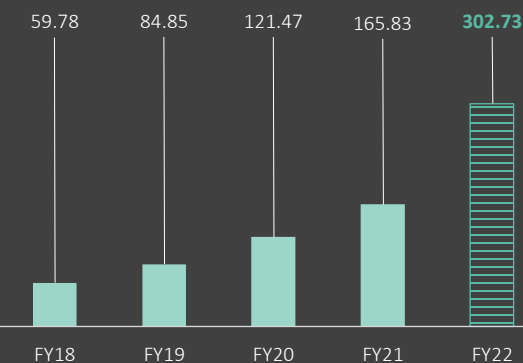


INR **458.59** CRORES

Along with the operating margins, the company has also taken steps to decrease its finance costs by constantly monitoring and evaluating its cost of capital, resulting in **55% CAGR** in Profit Before Tax. Profit before tax was INR 458.59 crores in FY22 compared to INR 239.63 crores in FY21, a growth of 91%.

PROFIT AFTER TAX

(IN INR CRORE)



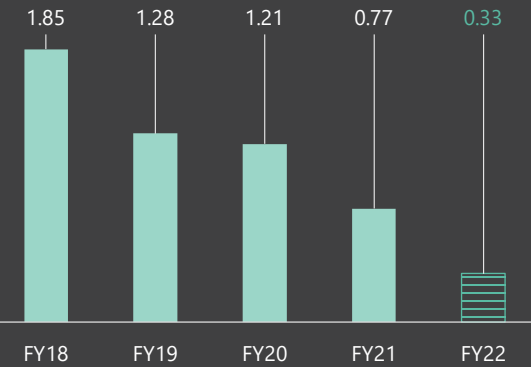
INR **302.73** CRORES

Positive macroeconomic factors along with judicious decision-making, prudent strategy and a conscious decision to focus on value-added products has resulted in improving the profitability of the company over the years and achieving a **50% CAGR**. The PAT recorded was INR 302.73 crores in FY22 compared to INR 165.83 crores in FY21, an increase of 82%.

FINANCIAL PERFORMANCE (2/2)

DEBT TO EQUITY RATIO (IN TIMES)

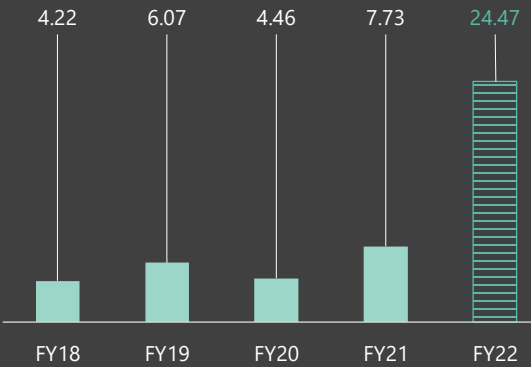
0.33x



Improved profitability and healthy cashflows enabled the company to prepay its term loans. This resulted in an improved debt-equity ratio of 0.33

INTEREST COVERAGE RATIO (IN TIMES)

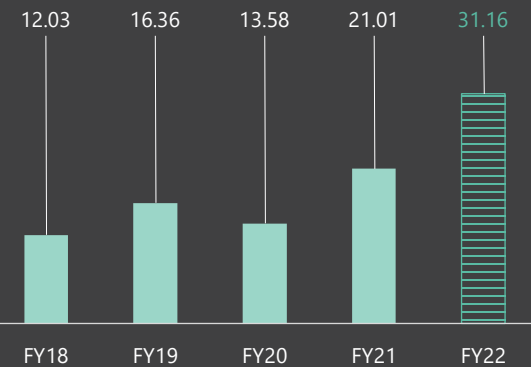
24.47x



Consistent growth in operating margins along with a focus on long-term debt reduction has resulted in significant improvement in the Company's interest coverage ratio. The Interest Coverage ratio increased from 7.73 in FY21 to 24.47 in FY22.

RETURN ON CAPITAL EMPLOYED (IN %)

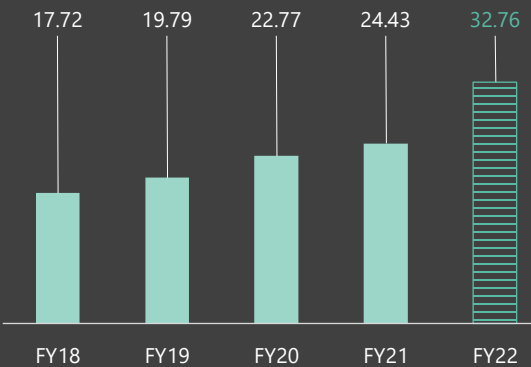
31.16%



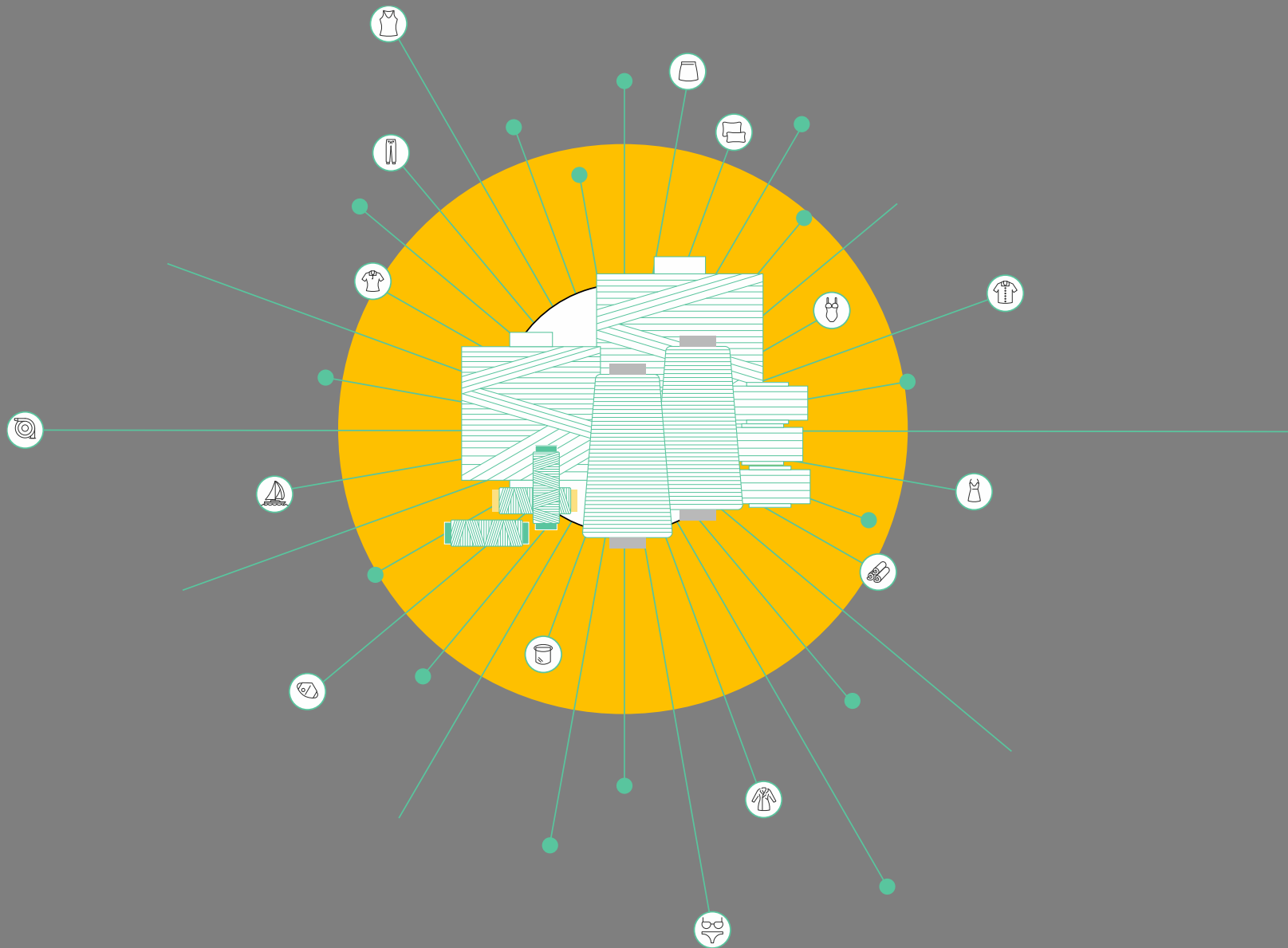
Due to loss of revenue in H1FY21 caused by the Covid-19 pandemic and subsequent lockdown, the full-year debtor days give a skewed picture. However, if we consider a comparison with H2FY21 once the lockdowns were lifted, the debtor turnover ratio is 11.49 days in H2FY21 compared to 12.71 days in FY22.

RETURN ON EQUITY (IN %)

32.76%



Return on Equity of the company increased to 32.76% from 24.43% in FY2021 because of a growth in profitability by 83% to INR 302.73 crores compared to INR 165.83 crores last year



ANNEXURES

COMPANY OVERVIEW

Filatex India Limited is among the country's leading manufacturers of Polyester Filament Yarn focused on capitalising synergies created through its integrated business model.

Driven by capable leadership, the Company remains focused on increasing capacities, widening its reach, maximizing efficiency, allocating capital effectively, and ensuring sustainability.

A+
Latest Credit Rating

2500+
Team members embracing the culture of integrity and delivering value

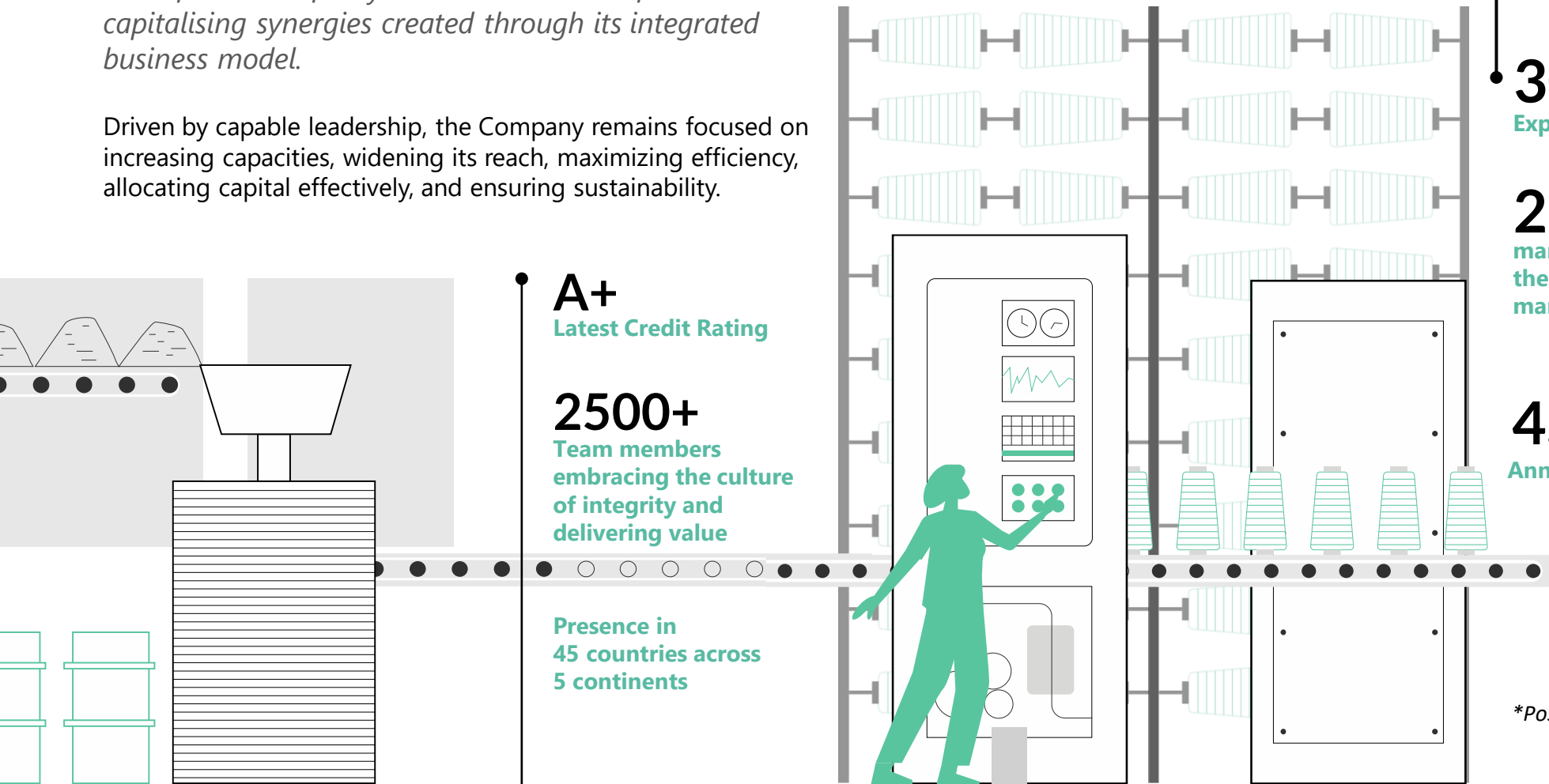
Presence in
45 countries across
5 continents

30+ YEARS
Experience in manufacturing yarn

2
manufacturing units state of the art with integrated manufacturing operations

4,01,040* MT
Annual manufacturing capacity

**Post expansions in FY23*



PRODUCTION CAPACITIES

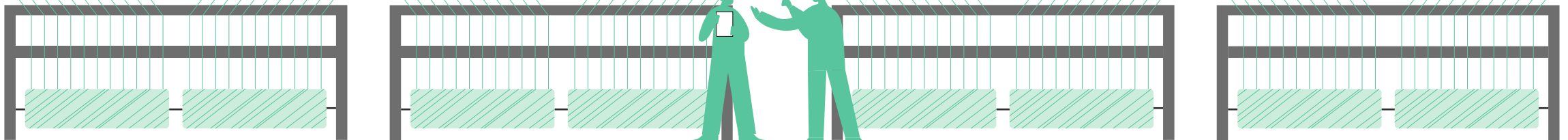
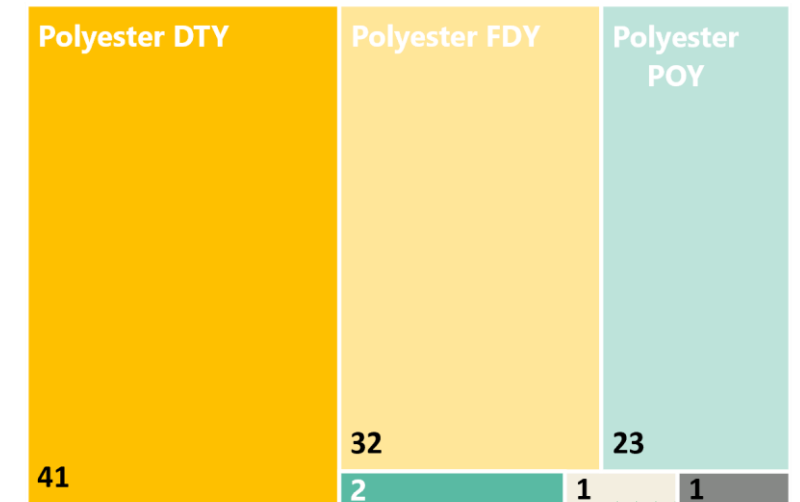
Annual Production Capacities FY23 (in MT)

*Post expansions in FY23

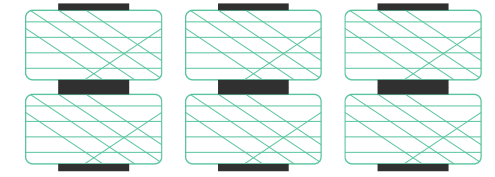
PARTICULARS	PRODUCTION	CAPTIVE USE	NET CAPACITY
Polyester Chips	52,200	43,200	9,000
Polyester POY	2,57,400	1,64,100	93,240
Polyester FDY	1,31,400	1,080	1,30,320
Polyester DTY	1,64,160	1,080	1,63,080
Polypropylene	5,400	2,160	3,240
Narrow Woven Fibres	2,160	0	2,160
Total	6,12,720	2,11,680	4,01,040

4,01,040* TONNES
Total Capacity

- Polyester Chips
- Polyester DTY
- Polypropylene
- Polyester POY
- Polyester FDY
- Narrow Woven Fibres

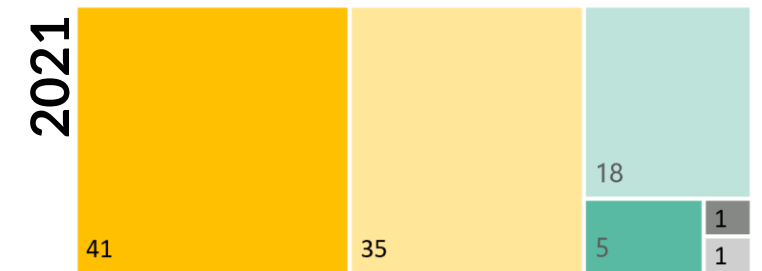
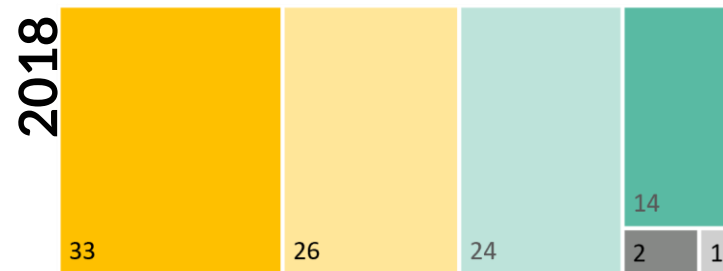
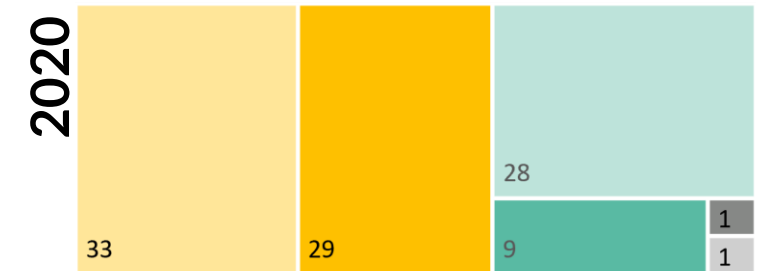
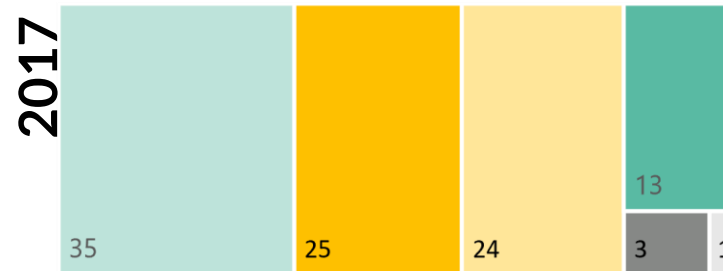
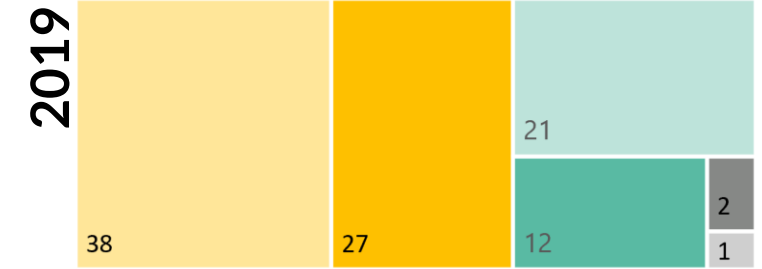


GROWTH THROUGH VALUE ADDITION



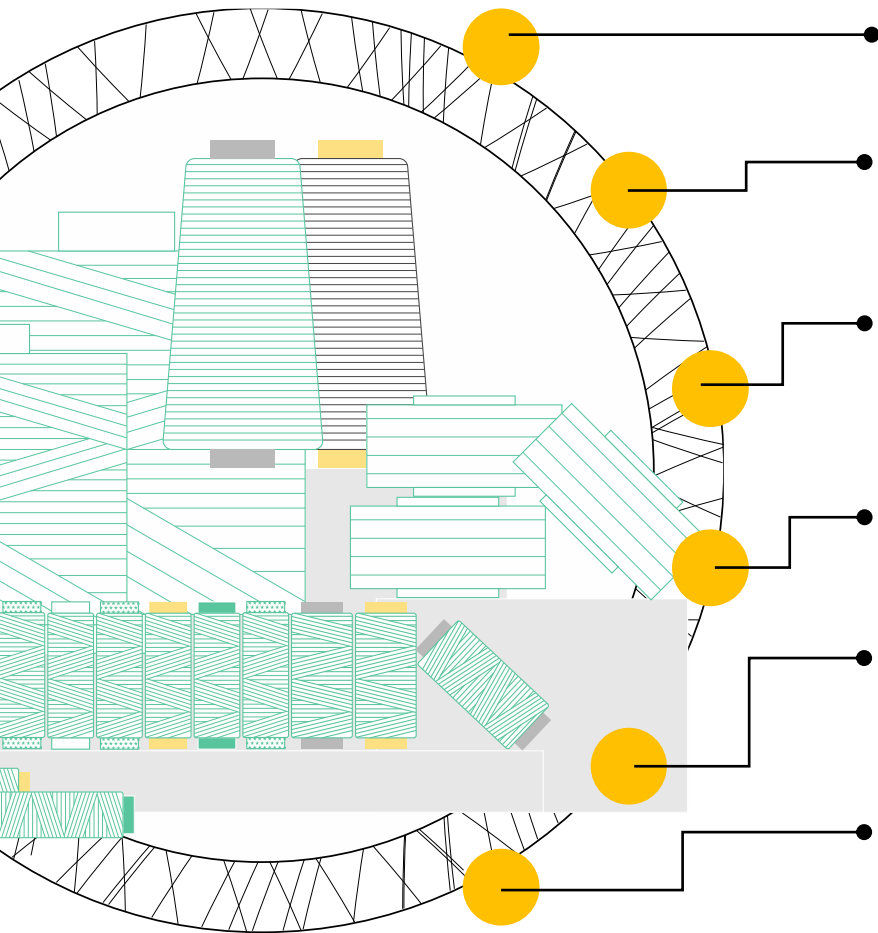
The company has made a planned effort to steadily increase its product offering. It has focused on improving its value-added product portfolio in the last 5-6 years.

The expansion in DTY and FDY capacities over the years has resulted in an increase in their revenue share as well as an improvement in blended margins.



- Polyester Chips
- Polyester POY
- Polyester DTY
- Polyester FDY
- Polypropylene
- Narrow Woven Fibres

OUR PRODUCTS



POLYESTER CHIPS: Industrial intermediate product used to manufacture Polyester yarns.

FULLY DRAWN YARNS /FDY: Fully drawn polyester filament yarn is directly used for producing all kinds of fabrics specially for children and ladies.

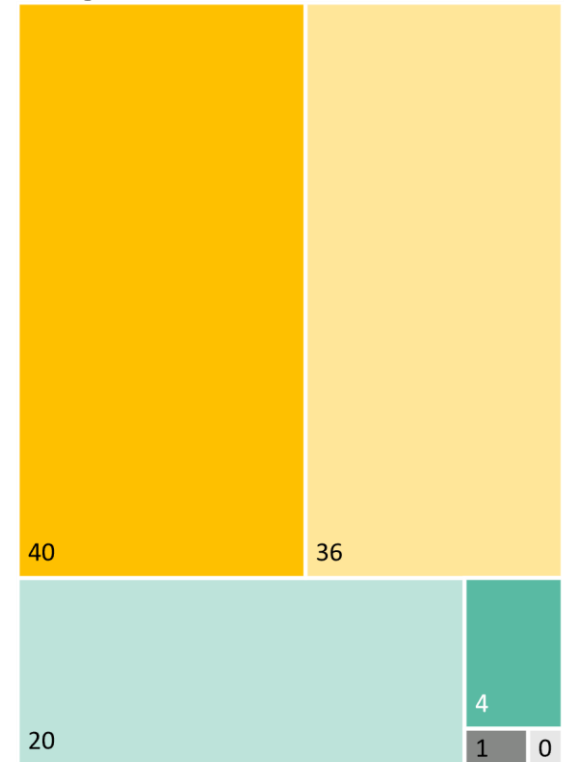
POLYPROPYLENE MULTIFILAMENT CRIMP YARNS: In different shades and deniers, PP yarns are being used for Socks, Under Garments and Sports Wear.

POLYESTER PARTIALLY ORIENTED YARNS /POY: Intermediate product which post texturizing is used for knitting & weaving different kinds of fabrics.

DRAWN TEXTURED YARNS/ DTY: Produced by drawing & heating POY through a texturing process. It is used for manufacturing fabrics for multiple applications.

NARROW WOVEN FABRICS: Used in manufacture of Carpets, Rugs, Tapes, Ribbons and Zippers

2022



CATERING TO DIVERSE END-USERS

HOME TEXTILES & FURNISHINGS



WOMEN INNER WEAR



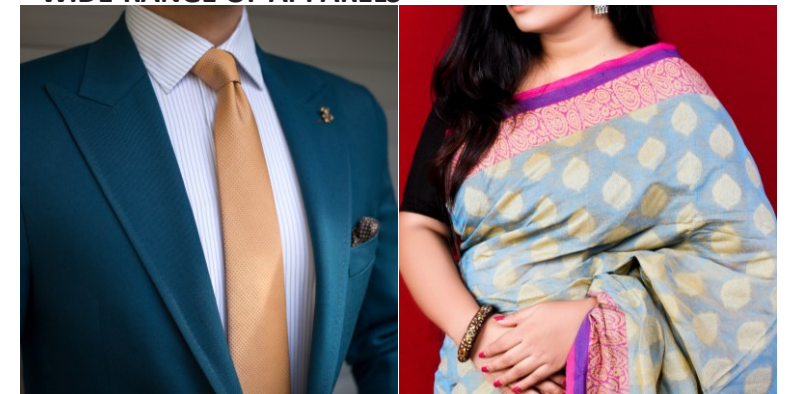
INDUSTRIAL USE CASES



OUTDOOR CLOTHING & ATHLEISURE

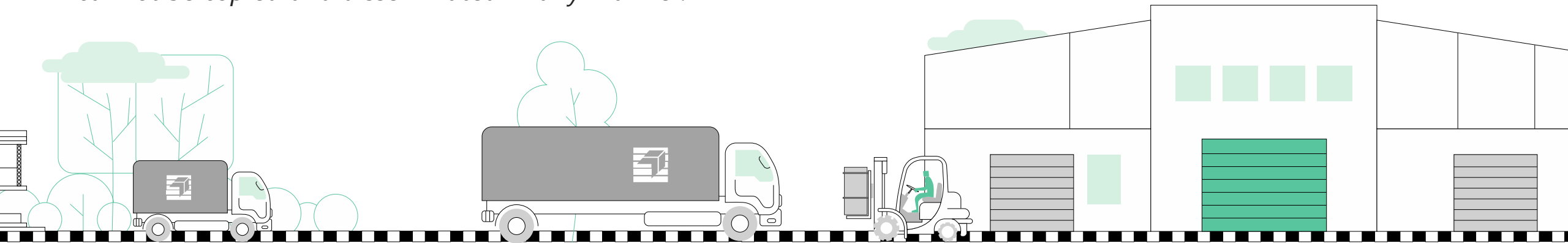


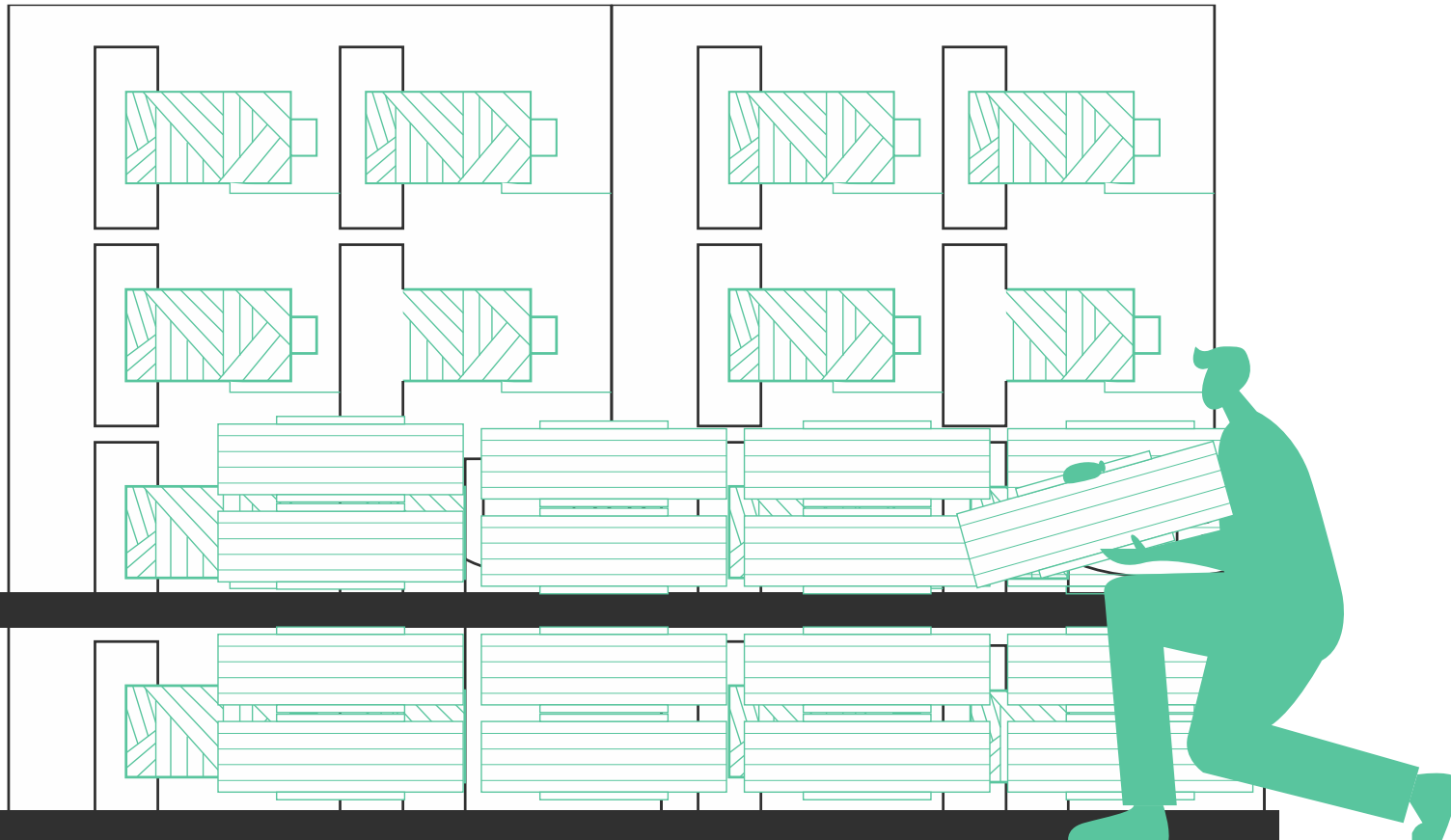
WIDE-RANGE OF APPARELS



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