



Date: 29<sup>th</sup> October 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
---------------------------------------------------------------------------------------------------------------------------------------------------------------------	-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------

**Sub: Earnings Presentation – September 2021 (Q2 – FY 2021-22)**

Dear Sir/Madam,

Please find enclosed herewith Earnings Presentation – September 2021. The same is for your reference and records.

Thanking you,

**For Apcotex Industries Limited**

Anand V Kumashi  
Company Secretary

**apcotex industries limited**

REGD. OFFICE : 49-53, 3rd Floor, Mahavir Centre, Plot No. 77, Sector-17, Vashi, Navi Mumbai-400703, Maharashtra, India Tel:+91-22-27770800  
CORPORATE OFFICE : NKM International House, 178 Backbay Recl., B. M. Chinnai Marg, Mumbai-400020, Maharashtra, India. Tel:+91-22-22838302/04  
TALOJA PLANT : Plot No. 3/1, MIDC Industrial Area, Talaja-410208, Dist-Raigad, Maharashtra, India. Tel:+91-22-27403500 Fax:+91-22-27412052  
CIN NO. L99999MH1986PLC039199 Website:www.apcotex.com



# **apcotex industries limited**

EARNINGS PRESENTATION

H1/Q2-FY22

## 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 21,025.7 Mn as on 30<sup>th</sup> September, 2021.

## 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.

## FY21 FINANCIALS

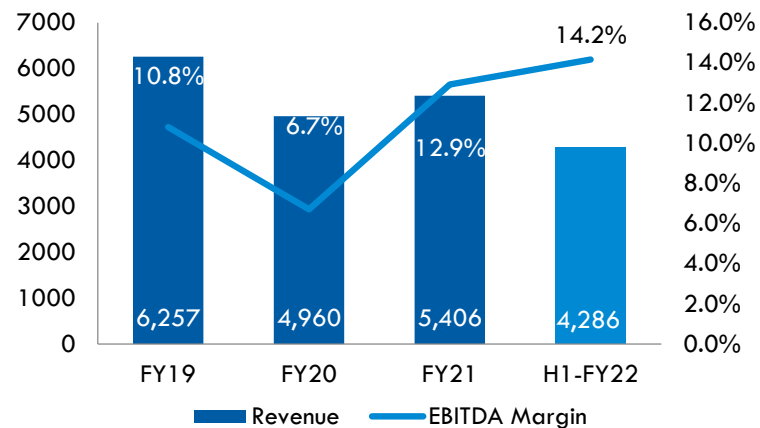
Operational Revenue - **INR 5,406 Mn**

Operating EBITDA - **INR 685 Mn**

PAT- **INR 442 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.

## Op. Revenue (INR Mn) and Operating EBITDA Margin (%)



# H1 / Q2-FY22 Financial Highlights



## Q2-FY22 Financial Highlights

**INR 2,434 Mn**

Operational Revenue

**INR 314 Mn**

Operating EBITDA

**12.90%**

Operating EBITDA Margin

**INR 222 Mn**

Net Profit

**9.12%**

Net Profit Margin

**INR 4.29/share**

EPS

## H1-FY22 Financial Highlights

**INR 4,286 Mn**

Operational Revenue

**INR 607 Mn**

Operating EBITDA

**14.16%**

Operating EBITDA Margin

**INR 441 Mn**

Net Profit

**10.29%**

Net Profit Margin

**INR 8.51/share**

EPS

## **Business Performance:**

- Highest Quarterly Revenue of INR 243 Cr, growth of 88% over Q2-FY21, on back of strong volumes and increase in realizations.
- Highest quarterly export sales of INR 49 Cr, contributing to 20% of overall Revenue.
- Highest ever absolute EBITDA but EBITDA margin lower than Q1 due to increase in shipping rates for both imports and exports, disruptions in certain raw materials, and also an increase in the cost of manufacturing for some products due to significant increase in Coal/Gas prices.

## **Capex/Projects Update:**

- Major debottlenecking projects completed between July and October 2021 to allow additional 10-15% growth
- Brownfield expansion projects at Taloja and Valia have commenced. Investments in these two projects expected to be INR 180-190cr over the next 4 quarters.
- Escalation in capex costs expected on account of commodity price increases

## **NBR Anti-Dumping:**

- Appeal has been filed in CESTAT for both cases

# Q2-FY22 Income Statement (As per IndAS)



Particulars (INR Mn)	Q2-FY22	Q2-FY21	Y-o-Y	Q1-FY22	Q-o-Q
<b>Operational Revenue</b>	<b>2,434</b>	<b>1,293</b>	<b>88.2%</b>	<b>1,852</b>	<b>31.4%</b>
Total Expenses	2,120	1,108	91.3%	1,559	36.0%
<b>Operating EBITDA</b>	<b>314</b>	<b>185</b>	<b>69.7%</b>	<b>293</b>	<b>7.2%</b>
<b>Operating EBITDA Margin</b>	<b>12.90%</b>	<b>14.31%</b>	<b>(141) Bps</b>	<b>15.82%</b>	<b>(292) Bps</b>
Depreciation	35	40	(12.5)%	33	6.1%
Finance Cost	9	14	(35.7)%	8	12.5%
Other Income	17	12	41.7%	24	(29.2)%
<b>PBT</b>	<b>287</b>	<b>143</b>	<b>100.7%</b>	<b>276</b>	<b>4.0%</b>
Tax	65	27	NA	57	14.0%
<b>PAT</b>	<b>222</b>	<b>116</b>	<b>91.4%</b>	<b>219</b>	<b>1.4%</b>
<b>PAT Margin</b>	<b>9.12%</b>	<b>8.97%</b>	<b>15 Bps</b>	<b>11.83%</b>	<b>(271) Bps</b>
Other Comprehensive Income	59	36	63.9%	77	(23.4)%
<b>Total Comprehensive Income</b>	<b>281</b>	<b>152</b>	<b>84.9%</b>	<b>296</b>	<b>(5.1)%</b>
Diluted EPS (INR)	4.29	2.24	91.5%	4.22	1.7%

# H1 -FY22 Income Statement (As per IndAs)



Particulars (INR Mn)	H1-FY22	H1-FY21	Y-o-Y
<b>Operational Revenue</b>	<b>4,286</b>	<b>1,891</b>	<b>126.7%</b>
Total Expenses	3,679	1,749	110.3%
<b>Operating EBITDA</b>	<b>607</b>	<b>142</b>	<b>327.5%</b>
<b>Operating EBITDA Margin</b>	<b>14.16%</b>	<b>7.51%</b>	<b>665 Bps</b>
Depreciation	69	77	(10.4)%
Finance Cost	17	23	(26.1)%
Other Income	41	31	32.3%
<b>PBT</b>	<b>562</b>	<b>73</b>	<b>NA</b>
Tax	121	23	NA
<b>PAT</b>	<b>441</b>	<b>50</b>	<b>NA</b>
<b>PAT Margin</b>	<b>10.29%</b>	<b>2.64%</b>	<b>765 Bps</b>
Other Comprehensive Income	137	70	95.7%
<b>Total Comprehensive Income</b>	<b>578</b>	<b>120</b>	<b>NA</b>
Diluted EPS (INR)	8.51	0.96	NA



# Historical Income Statement



Particulars (INR Mn)	FY19	FY20	FY21	H1-FY22
<b>Operational Revenue</b>	<b>6,257</b>	<b>4,960</b>	<b>5,406</b>	<b>4,286</b>
Total Expenses	5,581	4,626	4,708	3,679
<b>Operating EBITDA</b>	<b>676</b>	<b>334</b>	<b>698</b>	<b>607</b>
<b>Operating EBITDA Margin</b>	<b>10.80%</b>	<b>6.73%</b>	<b>12.91%</b>	<b>14.16%</b>
Depreciation	118	134	145	69
Finance Cost	18	13	38	17
Other Income	77	59	52	41
<b>PBT</b>	<b>617</b>	<b>246</b>	<b>567</b>	<b>562</b>
Tax	151	80	125	121
<b>PAT</b>	<b>466</b>	<b>166</b>	<b>442</b>	<b>441</b>
<b>PAT Margin</b>	<b>7.45%</b>	<b>3.35%</b>	<b>8.18%</b>	<b>10.29%</b>
Other Comprehensive Income	(2)	(56)	177	137
<b>Total Comprehensive Income</b>	<b>464</b>	<b>110</b>	<b>619</b>	<b>578</b>
Diluted EPS (INR)	8.99	3.21	8.52	8.51

# Balance Sheet



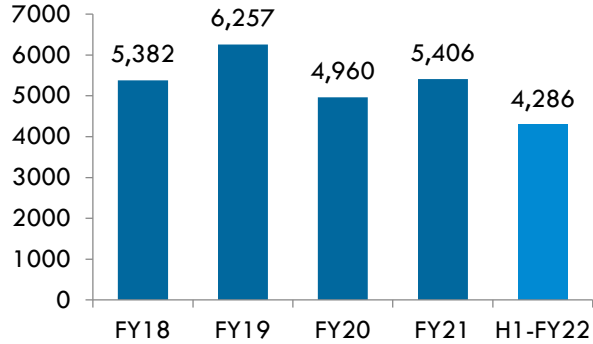
Particulars (INR Mn)	FY20	FY21	H1-FY22
<b>Shareholders Fund</b>	<b>2,513</b>	<b>3,054</b>	<b>3,528</b>
Equity Share Capital	104	104	104
Other Equity	2,409	2,950	3,424
<b>Total Non Current Liabilities</b>	<b>349</b>	<b>241</b>	<b>228</b>
Deferred Tax liabilities	57	105	100
Borrowings	226	60	47
Lease liabilities	-	2	2
Long Term Provision	29	31	30
Other Financial Liabilities	37	43	49
<b>Total Current Liabilities</b>	<b>1,107</b>	<b>1,222</b>	<b>1,502</b>
Short Term Borrowings	189	84	314
Trade Payables	460	589	588
Other Financial Liabilities	374	405	483
Short Term Provision	5	5	5
Other Current Liabilities	79	139	112
<b>TOTAL EQUITY &amp; LIABILITIES</b>	<b>3,969</b>	<b>4,517</b>	<b>5,258</b>

Particulars (INR Mn)	FY20	FY21	H1-FY22
<b>Total Non Current Assets</b>	<b>1,916</b>	<b>2,383</b>	<b>2,658</b>
Property, Plant and Equipment	1,239	1,441	1,563
Capital Work in progress	193	116	151
Non Current Investments	334	682	838
Intangible Assets	9	7	6
Current Tax Assets (net)	55	73	17
Other Non Current Assets	86	64	83
<b>Total Current Assets</b>	<b>2,053</b>	<b>2,134</b>	<b>2,600</b>
Investments	211	142	147
Inventories	597	558	675
Trade Receivables	891	1,048	1,387
Cash & Cash Equivalents	117	106	27
Other Bank Balances	43	44	81
Short Term loans & Advances	3	4	4
Other Financial Assets	60	72	73
Other Current Asset	131	160	206
<b>TOTAL ASSETS</b>	<b>3,969</b>	<b>4,517</b>	<b>5,258</b>

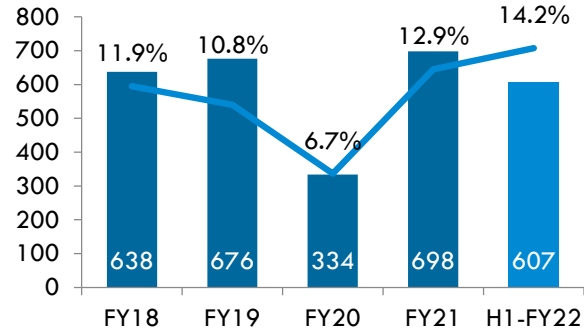
# Historical Performance Indicators



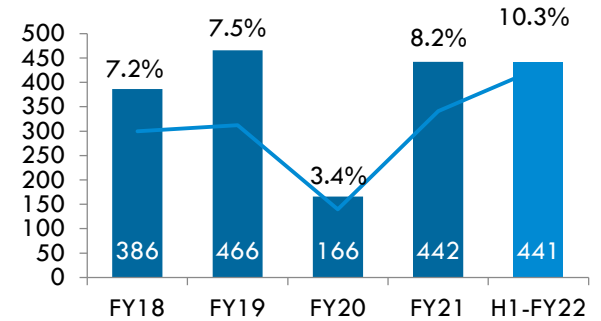
### Operational Revenue (In Mn)



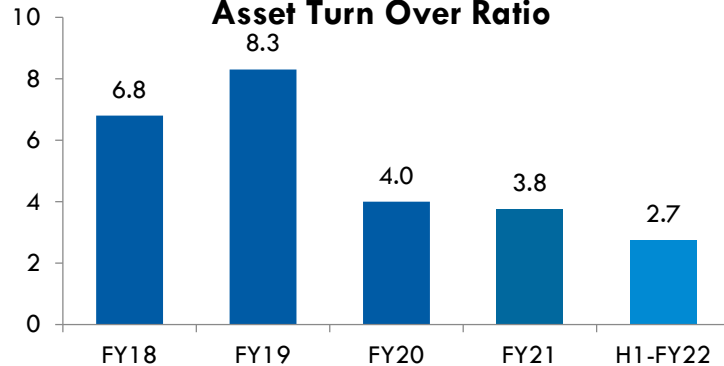
### Operating EBITDA and EBITDA Margin



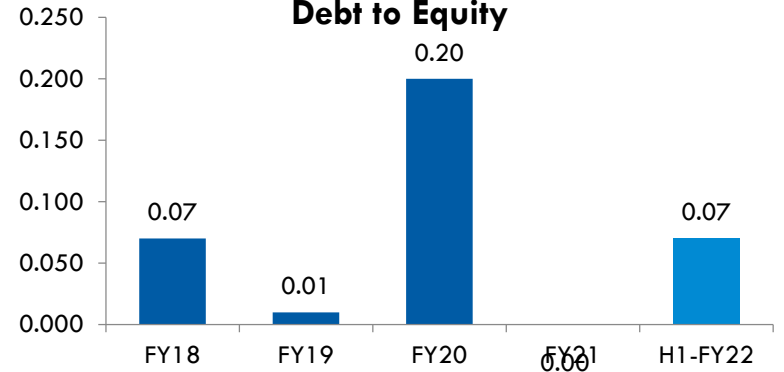
### PAT and PAT Margin



### Asset Turn Over Ratio



### Debt to Equity



**Apcotex Industries Ltd Disclaimer:**

*This presentation and the accompanying slides (the "Presentation"), which have been prepared by Apcotex Industries Limited (the "Company"), have been prepared solely for information purposes and do not constitute any offer, recommendation or invitation to purchase or subscribe for any securities, and shall not form the basis or be relied on in connection with any contract or binding commitment whatsoever. No offering of securities of the Company will be made except by means of a statutory offering document containing detailed information about the Company.*

*This Presentation has been prepared by the Company based on information and data which the Company considers reliable, but the Company makes no representation or warranty, express or implied, whatsoever, and no reliance shall be placed on, the truth, accuracy, completeness, fairness and reasonableness of the contents of this Presentation. This Presentation may not be all inclusive and may not contain all of the information that you may consider material. Any liability in respect of the contents of, or any omission from, this Presentation is expressly excluded.*

*This presentation contains certain forward looking statements concerning the Company's future business prospects and business profitability, which are subject to a number of risks and uncertainties and the actual results could materially differ from those in such forward looking statements. The risks and uncertainties relating to these statements include, but are not limited to, risks and uncertainties regarding fluctuations in earnings, our ability to manage growth, competition (both domestic and international), economic growth in India and abroad, ability to attract and retain highly skilled professionals, time and cost over runs on contracts, our ability to manage our international operations, government policies and actions regulations, interest and other fiscal costs generally prevailing in the economy. The Company does not undertake to make any announcement in case any of these forward looking statements become materially incorrect in future or update any forward looking statements made from time to time by or on behalf of the Company.*

**Valorem Advisors Disclaimer:**

*Valorem Advisors is an Independent Investor Relations Management Service company. This Presentation has been prepared by Valorem Advisors based on information and data which the Company considers reliable, but Valorem Advisors and the Company makes no representation or warranty, express or implied, whatsoever, and no reliance shall be placed on, the truth, accuracy, completeness, fairness and reasonableness of the contents of this Presentation. This Presentation may not be all inclusive and may not contain all of the information that you may consider material. Any liability in respect of the contents of, or any omission from, this Presentation is expressly excluded. Valorem Advisors also hereby certifies that the directors or employees of Valorem Advisors do not own any stock in personal or company capacity of the Company under review.*

**For further details, please feel free to contact our Investor Relations Representatives:**



**Mr. Anuj Sonpal**  
**Valorem Advisors**  
Tel: +91-22-49039500  
Email: [apcotex@valoremadvisors.com](mailto:apcotex@valoremadvisors.com)



**Mr. Anand Kumashi**  
**Apcotex Industries Limited**  
CIN: L99999MH1986PLC039199  
Email: [avkumashi@apcotex.com](mailto:avkumashi@apcotex.com)

The background features three overlapping, curved shapes. A dark blue shape is at the top left, a white shape is in the middle, and a green shape is at the bottom. The shapes are separated by soft, dark shadows, giving them a layered, 3D appearance.

Thank You