



# FILATEX INDIA LIMITED

CIN No.L17119DN1990PLC000091

FIL/SE/2018-19/48

7<sup>th</sup> February, 2019

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

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

## Sub: Investor Presentation - February 2019

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 2019 which we propose to share with Analysts & Investors.

This is for your information and records please.

Thanking You,

Yours Faithfully,  
For FILATEX INDIA LIMITED

  
for **Nichhil Singh**  
COMPANY SECRETARY

Encl.: a/a

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# Filatex India Limited

Investor Presentation  
February 2019



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An aerial photograph of a large industrial complex. The foreground is dominated by a massive white warehouse with a blue-trimmed roofline. To the right, there are several large white cylindrical storage tanks. The background shows a vast green landscape with scattered industrial buildings, power lines, and a cloudy sky. A semi-transparent green banner with the text 'Company Overview' is overlaid on the middle of the image.

## Company Overview





# About Us

Incorporated in 1990, Filatex India Ltd. has emerged as one of the top five manufacturers of Polyester Filament Yarn.

Starting with chips to yarn, Filatex has moved to latest technology Melt to Yarns. We are a customer focused organization with state of art technology and stringent quality measures. We strongly believe that polyester will be the fibre of the future.



# Our mission






-  To attain highest level of trust, integrity and honesty in business
-  To encourage people's ownership, empowerment and working under team structure
-  To manufacture at an affordable cost that provides our customers a competitive advantage
-  Strive to maintain an edge over its competitors due to consistent product quality and low operating cost

# Our vision

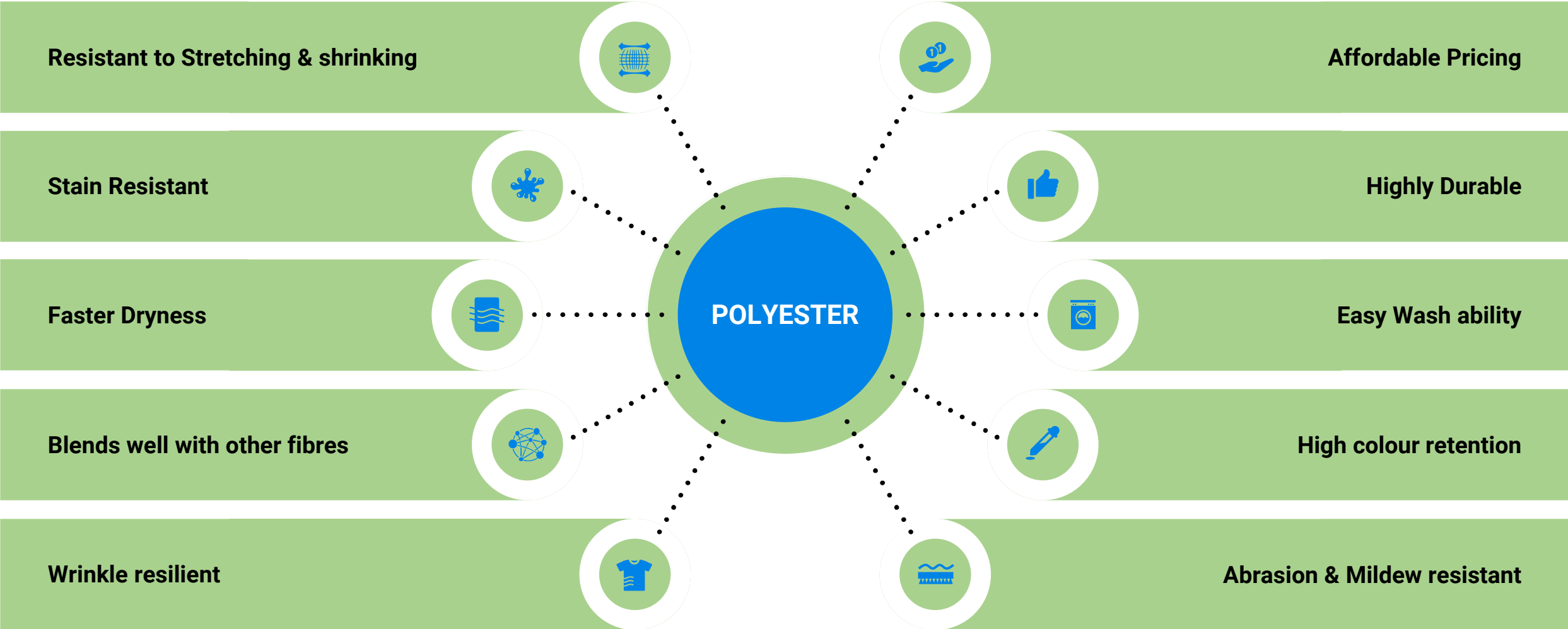


To be one of the leading polyester yarns manufacturer producing products to international standards, to be customer focused through stringent quality assurance and continuous innovation.

# Our values

-  Integrity and Honesty in Business
-  Customer Satisfaction & Delight
-  Encourage Creativity & Innovation to drive people, product & processes
-  To promote safe work practices
-  To protect the environment & community

**We believe that Polyester will be fibre of the future. Filatex has focused its future growth plans on Polyester Filament Yarns.**

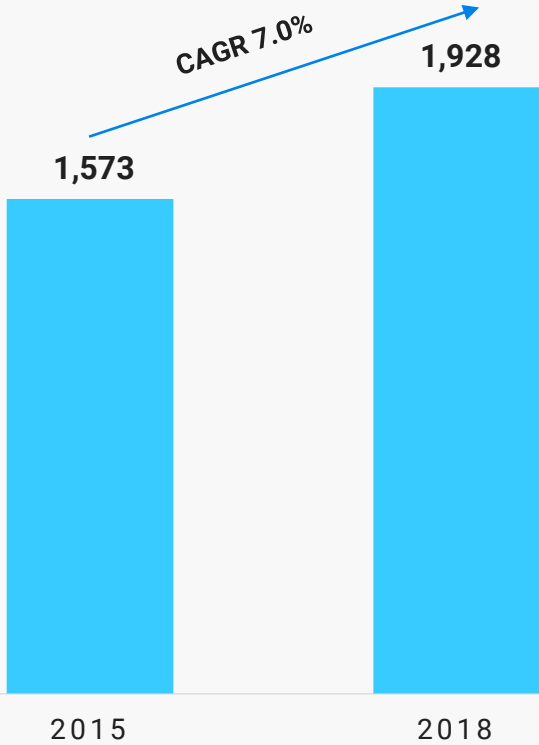




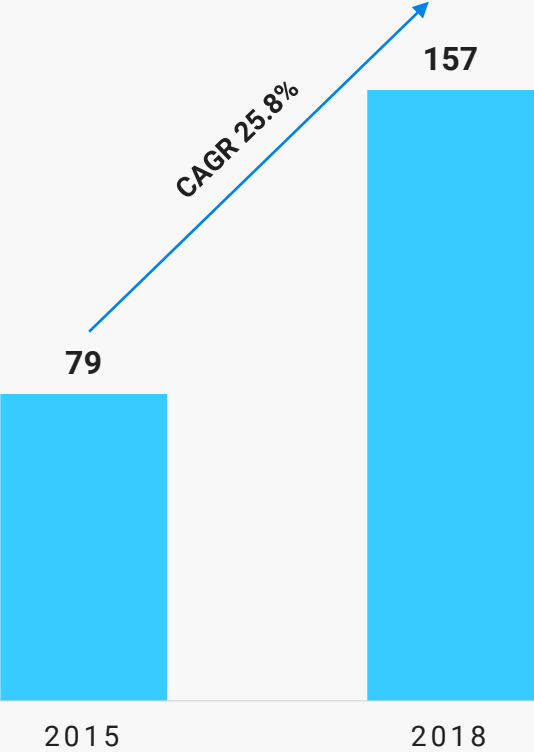


(₹ in Crore)

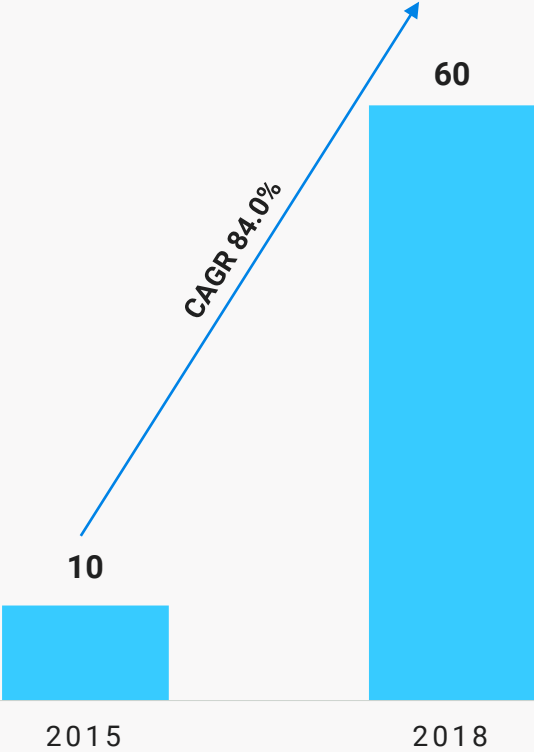
**REVENUE**  
(Net of Excise Duty)

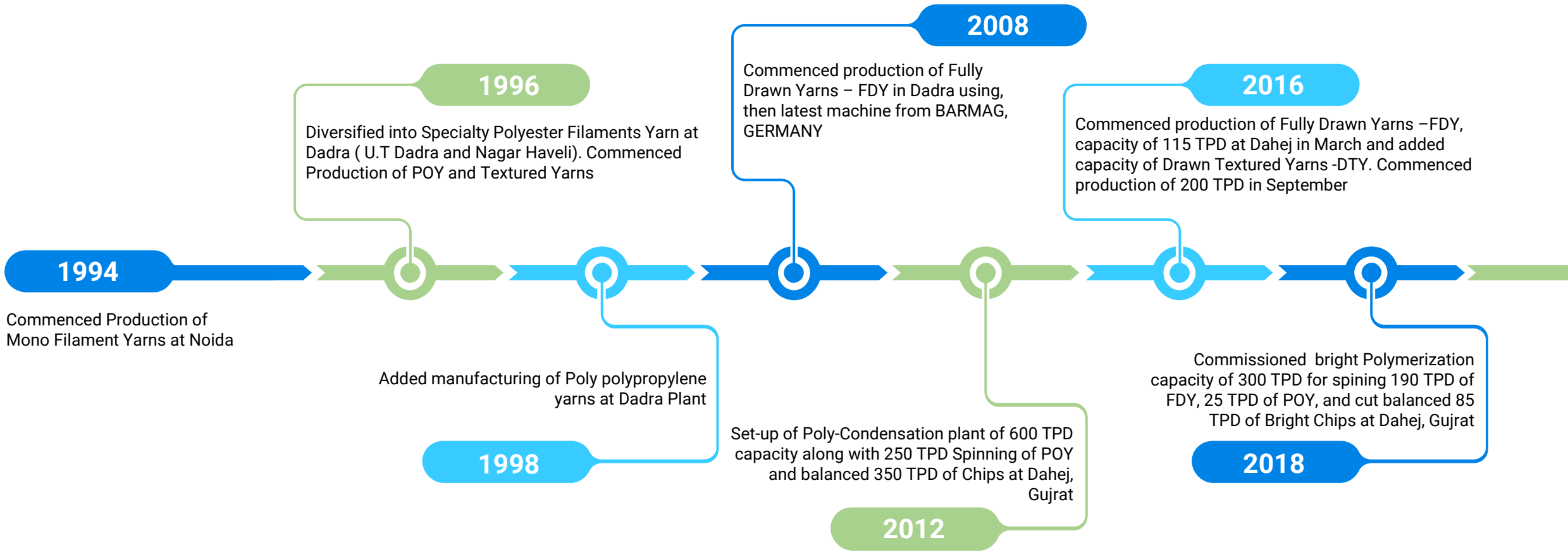


**EBIDTA**

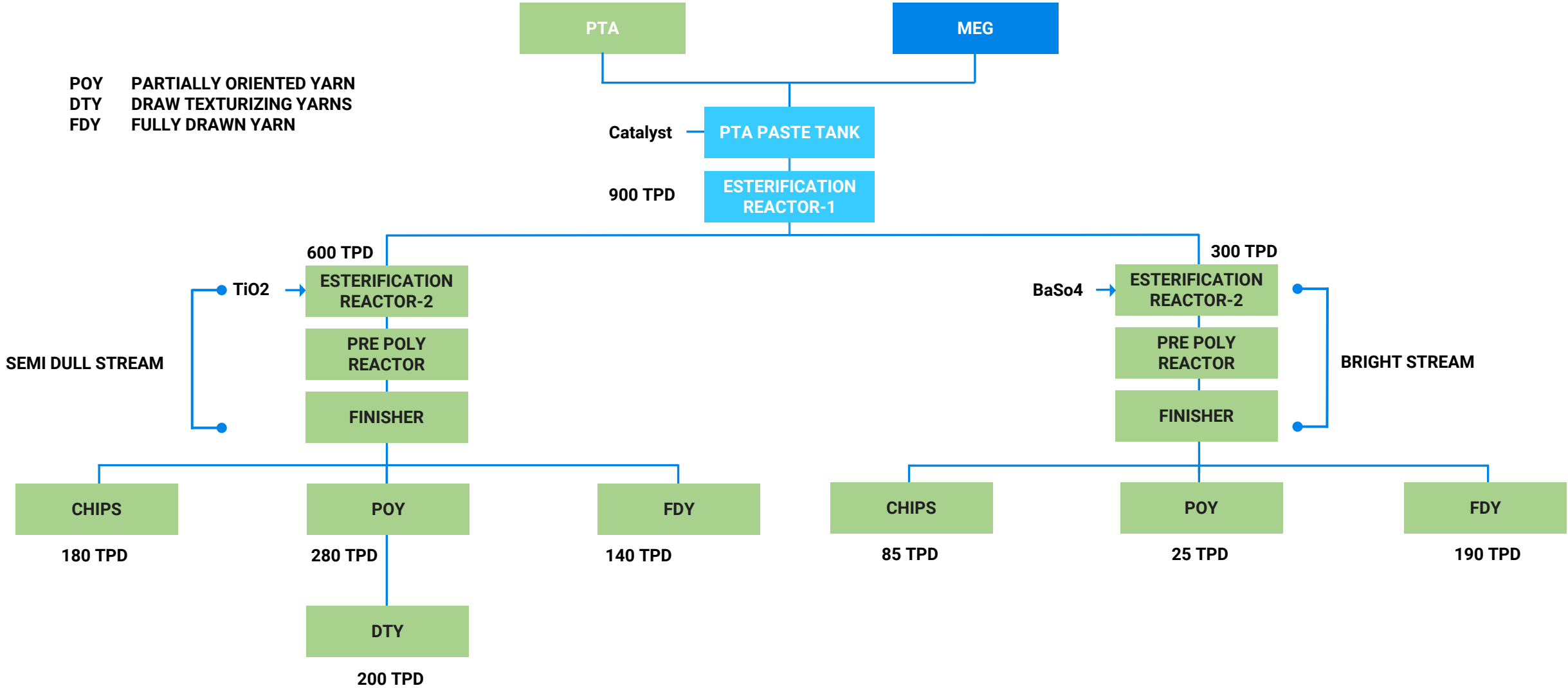


**PAT**





**RAW MATERIALS TO FINISHED PRODUCTS AT DAHEJ PLANT**





**Mr. Madhu Sudhan Bhageria**  
Chairman & Managing Director



**Mr. Purshottam Bhageria**  
Joint Managing Director



**Mr. Madhav Bhageria**  
Joint Managing Director



**Mr. Ashok Chauhan**  
Executive Director



**Mr. S. P. Setia**  
Independent Director



**Mr. S. C. Parija**  
Independent Director



**Ms. Pallavi Joshi Bakhr**  
Independent Director



**Mr. B. B. Tandon**  
Independent Director

Exporting to **34** countries across the Globe

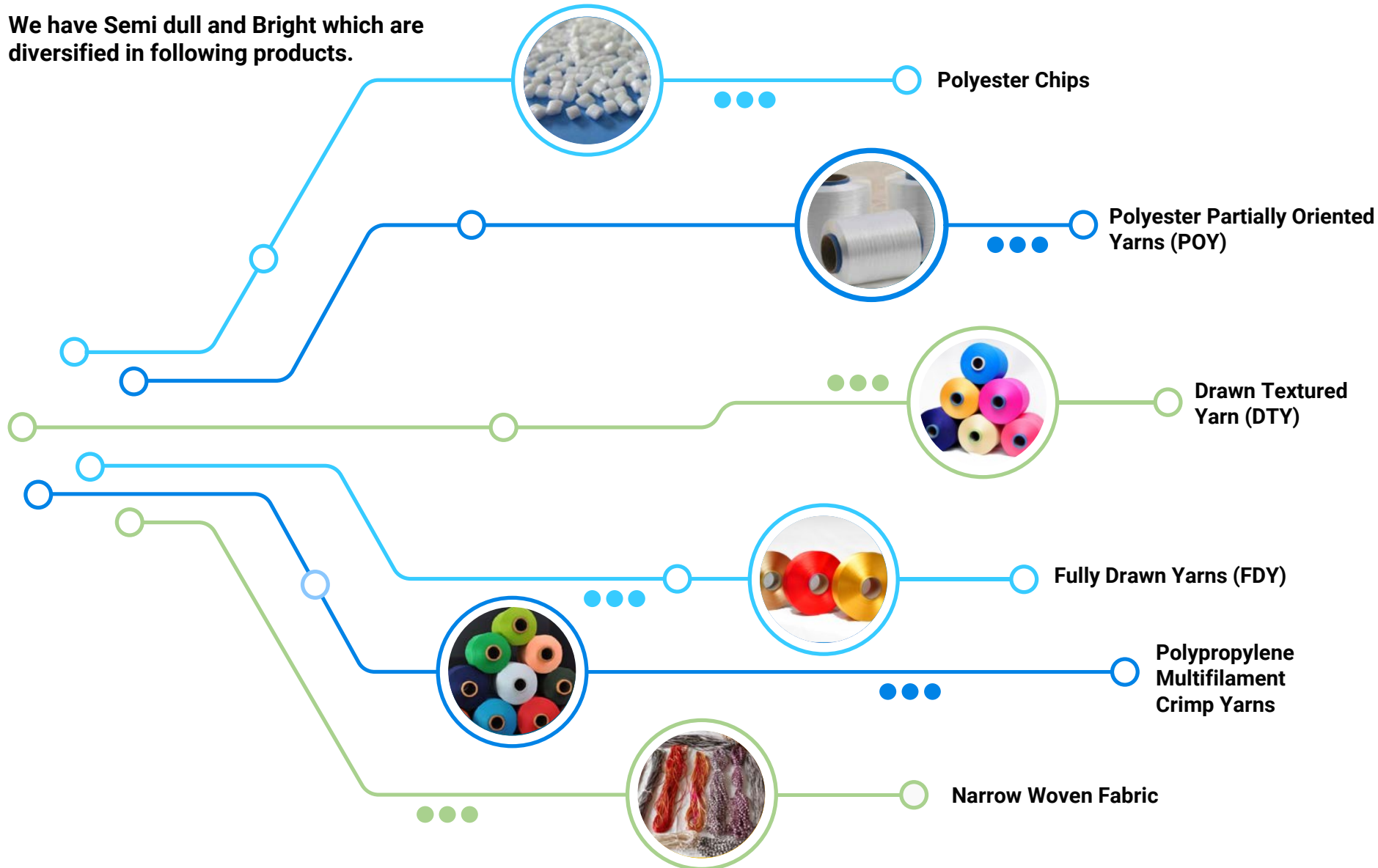
Over **50%** of DTY production is exported

Exports contributed **~20%** of overall Revenues in FY18

Capacity increased over the years  
From **500** MTPA  
To **328,300** MTPA



We have Semi dull and Bright which are diversified in following products.



- 1 Industrial intermediate product used to manufacture Polyester yarns.
- 2 Intermediate product, post Texturizing used for knitting & weaving different kinds of Fabrics.
- 3 Produced by drawing & heating POY through a texturing process. It is used for manufacturing Fabrics.
- 4 Fully drawn polyester filament yarn is directly used for producing all kinds of Fabrics specially for children and ladies.
- 5 Different shades and deniers, the range being used for Socks, Under Garments and Sports Wear.
- 6 Used in manufacture of Carpets, Rugs, Tapes, Ribbons and Zippers

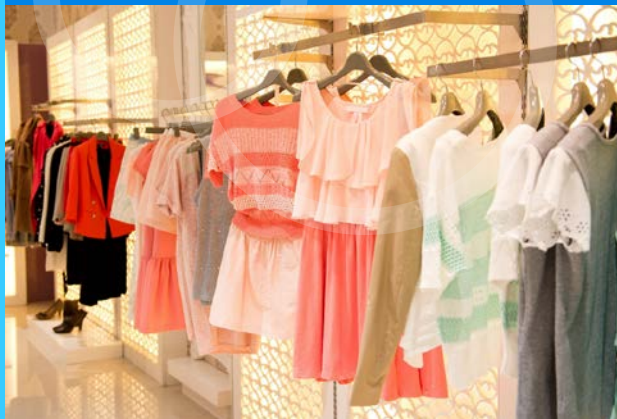


## Apparel

Polyester Filament Yarns are extensively used in apparels – Trousers, Shirts, Suitings & Sarees. PFY is a strong filament that can withstand strong & repetitive movements. Colour Fastness of Polyester Fiber is excellent. Its wear resistant, water resistant, wrinkle resistant and hydrophobic properties make it ideal for all kinds of apparels.

In these garments, seam softness is critical. The Textured Micro Denier have met the expected requirements and are being used in Lingerie, Performance garments - Active wear, Yoga wear, low shrinkage to ensure no seam distortion after washing & soft feel make these yarns ideal choice.

## Women Wear & Under Garments

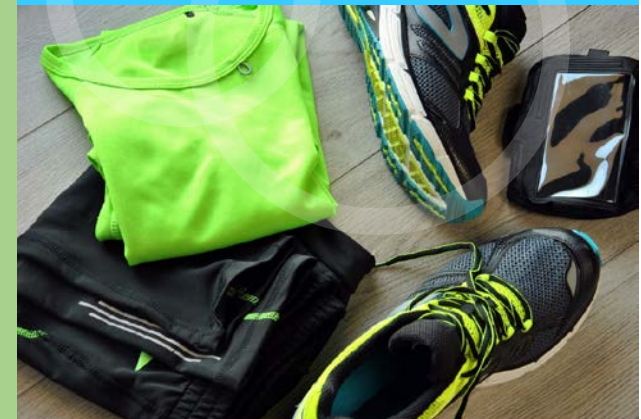


## Home Textiles & Furnishings

Fully Drawn Yarn of Polyester are being used for Home Furnishings, Fashion Fabrics, Terry Towels, Bed Sheets, Curtains & Carpets. Other growing applications are Upholstery Fabrics. Stain resistance makes it ideal for carpets.

The preferred material for sportswear is Polyester Yarn. Sports leisure clothings require a fabric that's not only strong & durable but also abrasion resistant. Ease of washing & corrosion resistance make them easy to maintain with longer usage life.

## Sportswear





ISO 9001 : 2008

ISO 9001 : 2015

ISO 14001 : 2004

BS OHSAS  
18001 : 2007

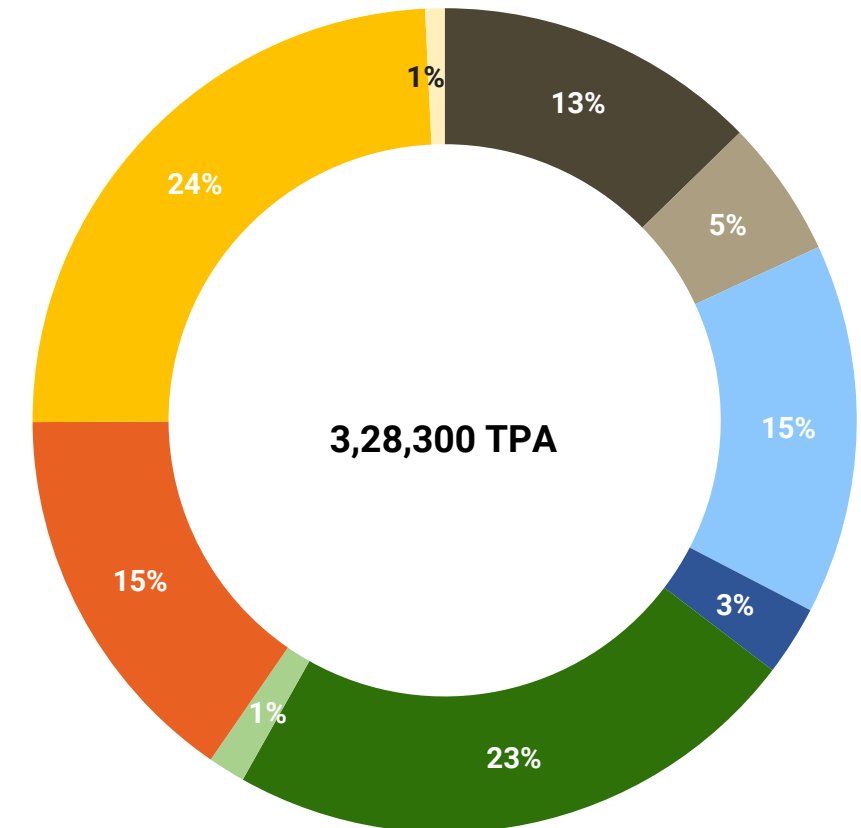
ISO 9001 2015



## PRODUCTION CAPACITIES - FY 2018-19

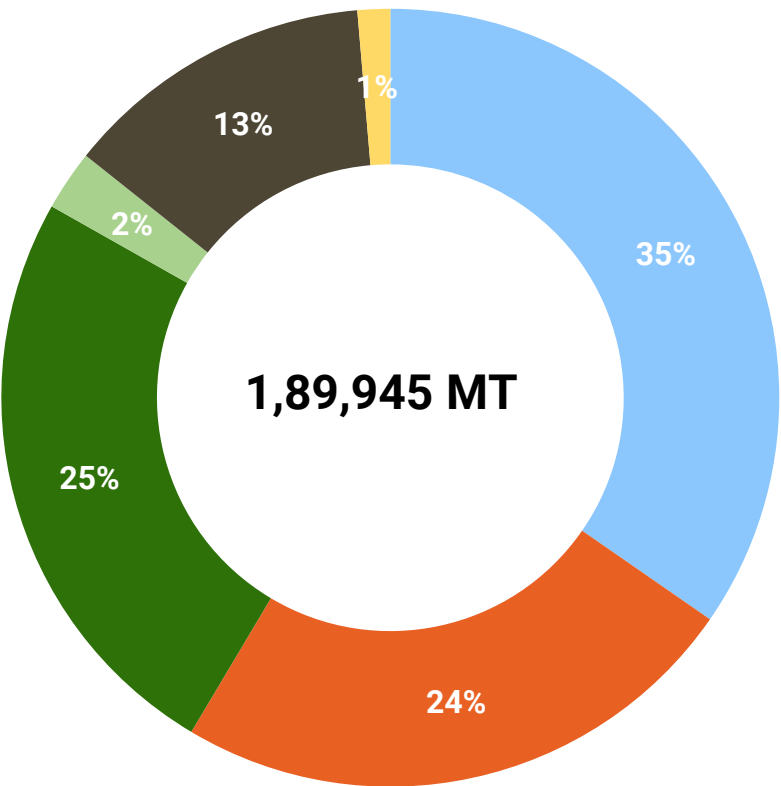
Products (MTPA)	Production	Captive	Net	%age
Polyester Chips - Semi Dull	64,600	22,900	41,700	12.7%
Polyester Chips - Bright	31,000	13,300	17,700	5.4%
Polyester POY - Semi Dull	123,700	76,000	47,700	14.5%
Polyester POY - Bright	9,000	-	9,000	2.7%
Polyester DTY - Semi Dull	75,900	1,100	74,800	22.8%
Polypropylene DTY- Semi Dull	4,800	-	4,800	1.5%
Polyester FDY - Semi Dull	50,300	-	50,300	15.3%
Polyester FDY - Bright	81,200	1,400	79,800	24.3%
Narrow Woven Fabrics	2,500	-	2,500	0.8%
<b>Grand Total</b>	<b>443,000</b>	<b>114,700</b>	<b>328,300</b>	<b>100.0%</b>

## Net Capacity (Post Expansion Net of Captive)

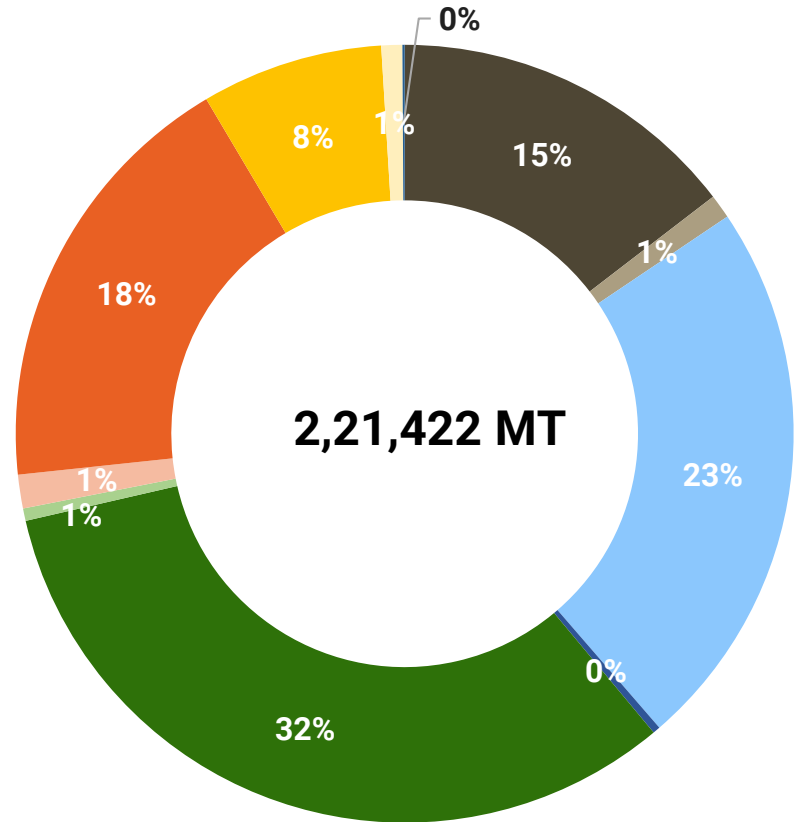


- Polyester Chips - Semi Dull
- Polyester Chips - Bright
- Polyester POY - Semi Dull
- Polyester POY - Bright
- Polyester DTY - Semi Dull
- Polypropylene DTY- Semi Dull
- Polyester FDY - Semi Dull
- Polyester FDY - Bright
- Narrow Woven Fabrics

FY17



FY18



- Polyester POY
- Drawn Textured Yarn
- Fully Drawn Yarn
- Polypropylene Yarn
- Polyester Chips
- Other

- Polyester Chips - Semi Dull
- Polyester Chips - Bright
- Polyester POY - Semi Dull
- Polyester POY - Bright
- Polyester DTY - Semi Dull
- Polypropylene POY - Semi Dull
- Polypropylene DTY
- Polyester FDY - Semi Dull
- Polyester FDY - Bright
- Narrow Woven Fabrics
- Monofilament Yarns



Key Strengths and Growth Drivers



**Integrated Operations**



**Economies of Scale**



**State of Art Technology**



**Stringent Quality Control**

**Diversified Product Mix**



**PAN India Client Base**



**Vast Global Foot Prints**





### Increasing Per Capita Income

- India's per capita income at current prices during 2017-18 is estimated to have attained a level of Rs. 1,12,835 as compared to the estimates for the year 2016-17 of Rs. 1,03,870 showing a rise of 8.6 percent.
- Increased disposable income simulated the demand for value-added products. The demand for premium apparel is likely to increase adding to the 'feel good' factor, catalyzing polyester demand.
- If India's GDP growth rate is 7%, the textile sector will grow at 10.5%. The employment and GDP growth would result in increasing per capita income. When per capita income crosses the threshold value of around 2.5-3 lacs, the growth in domestic demand would be explosive.



### Rapid Urbanization

- According to projections, an estimated 140 million Indians could move to cities by 2020 and 700 million by 2050.
- Besides, the number of cities with population above one million could nearly double with increase in the number of mega-cities (above five million) to 10 by 2021 and 36 by 2051.
- Urbanization is expected to result in a growing demand for daily wear, casual wear, sportswear & other lifestyle products which are durable in nature meeting aesthetic requirements as well.



### Government Policies

- The new indirect tax regime is expected to enhance compliance, uniform tax rates and structure with the removal of cascading taxes resulting in lower transaction costs.
- The polyester yarn industry is likely to benefit. Major yarn producers are likely to cater the fabric and garment sector after rationalization of GST.
- Now, Fabric and Garment sector is likely to see a good investment from organized sector.



### Rationalized Tax Structure

- To encourage domestic manufacturers of man-made fibres, there is an increase in import duty on many textile and apparel items from 10% to 20% or Rs.38 per sq. mt., whichever is higher, on all polyester items in the value chain.
- This will ultimately encourage the domestic synthetic yarn sector by restricting the imports and providing price parity in the domestic market.



### Increasing Exports

- Capacity built over years has led to low cost of production per unit in India's textile industry; this has lent a strong competitive advantage to the country's textile exporters relative to key global peers.
- The sector has also witnessed increasing outsourcing over the years as Indian players moved up the value chain from being mere converters to supply chain partners of global retail giants.
- Textile exports witnessed a growth (CAGR) of 6.89 per cent over the period of FY06 to FY17. In the coming decades, Africa and Latin America could very well turn out to be key markets for Indian textiles.



### Home Textile Industry

- India's home textile industry is expected to expand at a CAGR of 8.3 per cent during 2014–21 to US\$ 8.2 billion in 2021 from US\$ 4.7 billion in 2014.
- India accounts for 7 per cent of global home textiles trade. Superior quality makes companies in India a leader in the US and the UK, contributing two-third to their exports.
- The growth in the home textiles would be supported by growing household income, increasing population and growth of end use sectors like housing, hospitality, healthcare, etc.

## Results Summary

MEG STORAGE TANK  
VOLUME: 750M<sup>3</sup>

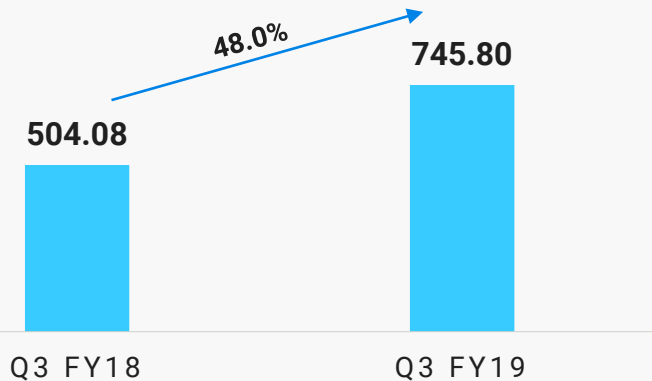
TANK NO-53W2  
MEG STORAGE TANK  
VOLUME 750M



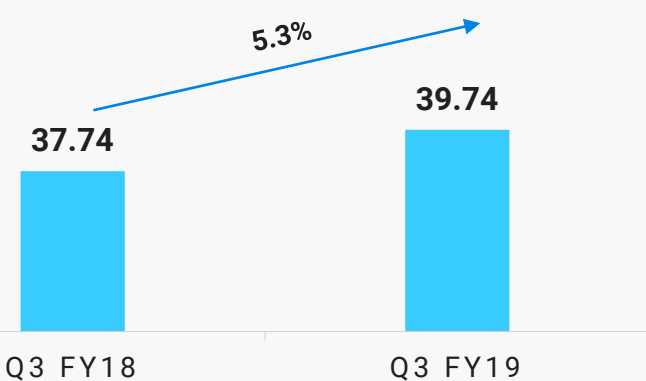
# Result Summary – Q3 FY19 vs Q3 FY18 (Y-o-Y Basis)

On standalone basis (₹ in Crore)

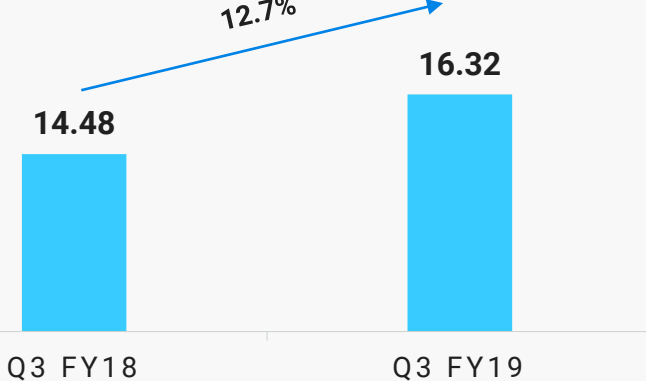
## REVENUE (Net of Excise Duty)



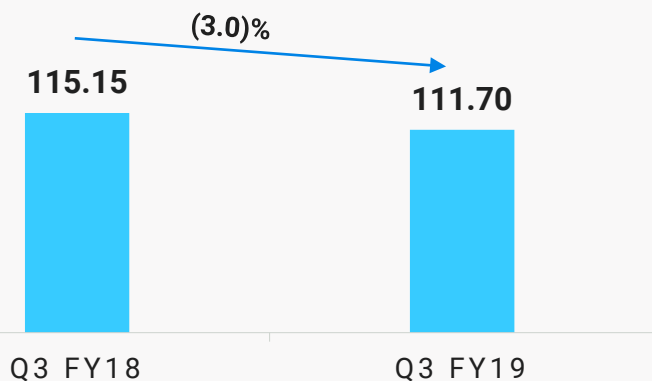
## EBIDTA



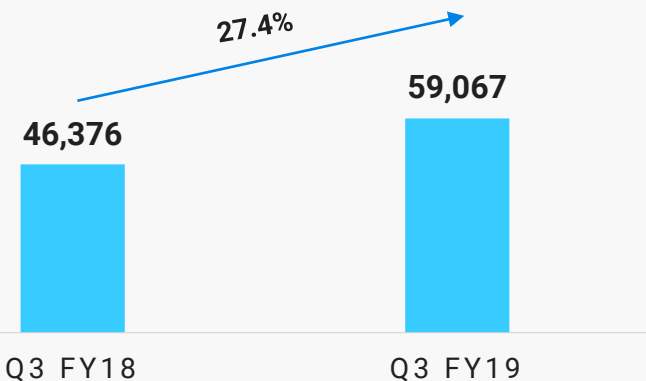
## PAT



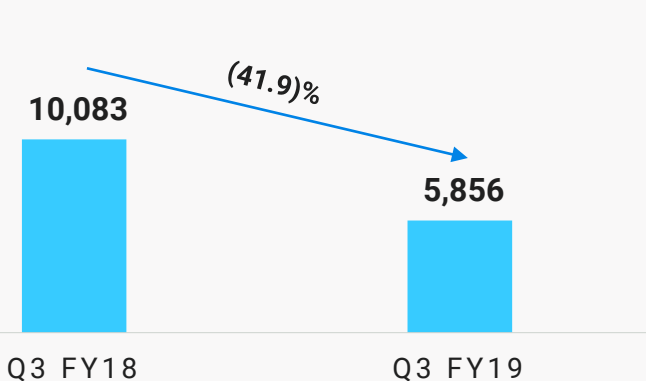
## EXPORTS



## YARN (MTPA)



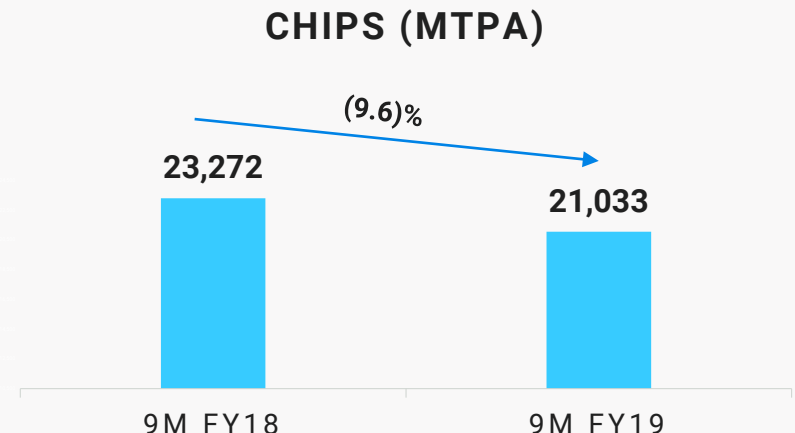
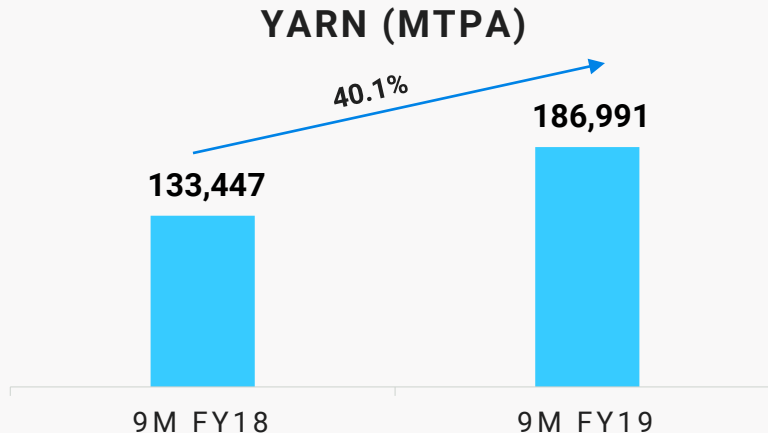
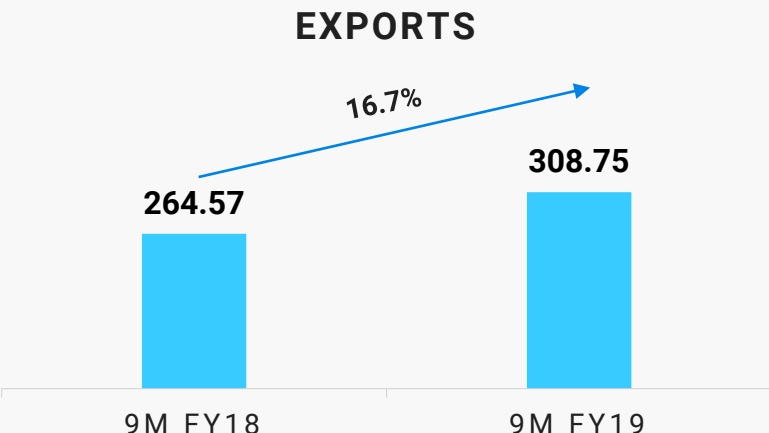
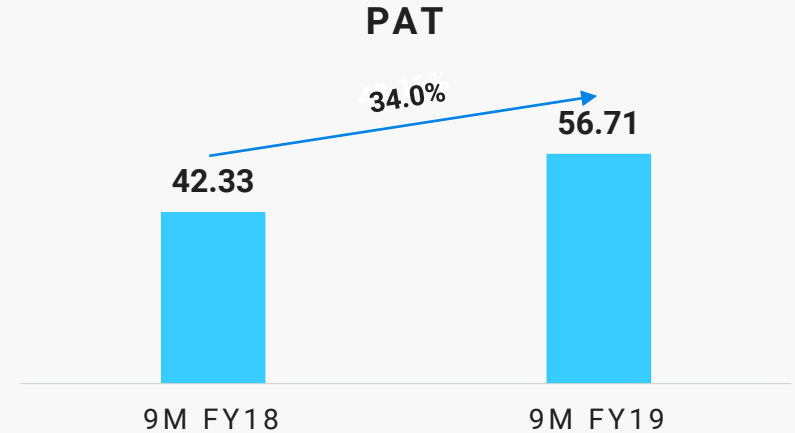
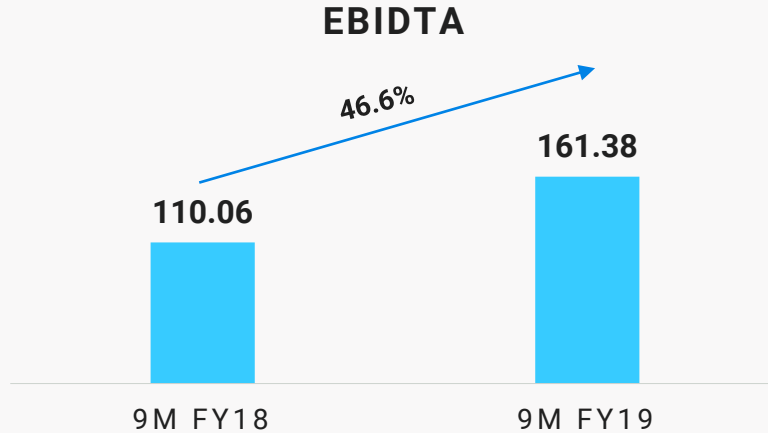
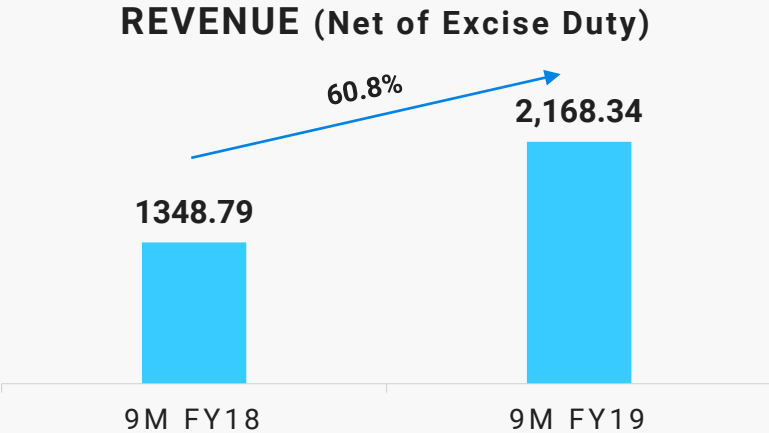
## CHIPS (MTPA)





# Result Summary – 9M FY19 vs 9M FY18 (Y-o-Y Basis)

On standalone basis (₹ in Crore)



# Profit & Loss – Q3 FY19 & 9M FY19 (Standalone)

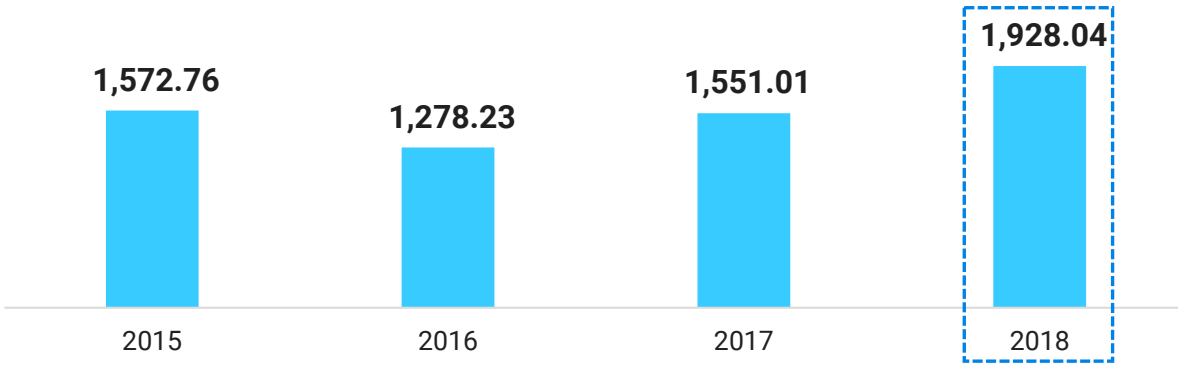
(₹ in Crore)

Particulars	Q3FY19	Q2FY19	Q3FY18	Q3 Chg (YoY)	9MFY19	9MFY18	9M Chg (YoY)
Net Revenue from operations (Net of Excise Duty)	745.8	718.33	504.08	47.95%	2168.34	1348.79	60.76%
Other income	3.15	2.02	4.03	-21.84%	6.59	9.1	-27.58%
<b>Total Revenue</b>	<b>748.95</b>	<b>720.35</b>	<b>508.11</b>	<b>47.40%</b>	<b>2174.93</b>	<b>1357.89</b>	<b>60.17%</b>
<b>Total Expenses</b>	<b>723.43</b>	<b>691.92</b>	<b>485.99</b>	<b>48.86%</b>	<b>2089.97</b>	<b>1293.18</b>	<b>61.61%</b>
Cost of materials consumed	578.05	635.2	395.44		1771.3	1044.14	
Purchases of stock-in-trade	7.08	6.3	16.35		14.62	24.28	
Changes in inventories	54.32	-67.8	-2.78		-1.64	11.17	
Employee benefits expense	16.05	15.71	12.19		47.24	36.36	
Other expenses	50.56	64.08	45.14		175.44	122.78	
Depreciation and amortization expense	11.44	11.28	7.42		33.78	22.49	
Finance costs	5.93	27.15	12.23		49.23	31.96	
<b>EBDITA</b>	<b>39.74</b>	<b>64.84</b>	<b>37.74</b>	<b>5.30%</b>	<b>161.38</b>	<b>110.06</b>	<b>46.63%</b>
EBITDA Margin(%)	5.33%	9.03%	7.49%		7.44%	8.16%	
<b>EBIT</b>	<b>31.45</b>	<b>55.58</b>	<b>34.35</b>	<b>-8.44%</b>	<b>134.19</b>	<b>96.67</b>	<b>38.81%</b>
EBIT Margin(%)	4.20%	7.72%	6.76%		6.17%	7.12%	
Profit before exceptional items & tax	25.52	28.43	22.12	15.37%	84.96	64.71	31.29%
Exceptional Items [Profit/(Loss)]	0	-2.34	0		-2.34	0	
<b>Profit before tax</b>	<b>25.52</b>	<b>30.77</b>	<b>22.12</b>	<b>15.37%</b>	<b>87.3</b>	<b>64.71</b>	<b>34.91%</b>
PBT Margin(%)	3.41%	4.27%	4.35%		4.01%	4.77%	
Tax expense	9.2	10.52	7.64	20.42%	30.59	22.38	36.68%
<b>Profit for the year</b>	<b>16.32</b>	<b>20.25</b>	<b>14.48</b>	<b>12.71%</b>	<b>56.71</b>	<b>42.33</b>	<b>33.97%</b>
PAT Margin(%)	2.18%	2.81%	2.85%		2.61%	3.12%	



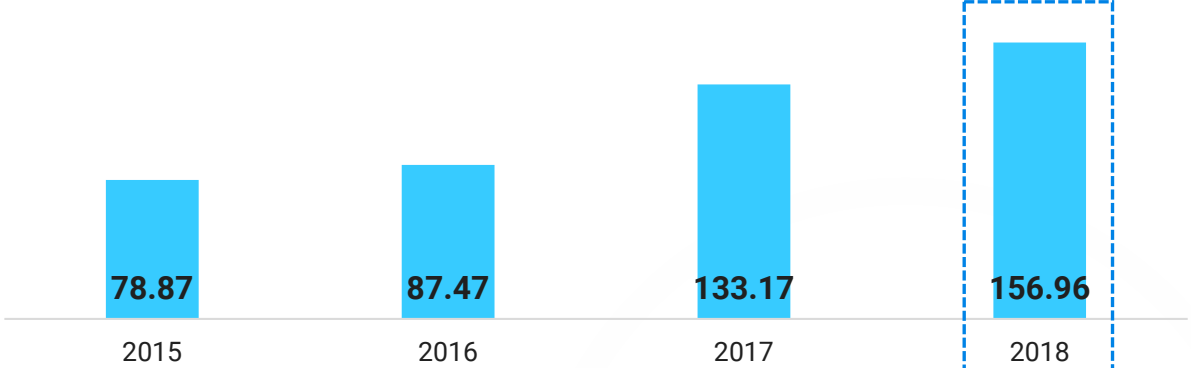
Financial Overview

Revenue (Net of excise duty)



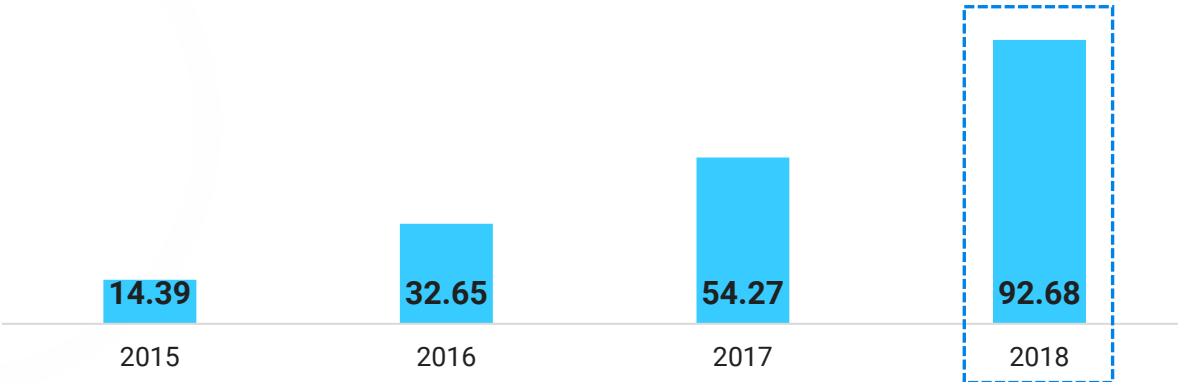
CAGR = 7.02%

EBIDTA (₹ in Crore)



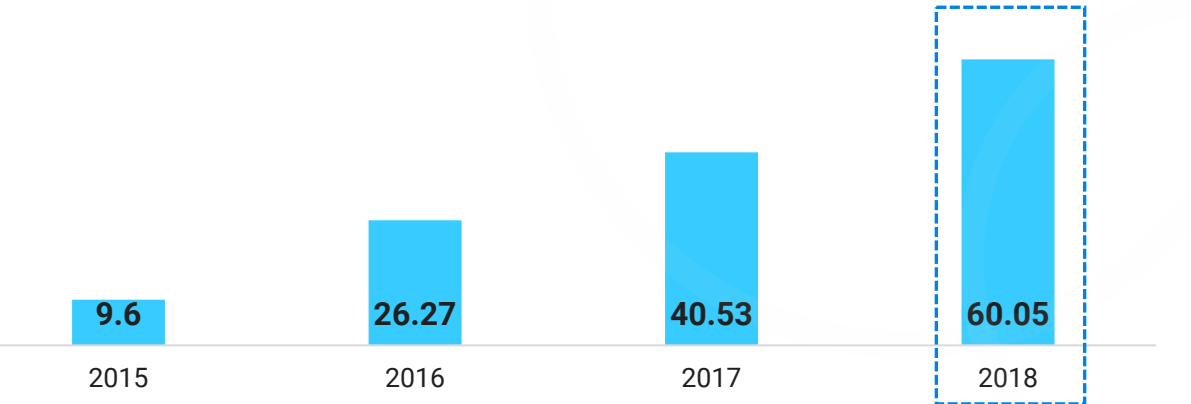
CAGR = 25.79%

PBT (₹ in Crore)



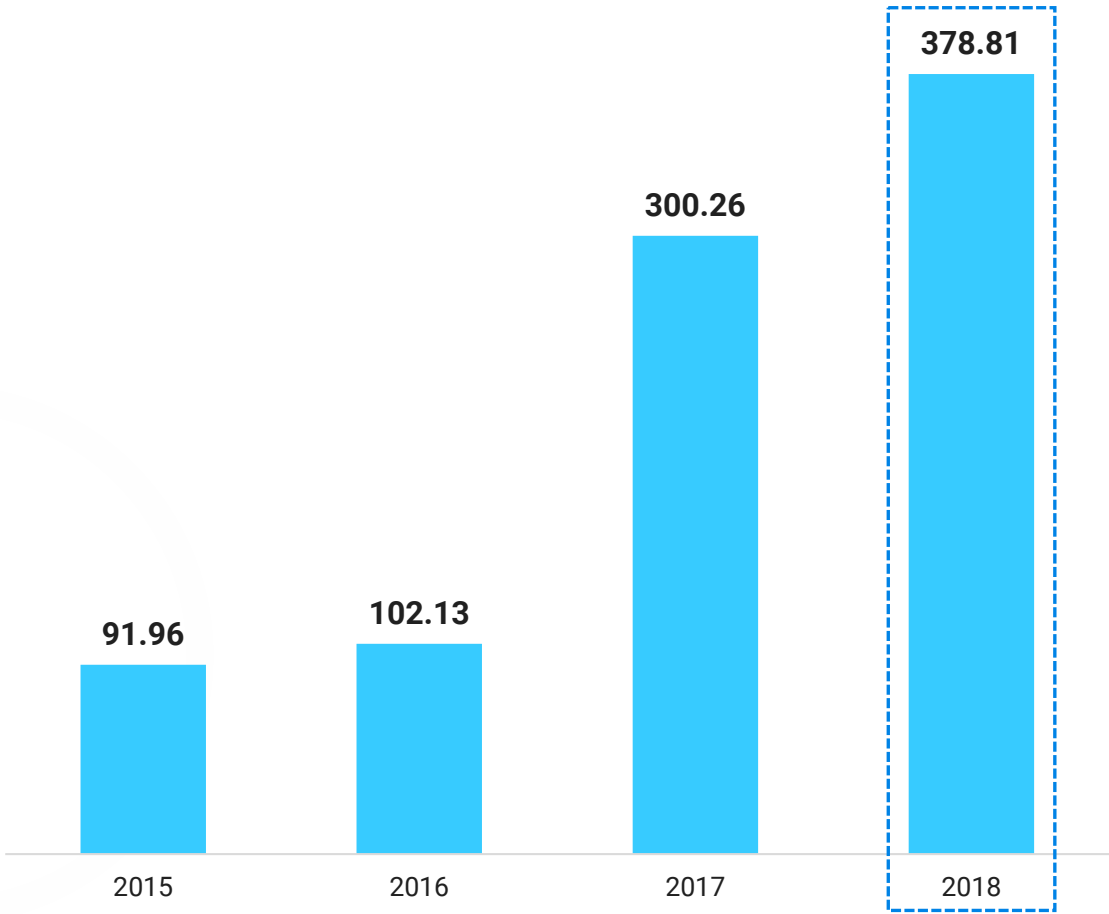
CAGR = 86.08%

PAT (₹ in Crore)

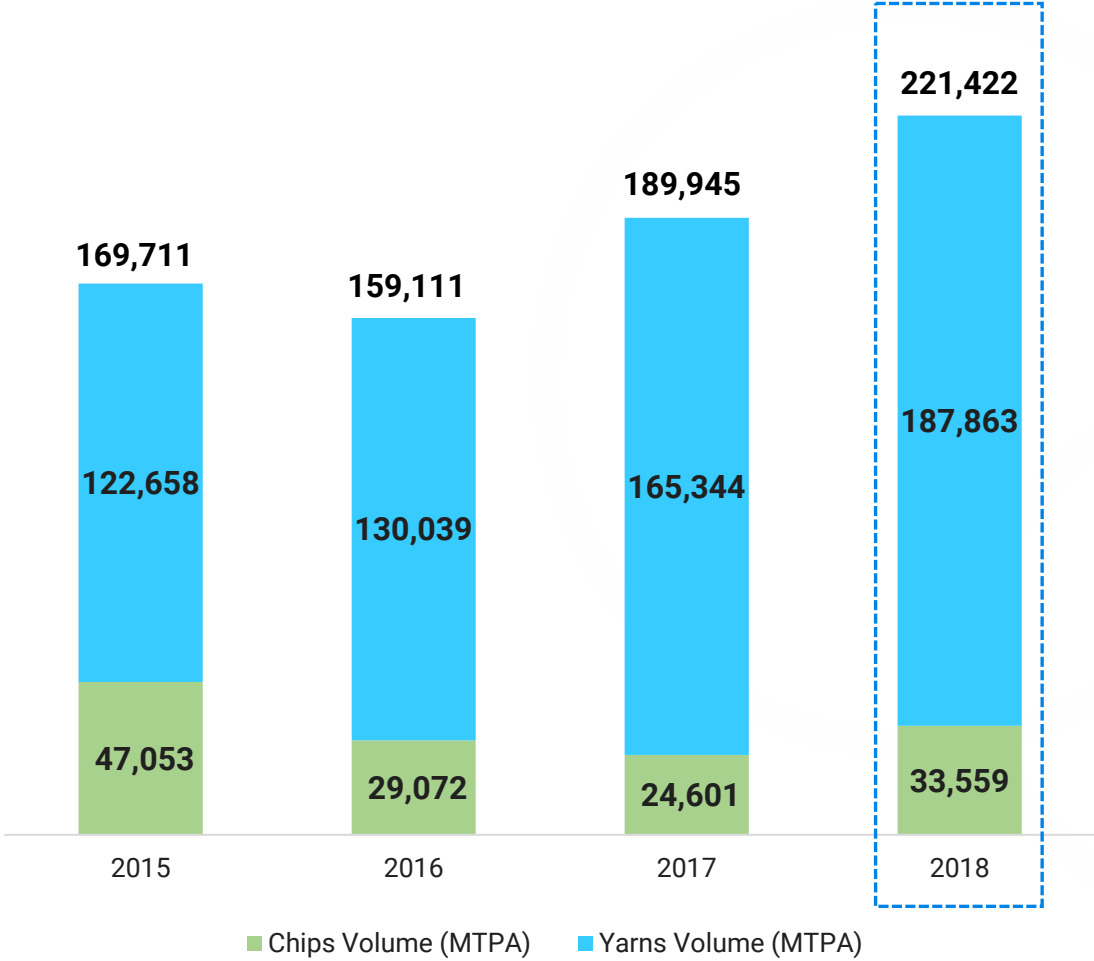


CAGR = 84%

Exports (₹ in Crore)








Chips and Yarn Volume (MTPA)



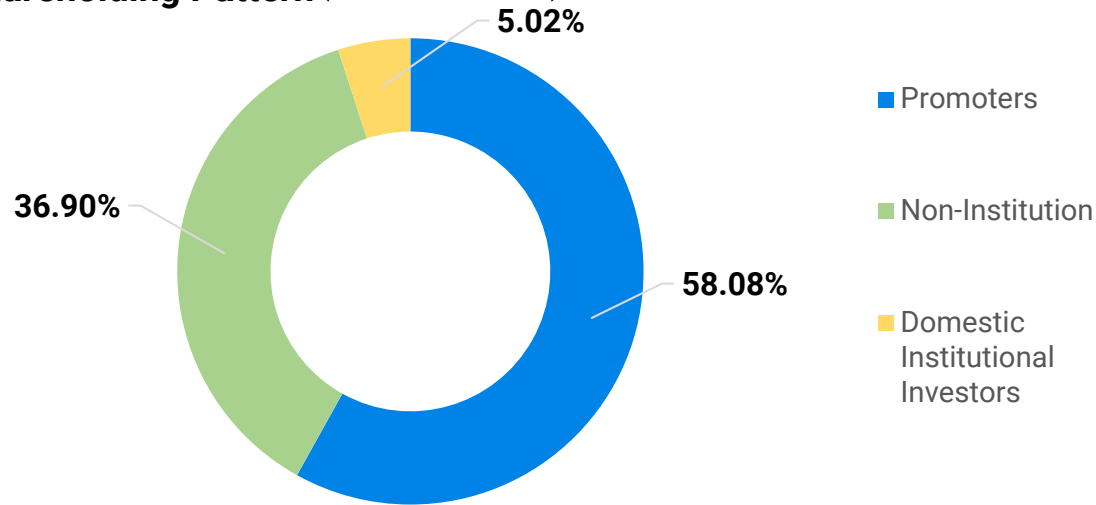
On consolidated basis (₹ in Crore)

Particulars	2015	2016	2017	2018
Revenue from operations (gross)	1,730.59	1,418.80	1,709.68	1,974.90
Less : Excise duty	157.83	140.57	158.67	46.86
Revenue from operations (net)	<b>1,572.76</b>	<b>1,278.23</b>	<b>1,551.01</b>	<b>1,928.04</b>
Other Income	9.70	10.67	12.15	10.64
<b>Total Revenue</b>	<b>1,582.46</b>	<b>1,288.90</b>	<b>1,563.16</b>	<b>1,938.68</b>
<b>Expenses</b>				
Cost of material consumed	1,093.56	966.71	1,232.67	1,529.85
Purchases of traded goods	263.87	83.82	38.04	34.80
(Increase)/decrease in Inventories of finished goods work in progress & stock in trade	-7.43	1.22	-45.41	-13.51
Employee benefits expense	35.39	40.01	46.97	48.75
Finance cost	53.60	51.19	58.64	44.10
Depreciation & amortization expense	20.57	21.27	28.97	30.82
Other Expenses	108.50	99.06	145.57	171.19
<b>Total Expenses</b>	<b>1,568.06</b>	<b>1,263.27</b>	<b>1,505.45</b>	<b>1,846.00</b>
<b>Profit/(loss) before exceptional items &amp; tax</b>	-	<b>14.39</b>	<b>25.63</b>	<b>57.71</b>
Exceptional Items [Profit/(Loss)]	-	6.97	-3.44	-
<b>Profit/(loss) before tax</b>	<b>14.39</b>	<b>32.60</b>	<b>54.27</b>	<b>92.68</b>
<b>Tax Expense:</b>				
Current tax (MAT)	3.01	6.96	11.78	19.68
MAT credit entitlement	-3.01	-6.96	-	-
Taxation for earlier years	0.02	-	-	-
Deferred tax	4.78	6.38	1.96	13.26
<b>Total tax expense</b>	<b>4.80</b>	<b>6.38</b>	<b>13.74</b>	<b>32.94</b>
<b>Net profit/(loss) after tax</b>	<b>9.60</b>	<b>26.22</b>	<b>40.53</b>	<b>59.74</b>
<b>Other Comprehensive Income/(Loss)</b>				
Items not to be reclassified to profit or loss	-	-	0.01	0.48
Income tax relating to items not to be reclassified to profit or loss	-	-	-0.01	-0.17
<b>Comprehensive Profit/(Loss) for the Period</b>	<b>9.60</b>	<b>26.22</b>	<b>40.53</b>	<b>60.05</b>
<b>Earnings Per Share (EPS) in Rupees</b>				
-Basic	3.12	8.19	10.20	13.73
-Diluted	3.12	8.06	9.29	13.52

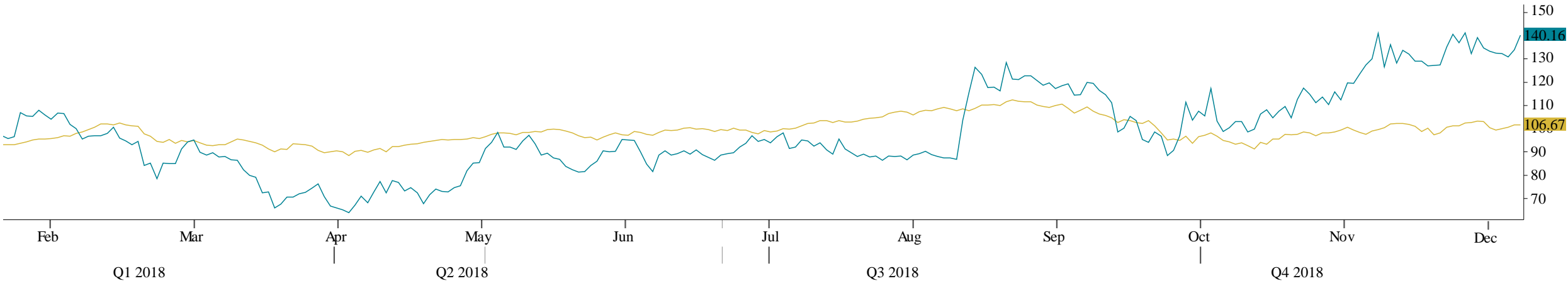
## Stock Data (As on 31<sup>th</sup> Dec. 2018) - BSE

 Stock Price	<b>62.35</b>
 Market Capitalization (₹)	<b>1356 Cr.</b>
 Shares Outstanding	<b>21.75 Cr.</b>
 Free Float	<b>27.73%.</b>
 Symbol (NSE/ BSE)	<b>FILATEX / 526227</b>

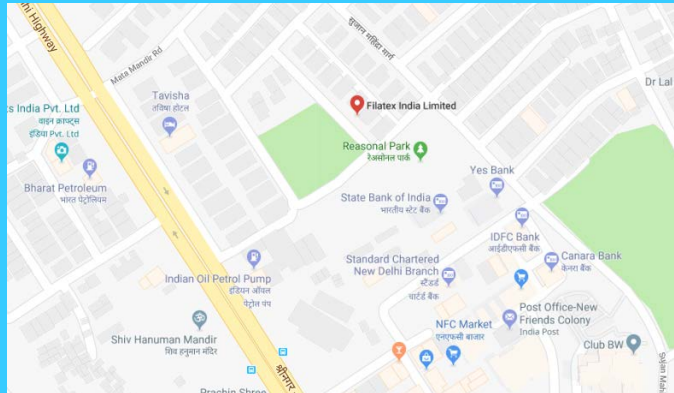
## Shareholding Pattern (As on 31<sup>th</sup> Dec. 2018)



Base = 100 (As on 31<sup>th</sup> Dec. 2018)



Source: BSE, Thomson Reuters



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**Thank You**

### **Investor Relations Advisors:**

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