



# FILATEX INDIA LIMITED

CIN No.L17119DN1990PLC000091

FIL/SE/2019-20/14  
27<sup>th</sup> June, 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 - June 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 updated Investor Presentation - June 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

  
COMPANY SECRETARY

Encl.: a/a

#### CORPORATE OFFICE

Bhageria House  
43 Community Centre  
New Friends Colony  
New Delhi - 110025, India  
P +91.11.26312503,26848633/44  
F +91.11.26849915  
E [fildelhi@filatex.com](mailto:fildelhi@filatex.com)

#### REGD. OFFICE & WORKS

S. No. 274 Demni Road  
Dadra - 396193  
U.T. of-Dadra & Nagar Haveli  
India  
P +91.260.2668343/8510  
F +91.260.2668344  
E [fildadra@filatex.com](mailto:fildadra@filatex.com)

#### SURAT OFFICE

Bhageria House  
Ring Road  
Surat - 395002  
India  
P +91.261.4030000  
F +91.261.2310796  
E [fil surat@filatex.com](mailto:fil surat@filatex.com)

#### MUMBAI OFFICE

321, Maker Chamber - V  
Nariman Point  
Mumbai - 400021  
India  
P +91.22.22026005/06  
F +91.22.22026006  
E [filmumbai@filatex.com](mailto:filmumbai@filatex.com)

Website: [www.filatex.com](http://www.filatex.com)



Filatex India Limited

# INVESTOR PRESENTATION

June 2019

BSE: 526227 | NSE: FILATEX | ISIN: INE816B01027 | CIN: L17119DN1990PLC000091 | [WWW.FILATEX.COM](http://WWW.FILATEX.COM)

©2019 - Filatex India Limited, All Rights Reserved



This presentation and the accompanying slides (the “Presentation”), which have been prepared by Filatex India 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 what so ever. 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.

Certain matters discussed in this Presentation may contain statements regarding the Company’s market opportunity and business prospects that are individually and collectively forward-looking statements. Such forward-looking statements are not guarantees of future performance and are subject to known and unknown risks, uncertainties and assumptions that are difficult to predict. These risks and uncertainties include, but are not limited to, the performance of the Indian economy and of the economies of various international markets, the performance of the industry in India and world-wide, competition, the company’s ability to successfully implement its strategy, the Company’s future levels of growth and expansion, technological implementation, changes and advancements, changes in revenue, income or cash flows, the Company’s market preferences and its exposure to market risks, as well as other risks. The Company’s actual results, levels of activity, performance or achievements could differ materially and adversely from results expressed in or implied by this Presentation. The Company assumes no obligation to update any forward-looking information contained in this Presentation. Any forward-looking statements and projections made by third parties included in this Presentation are not adopted by the Company and the Company is not responsible for such third party statements and projections.



# Company Overview



**FILATEX INDIA LIMITED**  
IS ONE OF INDIA'S TOP 5  
MANUFACTURERS OF POLYESTER  
FILAMENT YARNS



**2**  
Manufacturing  
Units

**42**  
Countries  
global exports

**~2200**  
Employees

**328,300**<sup>TPA</sup>  
Production Capacity  
(FY 2018-19)

**383,000**<sup>TPA</sup>  
Production Capacity  
(FY 2019-20)

## PRODUCTS



PET  
Chips



Polyester  
Textured Yarns



Polypropylene  
Yarns



Partially  
Oriented Yarns



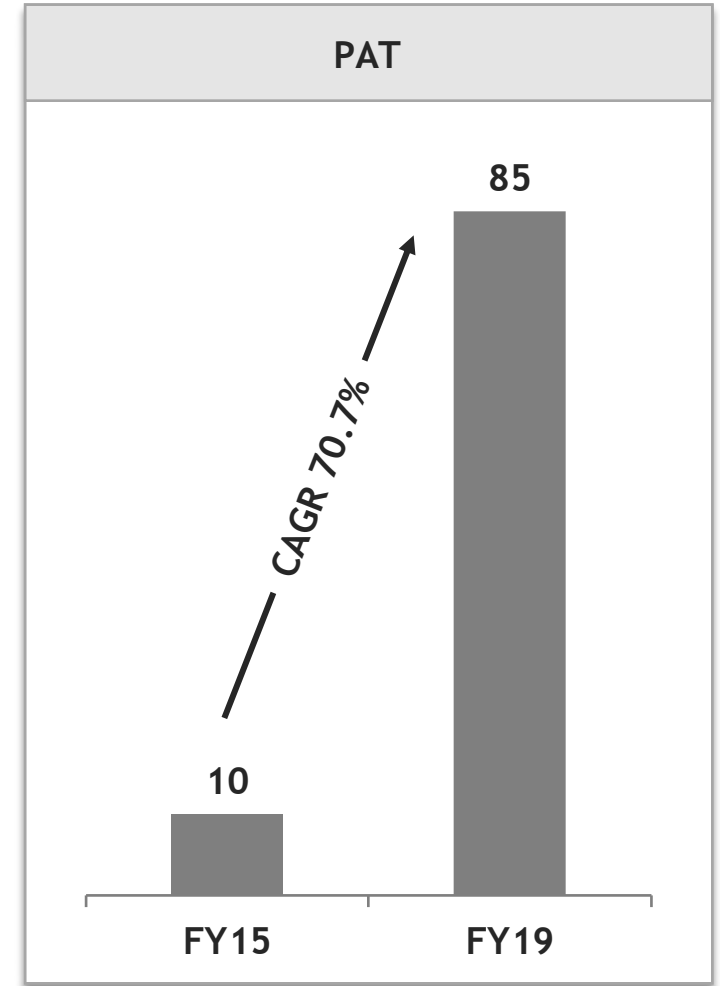
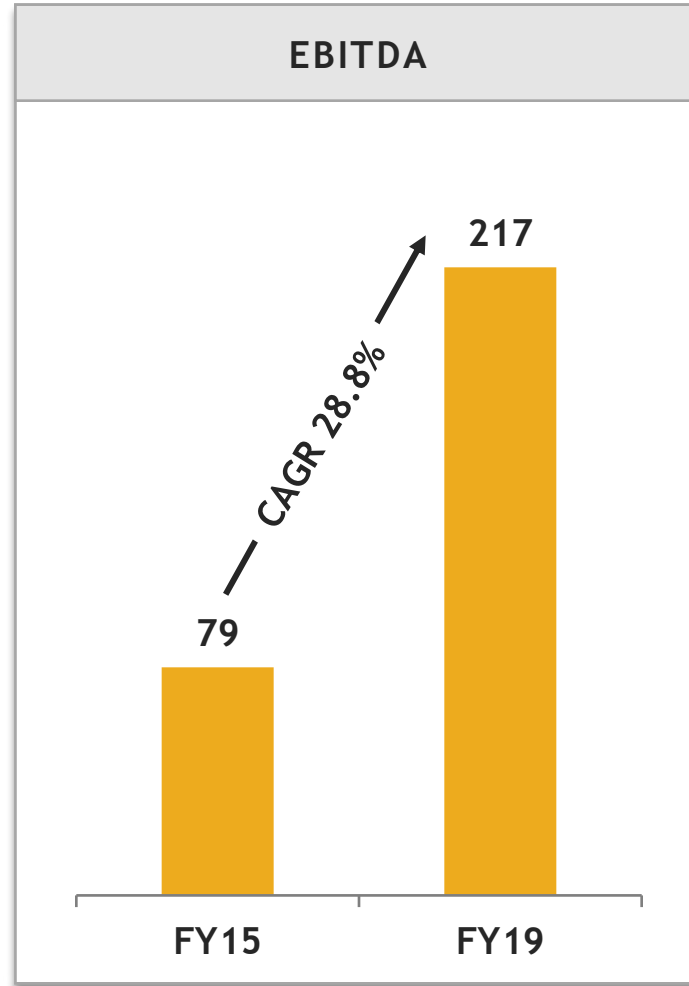
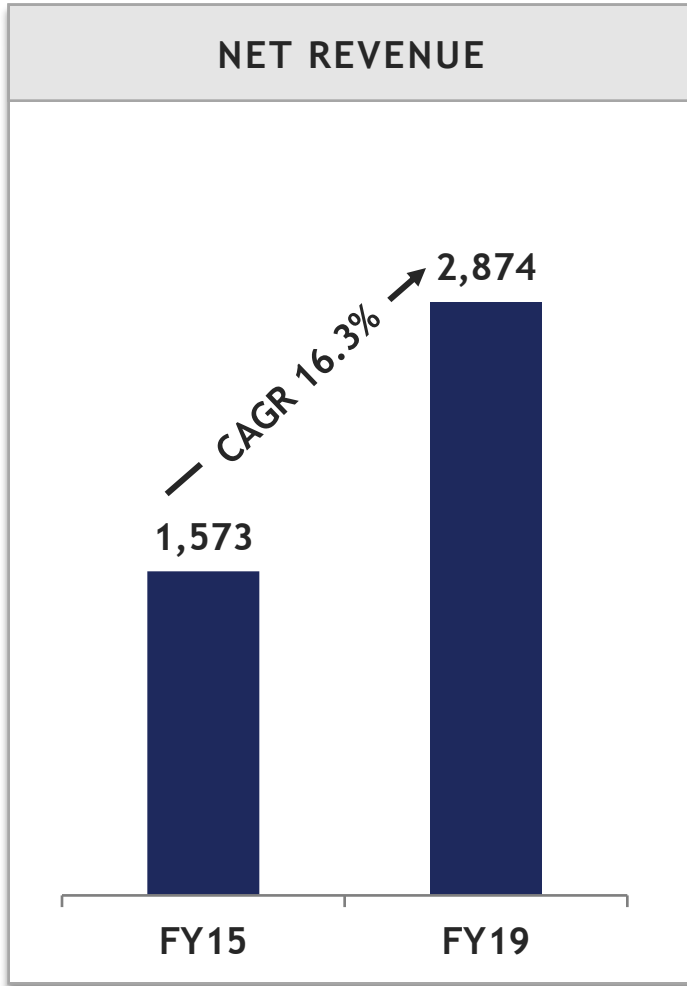
Fully Drawn  
Yarns



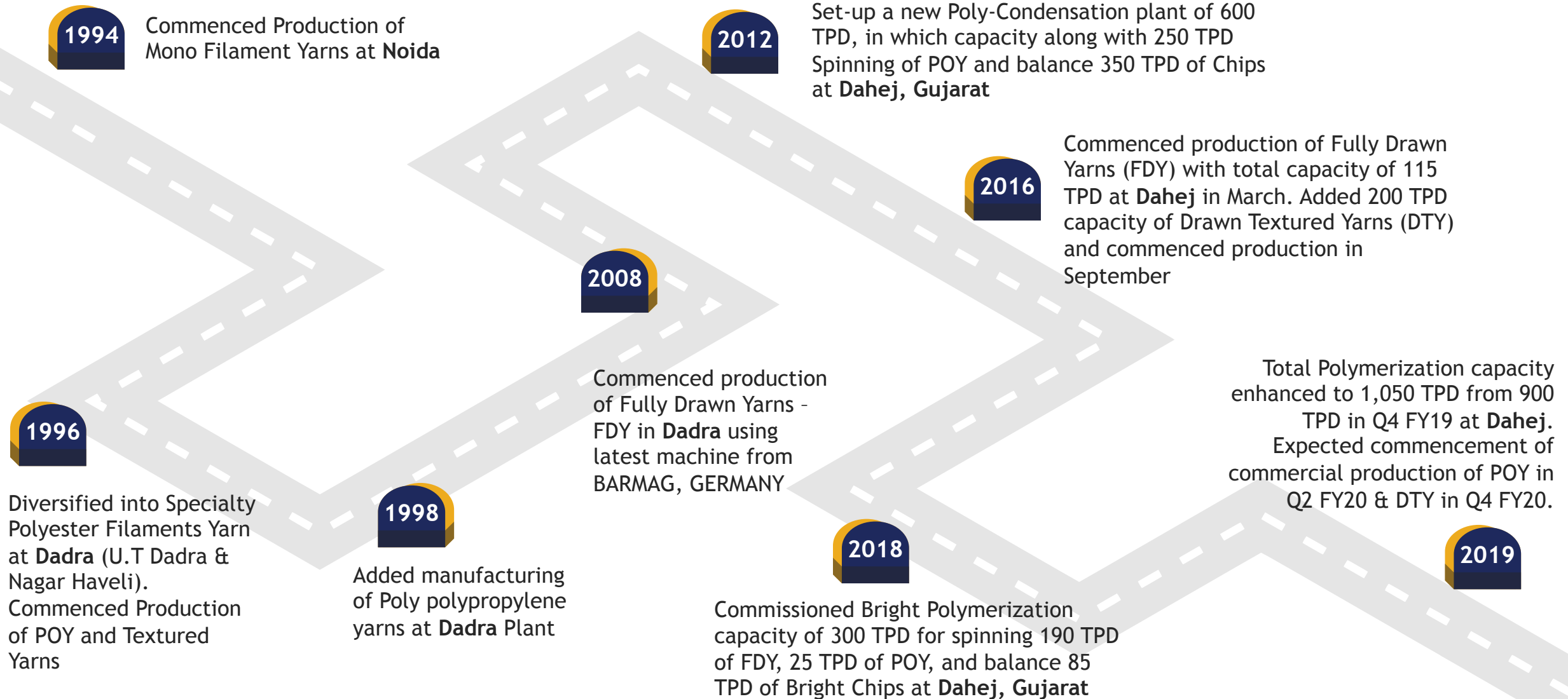
Narrow  
Woven Fabrics

# Our Performance

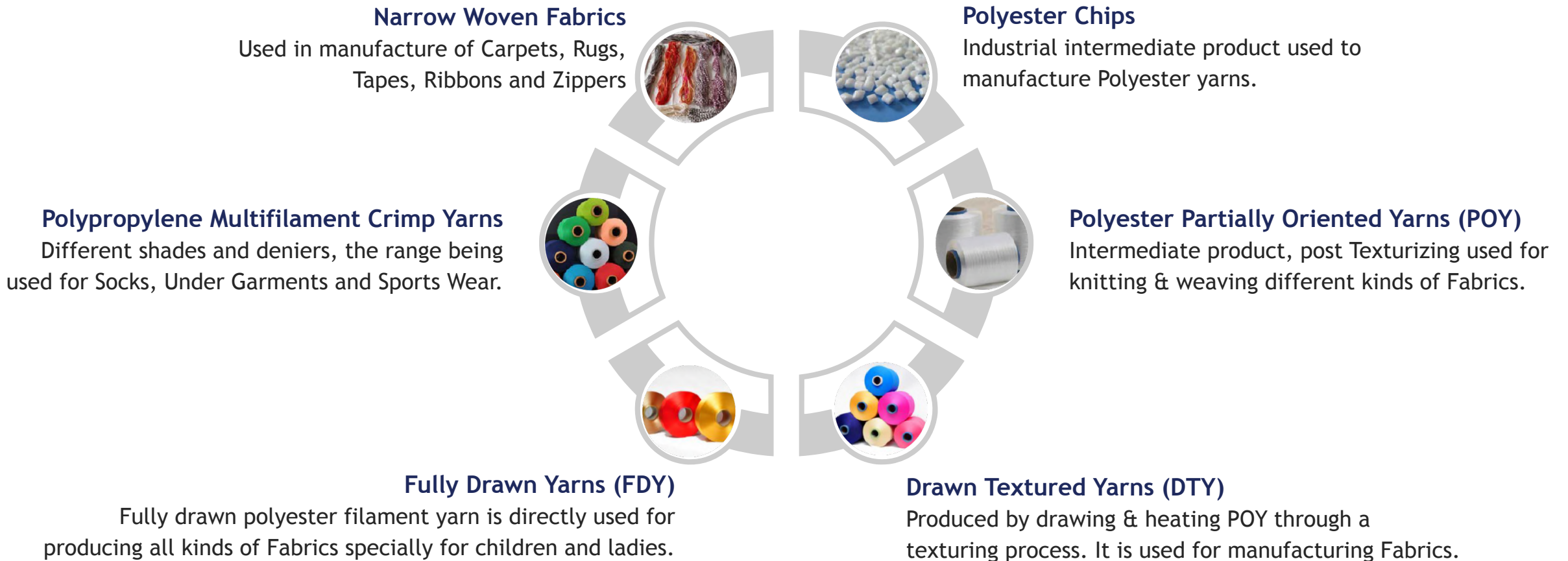
(₹ in Crore)



# Timeline



# Diversified Product Portfolio



# Catering To Diverse End Users



## Home Textiles & Furnishings



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

## Athleisure



The preferred material for sportswear is Polyester Yarn. Sports leisure clothing 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.

## 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

## Women Wear & Inner Wear



In these garments, feeling of 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.



# Polyester - The Preferred Fibre



WE BELIEVE THAT POLYESTER WILL BE FIBRE OF THE FUTURE.  
FILATEX HAS FOCUSED ITS FUTURE GROWTH PLANS ON POLYESTER FILAMENT YARNS.



# Our Process



Purified Terephthalic Acid (PTA)



Mono Ethylene Glycol (MEG)



Polyester Chips



Partially Oriented Yarn (POY)



Fully Drawn Yarn (FDY)



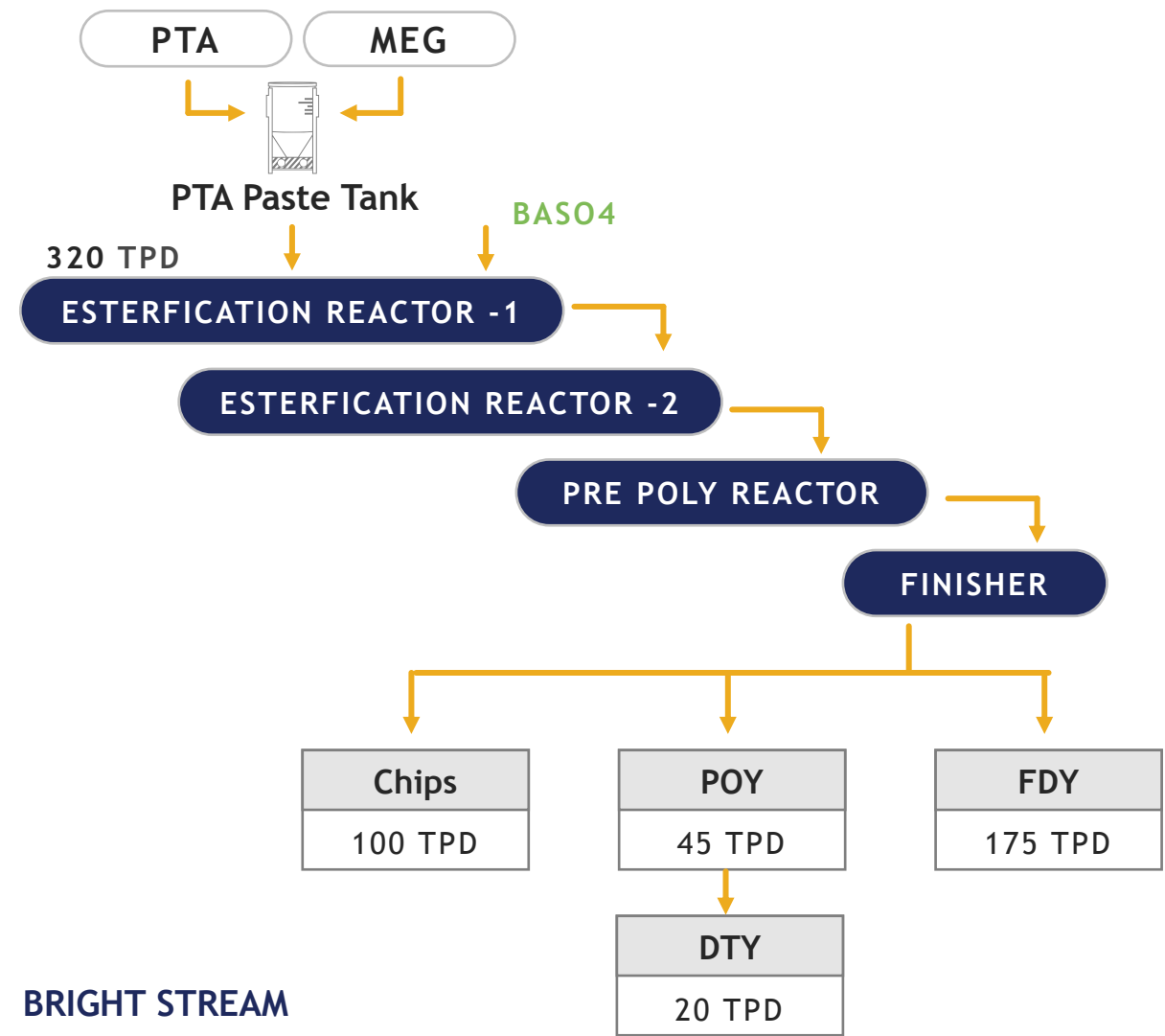
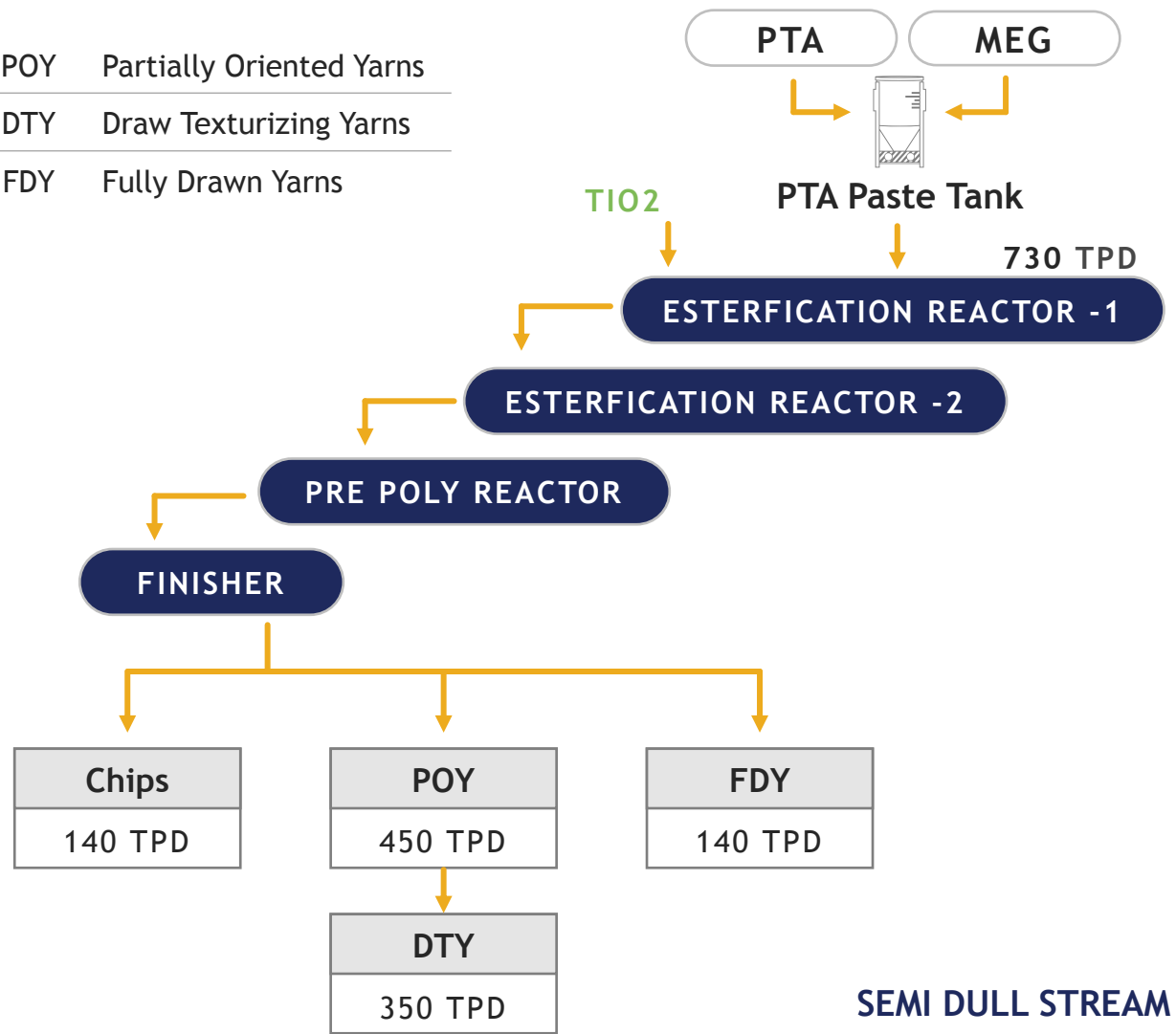
Drawn Textured Yarn (DTY)

# Production Process Flowchart



## RAW MATERIALS TO FINISHED PRODUCTS AT DAHEJ PLANT

POY Partially Oriented Yarns  
 DTY Draw Texturizing Yarns  
 FDY Fully Drawn Yarns





## Favourable Demographics

- Increasing disposable income and rapid urbanization is likely to result in growing demand for daily wear, casual wear, sportswear & other lifestyle products which are durable as well as meet aesthetic requirements.

## Exports Opportunity

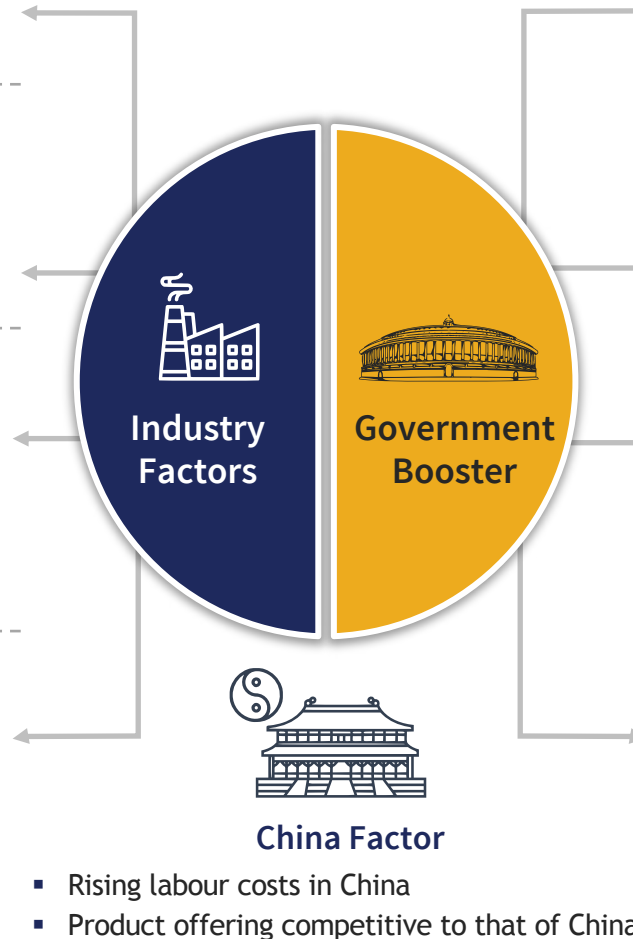
- Gradual recovery in economy and depreciation of Indian currency to aid exports
- New textile policy aims to achieve US\$ 300 billion worth of textile exports by 2024-25

## Abundant Raw Material & Skilled Manpower

- Availability of key raw materials PTA and MEG within the country has improved the prospects, eliminating the uncertainties of shipments and volatility of prices as well as exchange fluctuations.
- Availability of low cost manpower has led to India emerging as a preferred manufacturing hub

## Expanding Home Textile Industry

- India's home textile industry is expected to expand at a CAGR of 8.3 per cent during 2014-21 from US\$ 4.7 billion in 2014 to US\$ 8.2 billion in 2021.
- 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.



## Hike in Import Duty

- Import tax on more than 300 textile products doubled to 20% that will help improvement in utilization of the existing manufacturing capacity
- This will act as a demand stimulant and encourage the domestic synthetic yarn sector by restricting the imports and providing price parity in the domestic market

## PowerTex India

- Yarn Bank, Tex-Venture Fund and Common Facility Centre to help in the overall development of the powerloom sector.

## Scheme for Integrated Textile Parks

- 40% capital subsidy to a maximum of INR 40 crore on total project cost on projects approved by government aimed at creating world-class infrastructure for the industry

## ATUFS

- The government would provide credit linked Capital investment subsidy (CIS) under Amended technology Upgradation Fund Scheme (ATUFS)
- The scheme would facilitate augmenting of investment, productivity, quality, employment, exports along with import substitution in the industry

# Geographical Presence



**Corporate Office**  
New Delhi

**Manufacturing Facilities**  
Dadra & Nagar Havelli (UT)  
Dahej (Gujarat)

**Marketing Office**  
New Delhi  
Surat  
Mumbai

**42**

Countries to which products are exported

**50% +**

Drawn Texturizing Yarn (DTY) Production is exported

**~ 15%**

Exports contribution to Revenues in FY19

**383,000**

Total Production Capacity (MTPA) FY 19-20

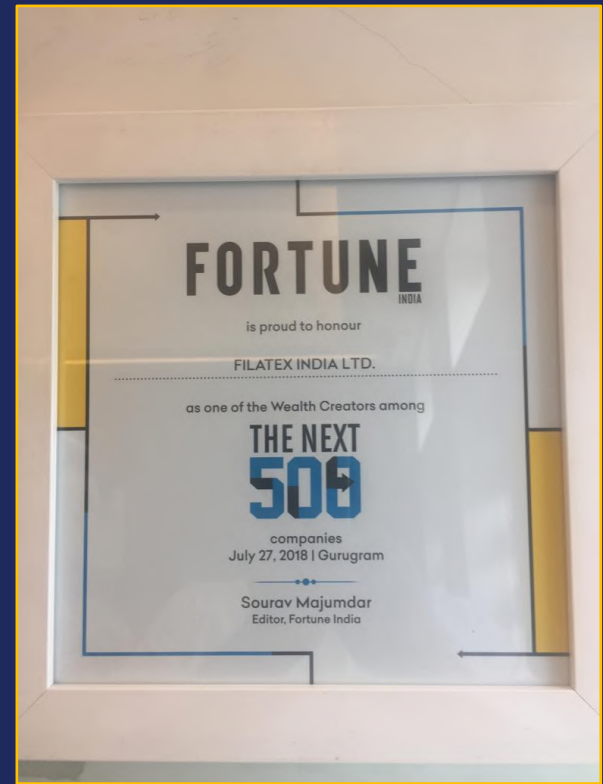


# Certifications





Supply Chain Award



Fortune Next 500



Best Company Award - Manufacturing

# Board of Directors



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



**Mr. Purrshottam Bhaggeria**  
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 Bakhru**  
Independent Director



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

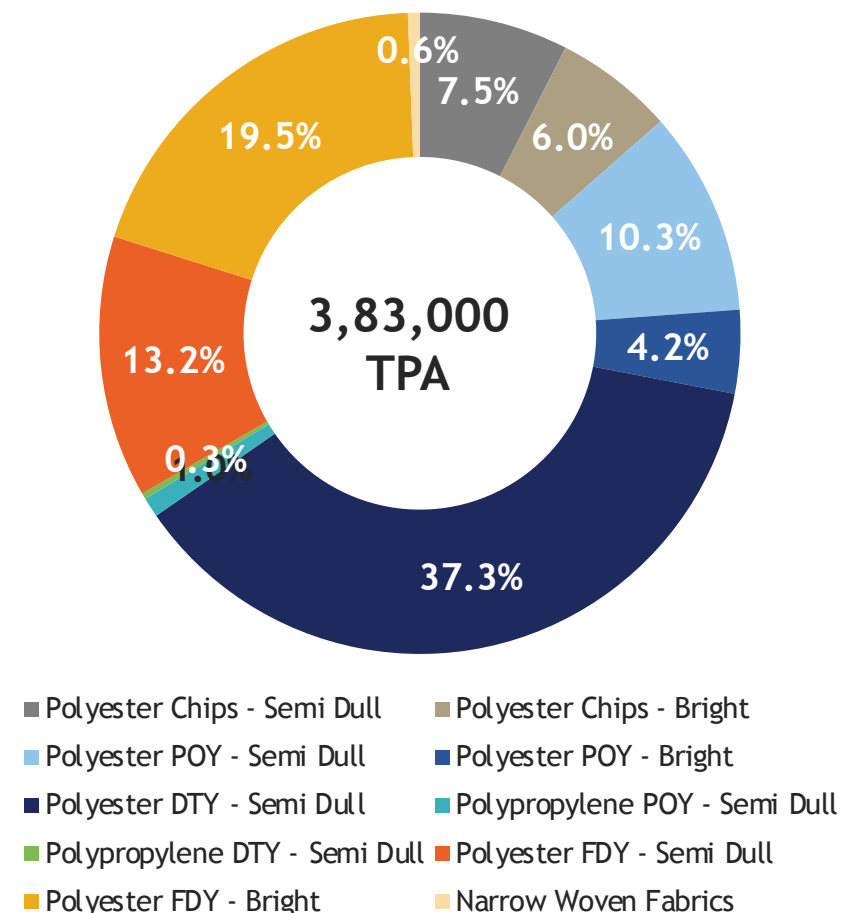
# Production Capacities



## PRODUCTION CAPACITIES - FY 2019-20

Products (MTPA)	Production	Captive	Net	%age
Polyester Chips - Semi Dull	50,400	21,600	28,800	7.5%
Polyester Chips - Bright	36,000	13,000	23,000	6.0%
Polyester POY - Semi Dull	1,83,600	1,44,000	39,600	10.3%
Polyester POY - Bright	16,200	0	16,200	4.2%
Polyester DTY - Semi Dull	1,44,000	1200	1,42,800	37.3%
Polypropylene DTY - Semi Dull	4,000	0	4,000	1.0%
Polypropylene POY - Semi Dull	5,000	4,000	1,000	0.3%
Polyester FDY - Semi Dull	50,400	0	50,400	13.2%
Polyester FDY - Bright	76,000	1,200	74,800	19.5%
Narrow Woven Fabrics	2,400	0	2,400	0.6%
<b>Grand Total</b>	<b>5,68,000</b>	<b>1,85,000</b>	<b>3,83,000</b>	<b>100%</b>

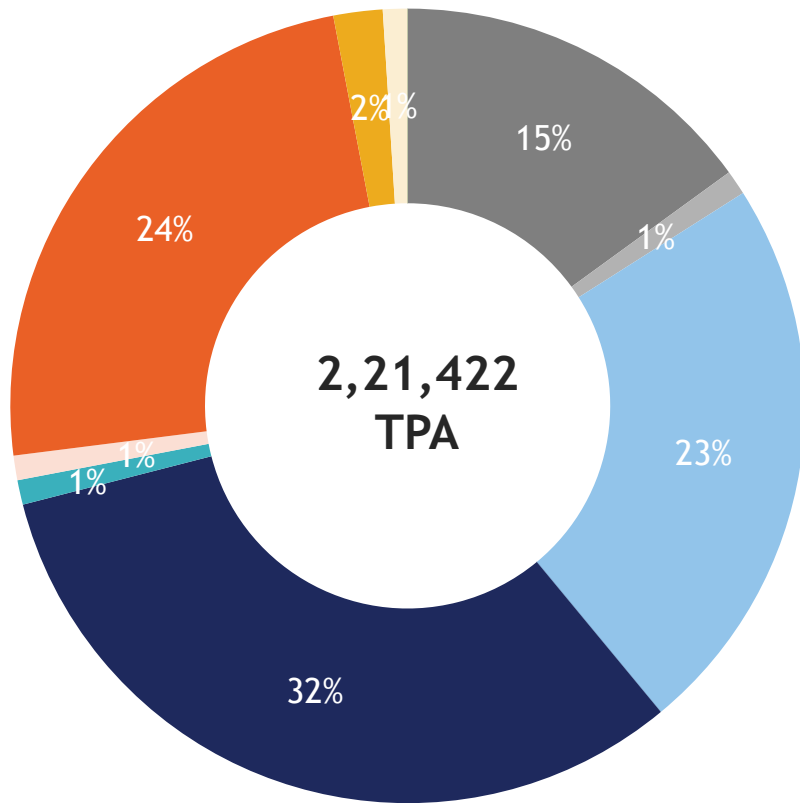
## Net Capacity (Post Expansion Net of Captive)



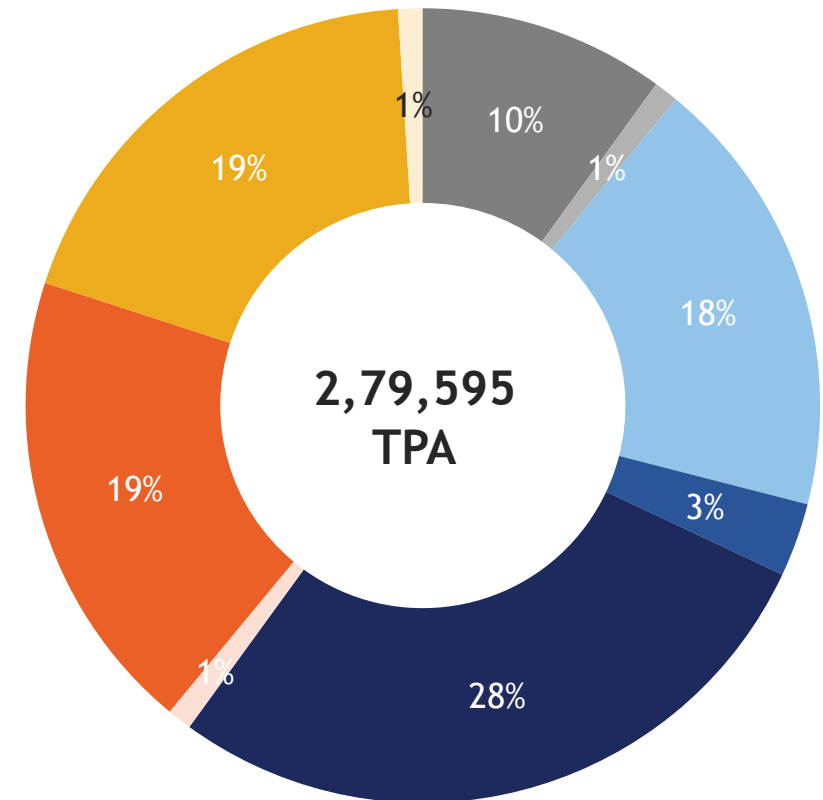
# Production Split by Volume



FY18



FY19



- 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



# Investment Rationale



## POLYESTER: FIBRE OF THE FUTURE

- Preferred due to its cost advantage (closest alternative cotton is twice as expensive) and excellent blending properties, Polyester has gained prominence over time.
- Owing to technological advancement, newer varieties of Polyester are available which can be substitutes for cotton and even silk amongst other fabrics.
- With numerous applications, we foresee Polyester to be the fibre of the future given the limitations in the production of cotton and other natural fibres.



## CHINA FACTOR

- Earlier China used to control over 70% of the total Manmade yarn production of the world with India a distant second at 12%. But a slowdown in China on account of sharply rising labour costs and paucity of labour will provide opportunity to Indian manufacturers in coming years.
- Cost of labour in China has increased to 4 times the cost of labour in India



## COMPETITIVE LANDSCAPE IN INDIA

- The Textile sector in India had gone through very turbulent times in the last 2 decades because of the overhang of Chinese players. During this period, many companies in the textile space perished owing to corporate governance issues and lack of prudence in managing the finances of the Company.
- On the other hand companies like Filatex have excelled despite the challenges sheerly because of the foresight of the management.



## STRONG BALANCE SHEET

- The management has been managing the finances of the Company prudently by not over leveraging unlike that in the industry, going for measured expansion and undertaking effective cost control measures to avoid unnecessary increase of capex.
- The Company earned a healthy free cash flow of around Rs.130 crs in FY 18-19 and has also recently wiped off a high cost debt ( Rs25 crs from IFCI) and released the pledge.
- Debt to Equity ratio has improved from 2.1 in FY16 to 1.16 in FY19 and is expected to further come down to 1.0 in FY20.



## PRUDENT MANAGEMENT

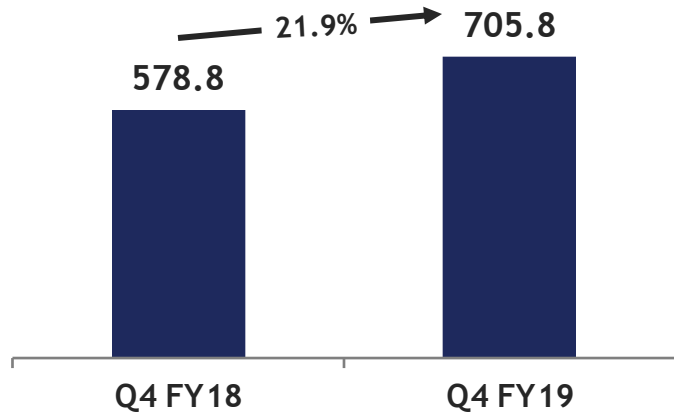
- The management of the Company led by Mr. Madhu Sudhan Bhageria has a vast experience of over 4 decades in the textile industry.
- Filatex is one of the very few companies in the textile sector which has undertaken periodic expansions very responsibly and without over leveraging.

# Quarterly Results Summary - Standalone

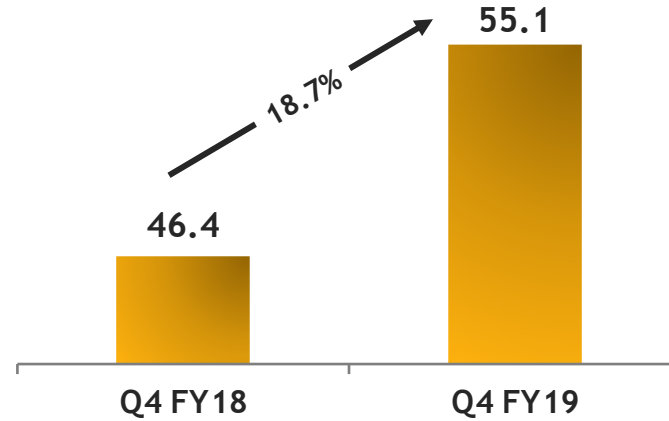
(₹ in Crore)



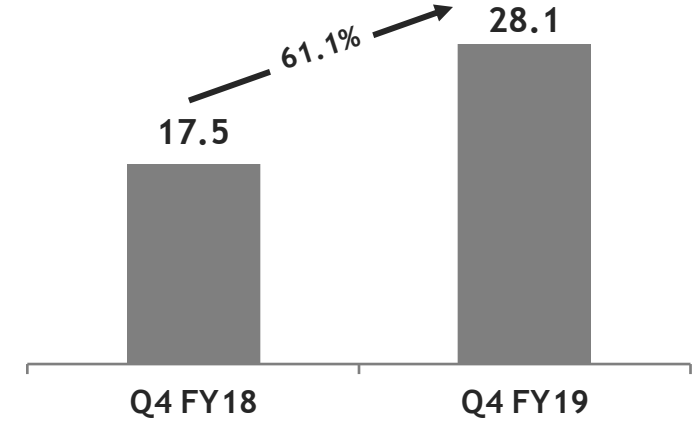
### NET REVENUE



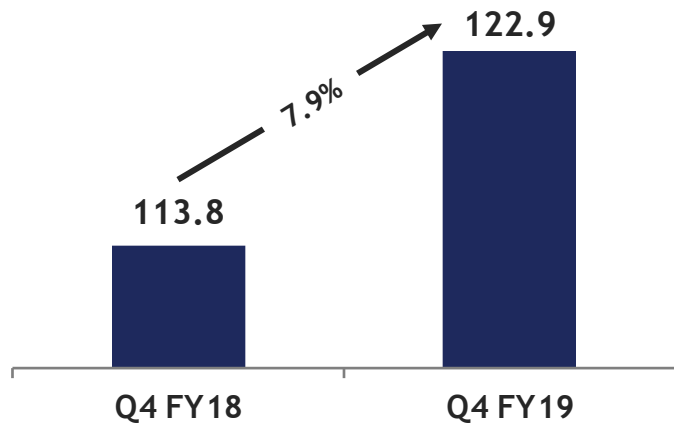
### EBITDA



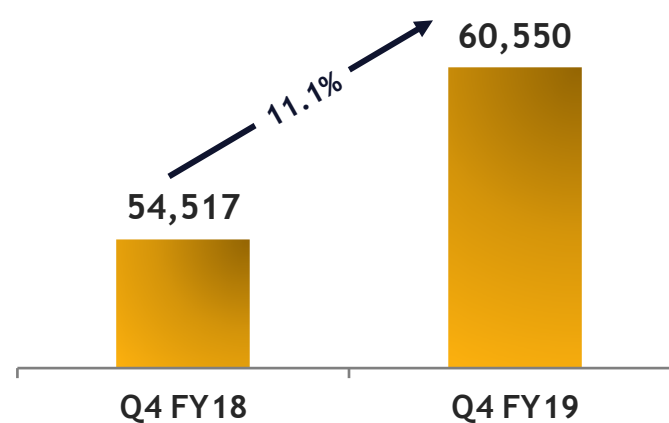
### PAT



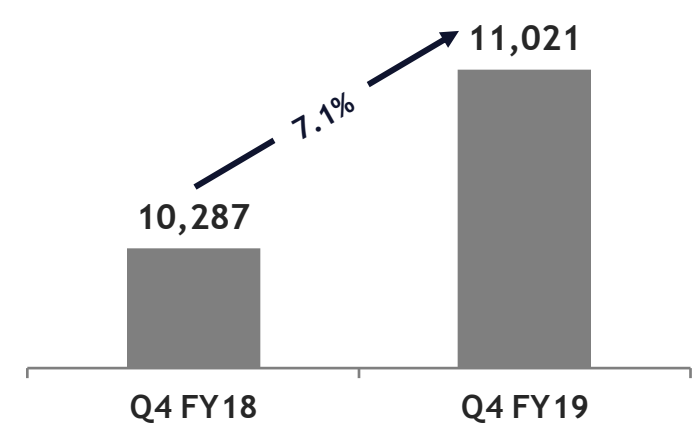
### EXPORTS



### YARN (MTPA)



### CHIPS (MTPA)

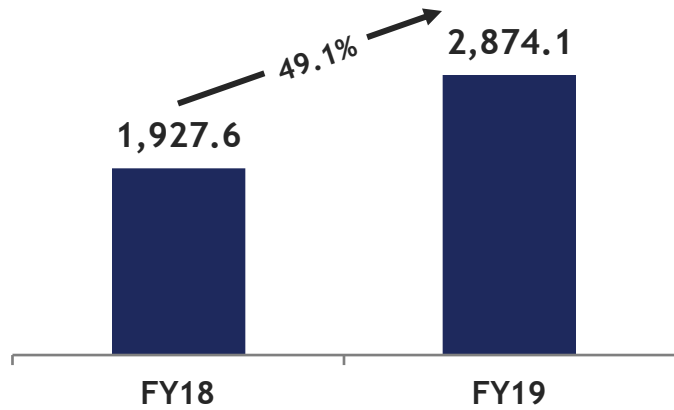


# Full Year Results Summary - Standalone

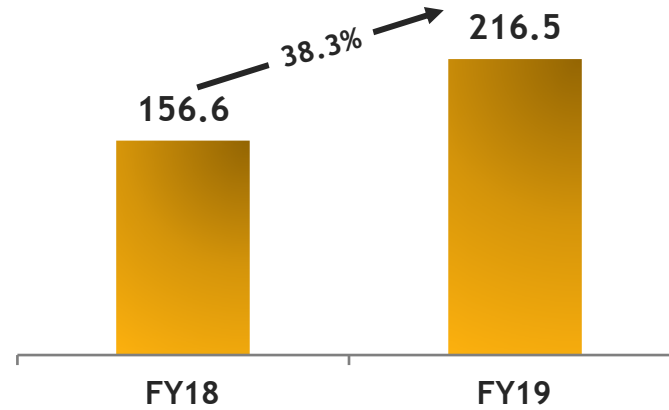
(₹ in Crore)



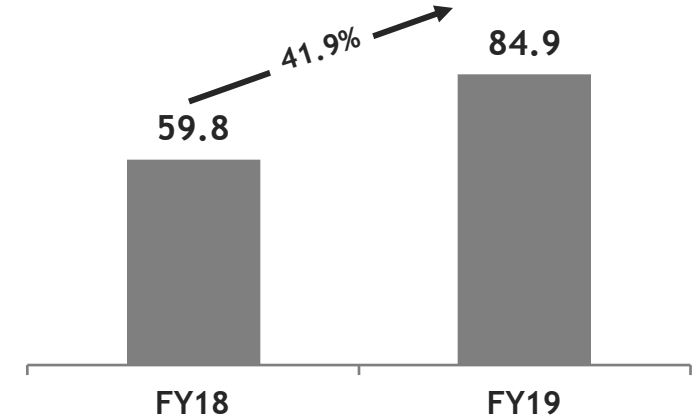
### NET REVENUE



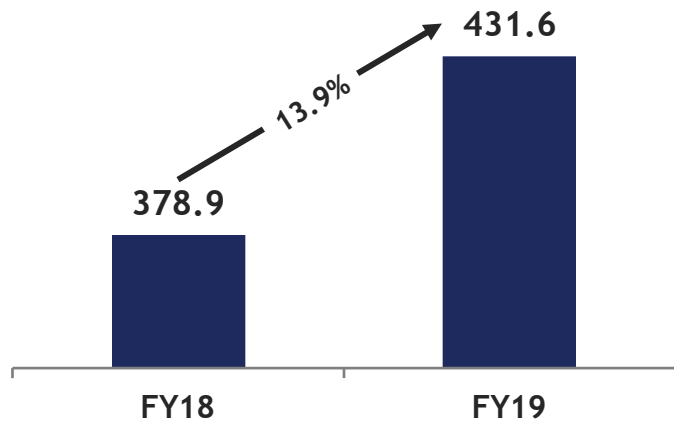
### EBITDA



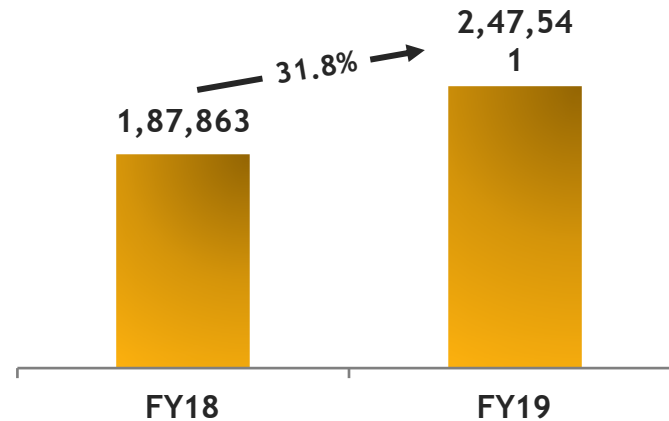
### PAT



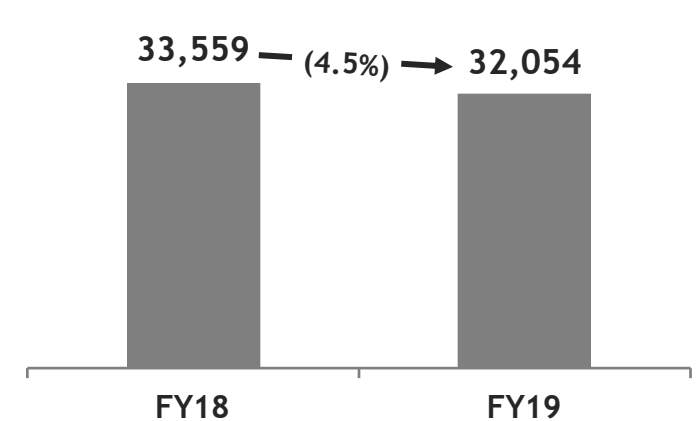
### EXPORTS



### YARN (MTPA)

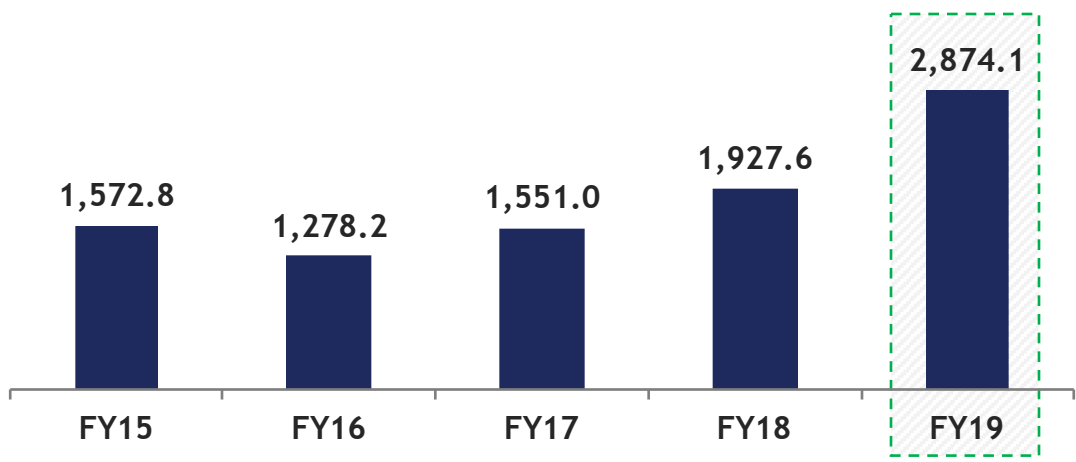


### CHIPS (MTPA)

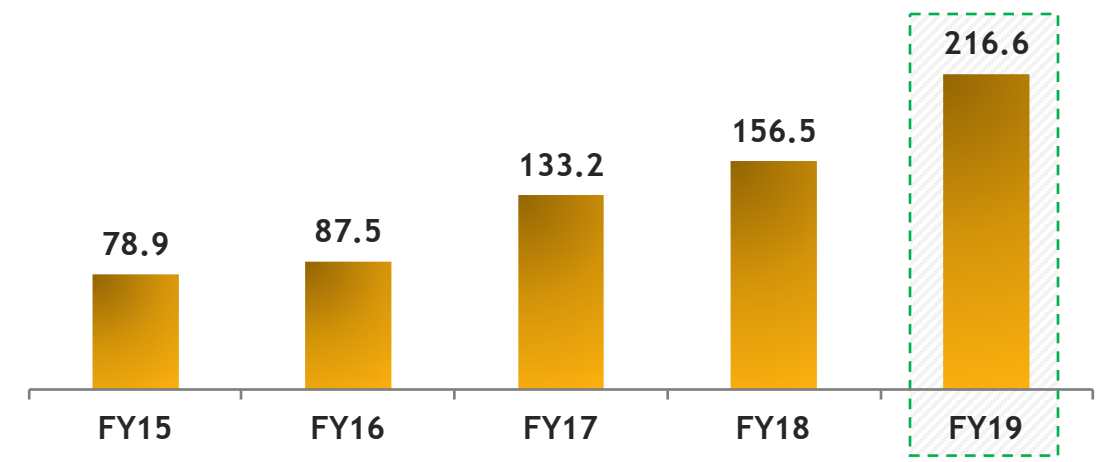


# Historical Financial Performance - Consolidated

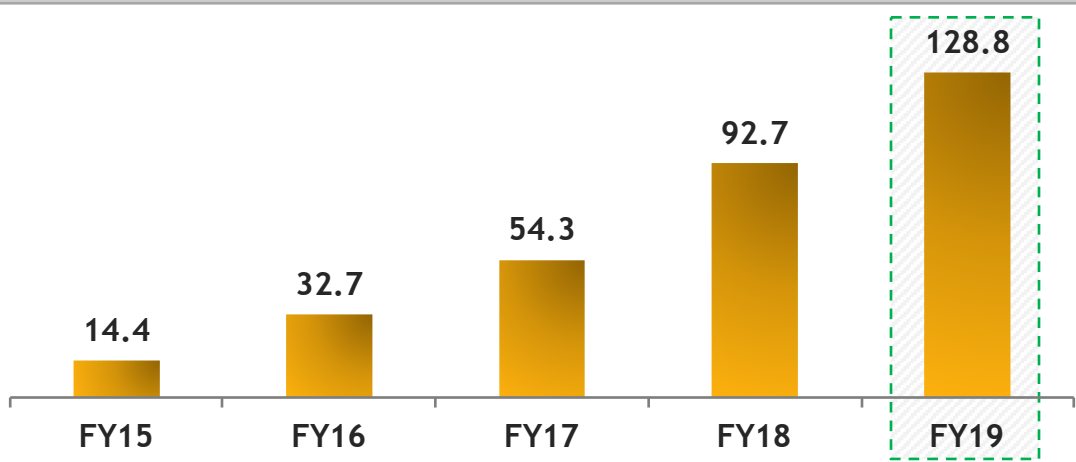
### REVENUE (NET OF EXCISE DUTY)



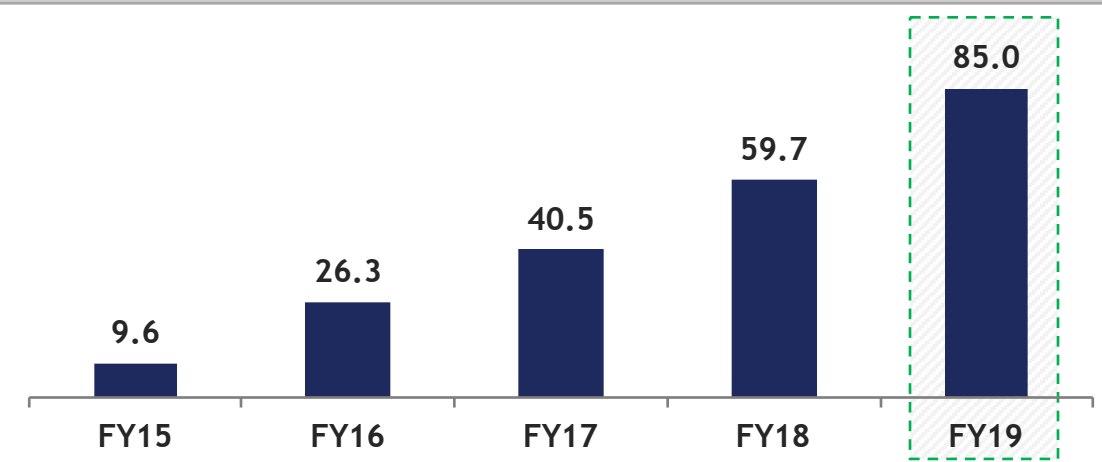
### EBITDA



### PBT



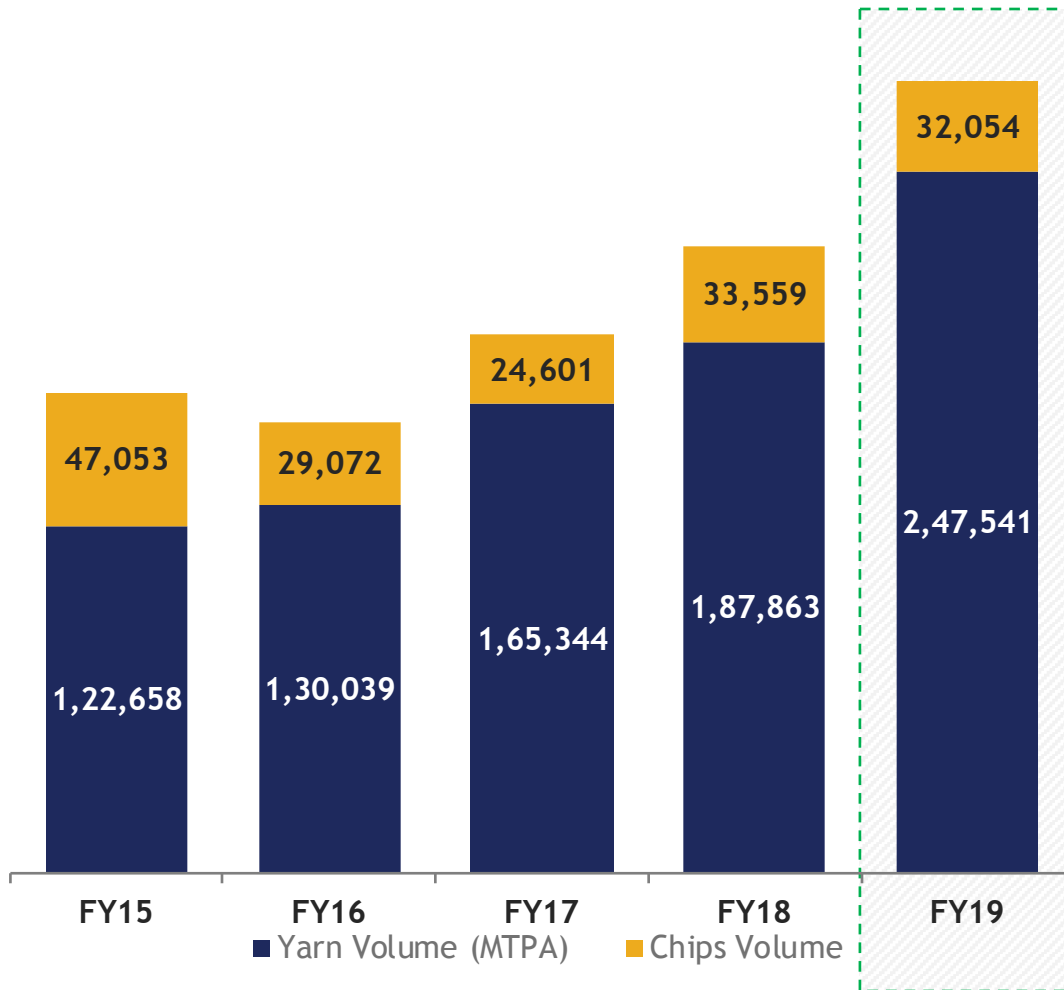
### PAT



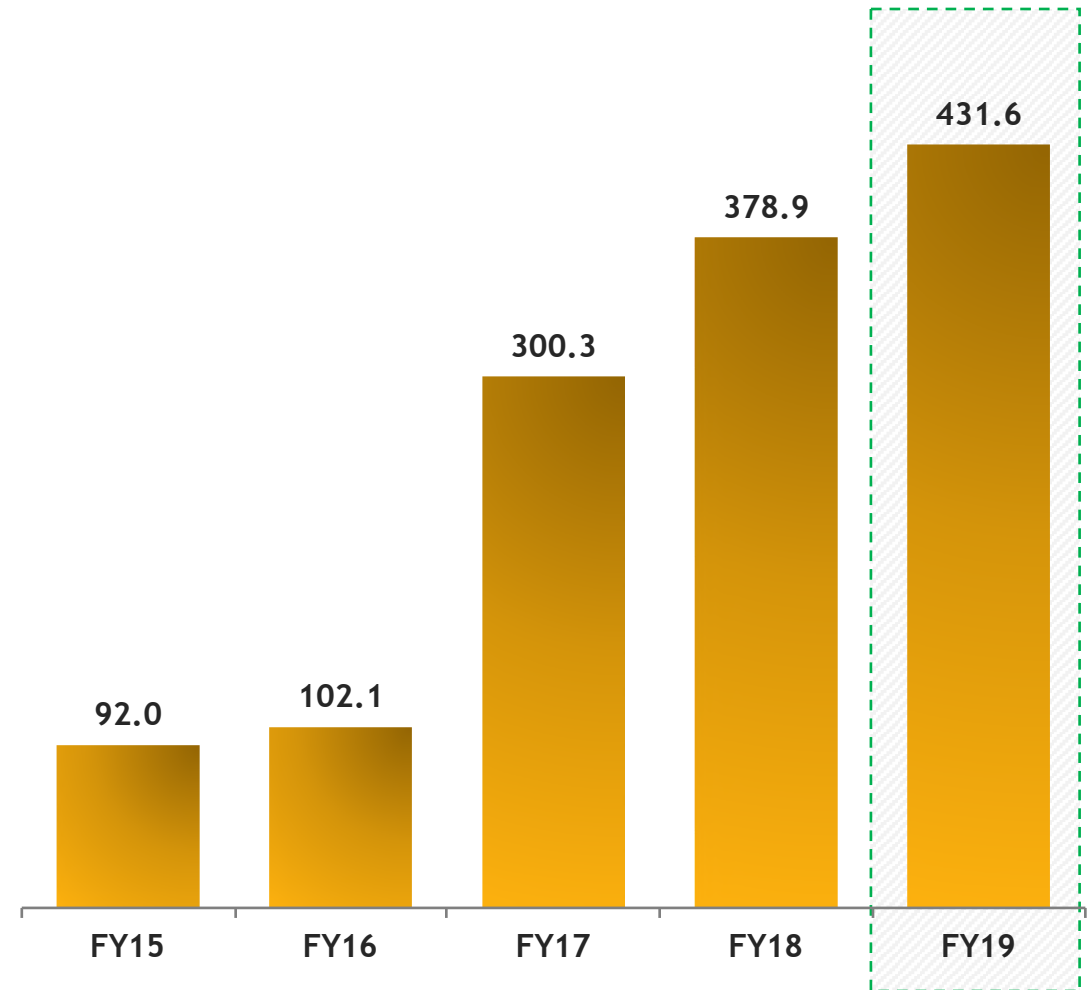
# Operational Performance



TOTAL PRODUCTION (MTPA)



EXPORTS (₹ IN CRORE)





# Profit & Loss - Consolidated



(INR in Crore)	2014-15	2015-16	2016-17	2017-18	2018-19
Net Revenue from operations (Net of Excise Duty)	1,572.8	1,278.2	1,551.0	1,927.6	2,874.1
Other income	9.7	10.7	12.1	11.1	11.8
<b>Total Revenue</b>	<b>1,582.5</b>	<b>1,288.9</b>	<b>1,563.2</b>	<b>1,938.7</b>	<b>2,885.9</b>
<b>Total Expenses</b>	<b>1,568.1</b>	<b>1,263.3</b>	<b>1,505.4</b>	<b>1,846.0</b>	<b>2,757.2</b>
Cost of materials consumed	1,093.6	966.7	1,232.7	1,529.8	2,327.9
Purchases of stock-in-trade	263.9	83.8	38.0	34.8	23.1
Changes in inventories	-7.4	1.2	-45.4	-13.5	13.6
Employee benefits expense	35.4	40.0	47.0	48.7	63.2
Finance cost	53.6	51.2	58.6	44.1	54.7
Depreciation and amortization expense	20.6	21.3	29.0	30.8	45.0
Other expenses	108.5	99.1	145.6	171.2	229.7
<b>Profit before exceptional items &amp; tax</b>	<b>14.4</b>	<b>25.6</b>	<b>57.7</b>	<b>92.7</b>	<b>128.8</b>
Exceptional Items [Profit/(Loss)]	-	7.0	-3.4	-	-2.3
<b>Profit before tax</b>	<b>14.4</b>	<b>32.6</b>	<b>54.3</b>	<b>92.7</b>	<b>131.1</b>
Tax expense	4.8	6.4	13.7	32.9	46.1
<b>Net profit/(loss) after tax</b>	<b>9.6</b>	<b>26.2</b>	<b>40.5</b>	<b>59.7</b>	<b>85.0</b>

# Balance Sheet - Assets (Consolidated)



(INR in Crore)	2014-15	2015-16	2016-17	2017-18	2018-19
<b>Non-Current Assets</b>	<b>409.4</b>	<b>525.4</b>	<b>665.9</b>	<b>962.0</b>	<b>1,017.8</b>
Property, plant and equipment	390.6	492.3	628.4	944.5	927.9
Capital work-in-progress	-	18.0	5.7	6.4	71.5
Other Intangible Assets	-	0.1	0.2	0.4	0.66
Financial Assets					
Investments	-	0.0	0.1	-	0.06
Loans and Advances	17.9	14.0	0.1	0.7	0.74
Other non-current assets	0.8	1.0	29.7	9.2	16.6
Tax Assets	-	-	1.8	0.8	0.4
<b>Current Assets</b>	<b>307.1</b>	<b>355.4</b>	<b>386.5</b>	<b>462.0</b>	<b>397.6</b>
Inventories	118.5	98.6	149.1	193.7	172.7
Financial Assets					
Trade receivables	149.1	216.4	199.4	170.5	98.7
Cash and cash equivalents	15.4	12.5	14.8	25.6	44.2
Loans and Advances	12.2	21.1	0.5	0.6	0.98
Other Financial Assets	-	-	0.9	4.2	12.5
Other current assets	11.8	6.8	21.7	67.5	68.5
Assets classified as held for Sale	-	-	6.9	13.4	-
<b>Total Assets</b>	<b>716.5</b>	<b>880.8</b>	<b>1,059.4</b>	<b>1,437.5</b>	<b>1,415.4</b>

# Balance Sheet - Equity & Liabilities (Consolidated)



(INR in Crore)	2014-15	2015-16	2016-17	2017-18	2018-19
<b>EQUITY</b>	<b>170.3</b>	<b>209.5</b>	<b>325.0</b>	<b>385.4</b>	<b>472.1</b>
Equity Share capital	32.0	32.0	43.5	43.5	43.5
Other equity	138.3	164.6	281.5	341.9	428.6
Money received against share warrants	-	12.9			
<b>LIABILITIES</b>	<b>546.2</b>	<b>671.3</b>	<b>733.9</b>	<b>1,049.7</b>	<b>943.3</b>
<b>Non-Current Liabilities</b>	<b>242.8</b>	<b>340.6</b>	<b>386.2</b>	<b>614.8</b>	<b>574.6</b>
Financial liabilities					
Borrowings	219.1	307.6	336.4	541.6	476.8
Other financial liabilities	-	-	-	7.2	9.1
Provisions	3.7	4.7	5.6	5.2	6.0
Deferred tax liabilities	16.7	23.1	27.8	41.2	58.8
Other Non-Current Liabilities	3.3	5.3	16.4	19.7	23.9
<b>Current Liabilities</b>	<b>303.3</b>	<b>330.7</b>	<b>347.8</b>	<b>434.9</b>	<b>368.7</b>
Financial liabilities					
Borrowings	157.6	137.8	143.5	98.5	70.2
Trade Payables	83.7	120.4	111.3	224.1	179.0
Other financial liabilities	61.3	71.5	55.4	102.7	89.0
Provisions	0.8	1.0	1.3	2.3	2.8
Other Current Liabilities	-	-	36.3	6.2	25.6
Income Tax Liabilities (net)	-	-	-	1.1	2.1
Liabilities Directly associated with assets classified as held for sale	-	-	0.4	2.4	-
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>716.5</b>	<b>880.8</b>	<b>1,059.4</b>	<b>1,437.5</b>	<b>1,415.4</b>



## Increase Focus on Exports

With new texturizing machines coming in, exports of the company will increase and lead to an increase in the overall margins of the company on account of being a value added product.

## De-bottlenecking Opportunities

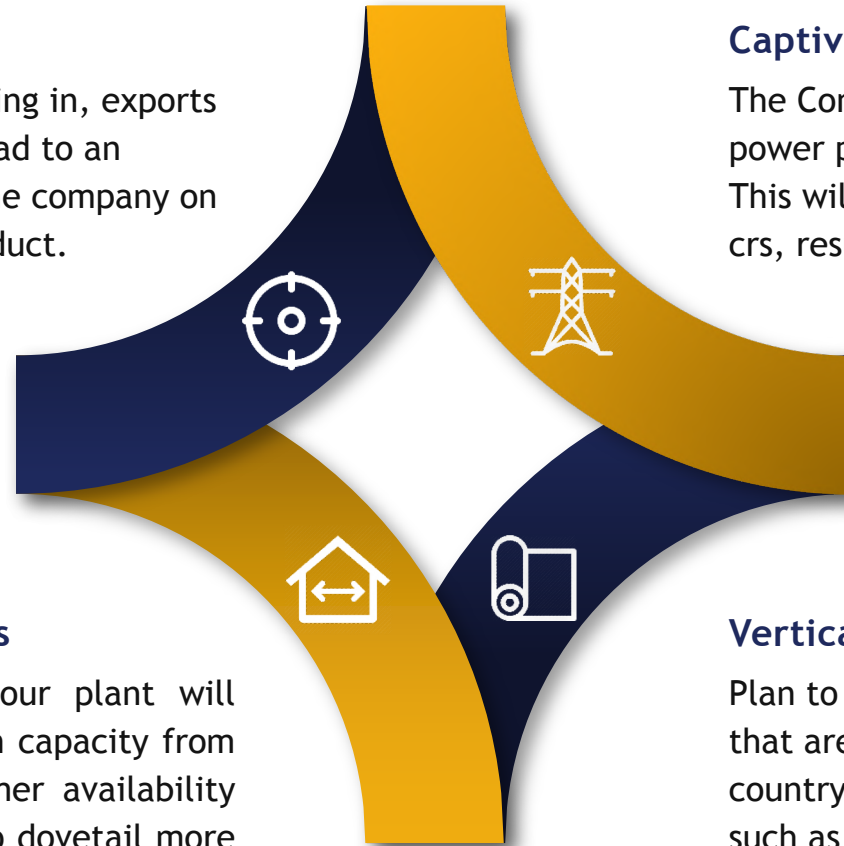
Debottlenecking opportunities in our plant will help us increase our polymerization capacity from 900 TPD to 1050 TPD. More polymer availability would also create an opportunity to dovetail more of value added products.

## Captive Power Plant

The Company is planning to set-up 31.4 MW captive power plant (30 MW Thermal and 1.4 MW Solar). This will result in an annual savings of approx. Rs.45 crs, resulting in incremental 2% margins.

## Vertical Integration






Plan to foray into production of high value fabrics, that are currently being imported into the country. Also, exploring vertical integration options such as processing, digital printing and garments / home textiles.



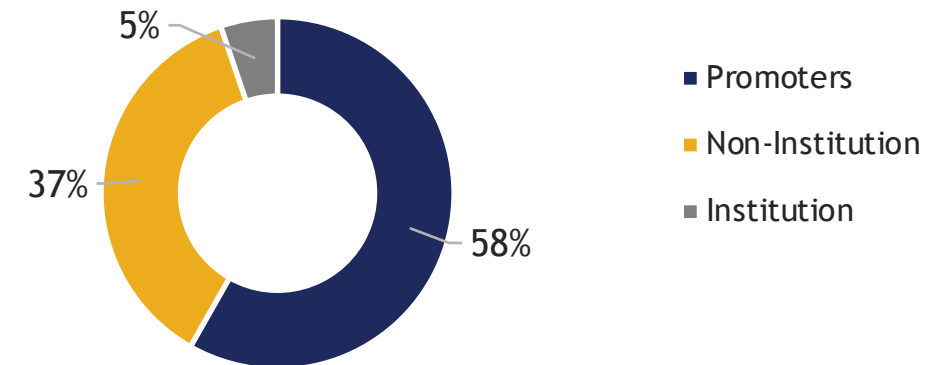
# Shareholder Information



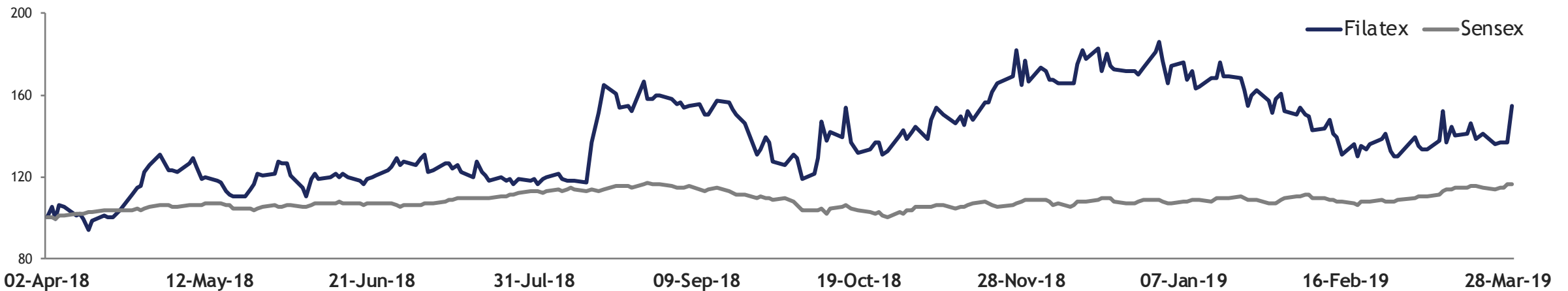
## STOCK DATA (AS ON 31<sup>ST</sup> MARCH 2019)

	Stock Price (INR)	53.20
	Market Capitalization (INR)	1,157.10
	Shares Outstanding	21.75 Cr.
	Free Float	42.00%
	Symbol (NSE/ BSE)	FILATEX/ 526227

## SHAREHOLDING PATTERN (AS ON 31<sup>ST</sup> MARCH 2019)



## STOCK PRICE PERFORMANCE (REBASED TO 100)







# Filatex India Limited

For more information, Please contact

**Filatex India Limited**

BHAGERIA HOUSE, 43 Community Centre,  
New Friends Colony, New Delhi -110025

Ph: +91-11-26312503

Fax: +91-11-26849915

Email: [secretarial@filatex.com](mailto:secretarial@filatex.com)

BSE: 526227 | NSE: FILATEX | ISIN: INE816B01027 | CIN: L17119DN1990PLC000091

Bhageria House, 43 Community Centre, New Friends Colony, New Delhi - 110025

[WWW.FILATEX.COM](http://WWW.FILATEX.COM)