



FIL/SE/2017-18/51
29th January, 2018

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**

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

Sub: Results Presentation – Q3 FY18

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 Results Presentation – Q3 FY18 which we propose to share with Institutional Investors/Analysts/Others

This is for your information and records please.

Thanking You,

Yours Faithfully,
For FILATEX INDIA LIMITED

Ramya

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Encl.: a/a

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Filatex India Limited

Next Growth Phase – 5.0



January 2018

Safe Harbor

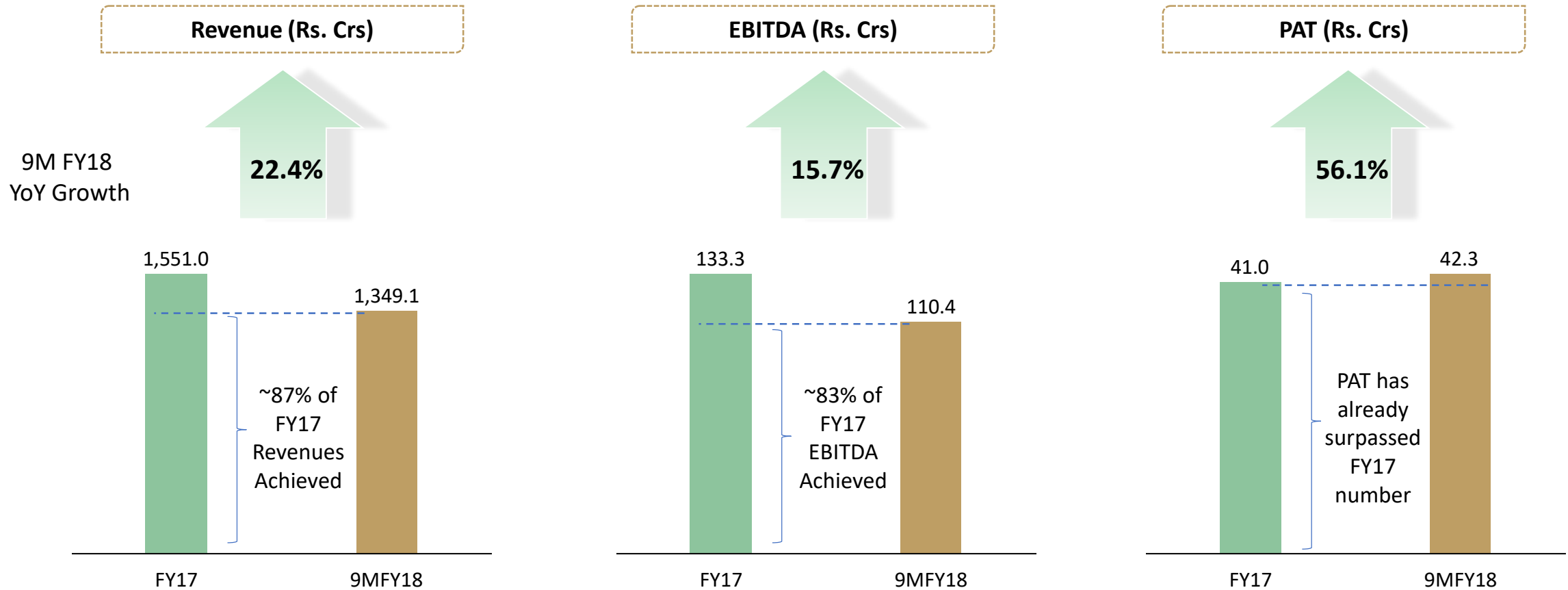


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Strong Financial Performance to continue...



Better Product Mix & Volume Growth led to Improved Profitability

Growth & Profitability due to Bright Expansion yet to play out

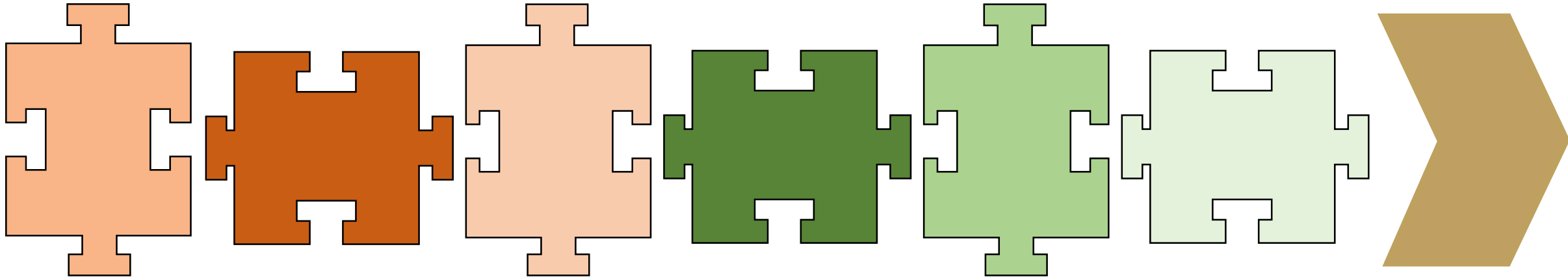
Key Updates



Reduction in GST Rate on man-made fibre from 18% to 12% and Increase in Import Duty on all Fabrics to 20% will act as demand accelerators

Despite GST disruption in the month of October, Revenues grew by **~37% YoY in Q3FY18**

Due to improvement in India's Cost Competitiveness vs. China in Polyester Yarns, Exports saw healthy **growth of ~30 - 40% YoY in Q3FY18**



Interest Costs reduced by ~27% in Q3FY18 due to repayment of loans and subsidy benefits under RR Tufts

Trial Commercial Production in High Margin Bright Polyester Chips and Bright Fully Drawn Yarns have **started in January 2018**

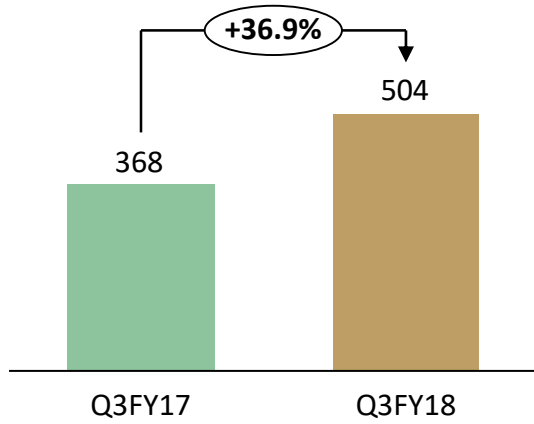
Increase in Value Added Products led to an EBITDA growth of ~27% & PAT growth of ~113% in Q3FY18.

Expect Strong Profitability and Free Cash Flow in FY19

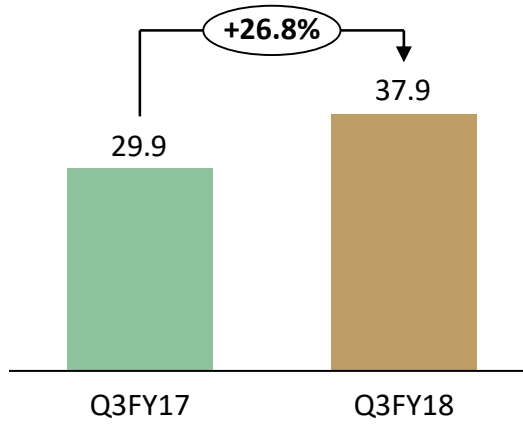
Q3FY18: Financial Highlights



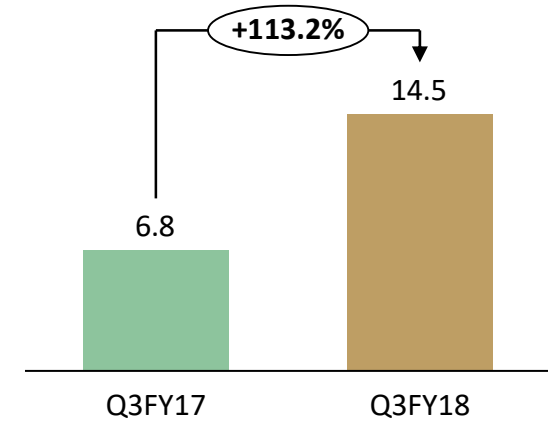
Revenue (Rs. Crs)



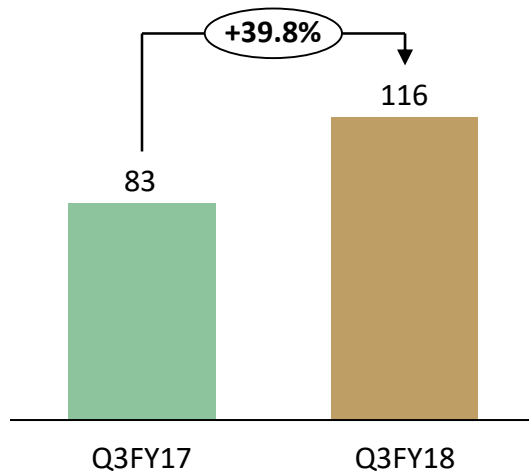
EBITDA (Rs. Crs)



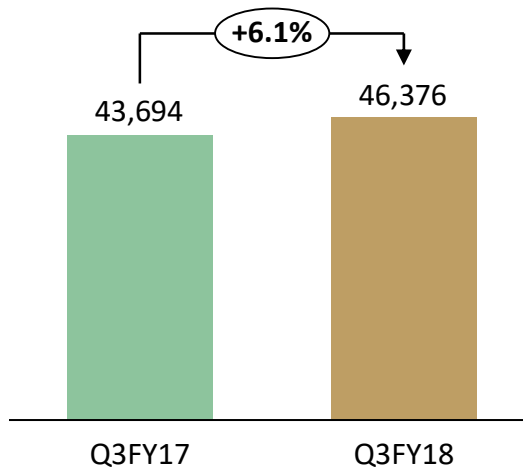
PAT (Rs. Crs)



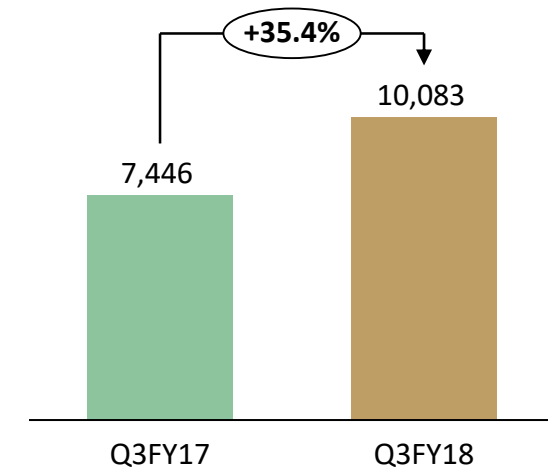
Exports (Rs Crs)



Yarns Volume (MTPA)



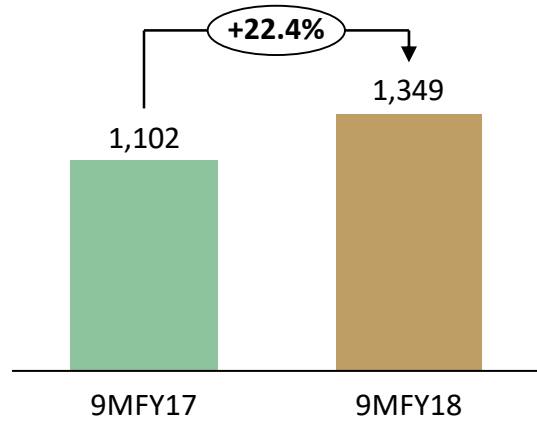
Chips Volume (MTPA)



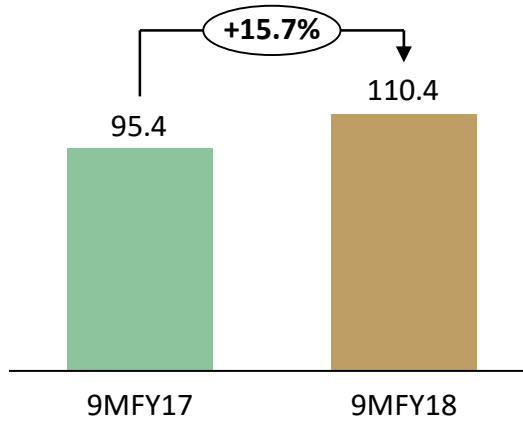
9MFY18: Financial Highlights



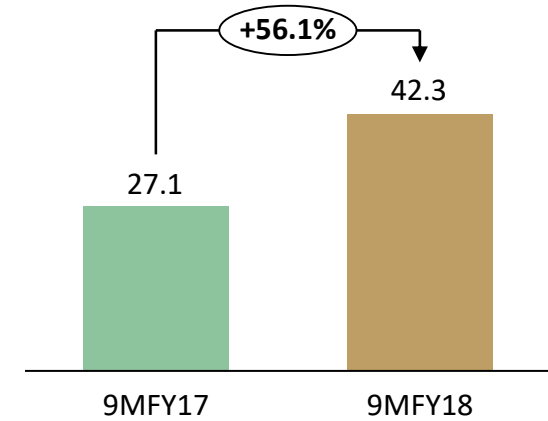
Net Revenue (Rs. Crs)



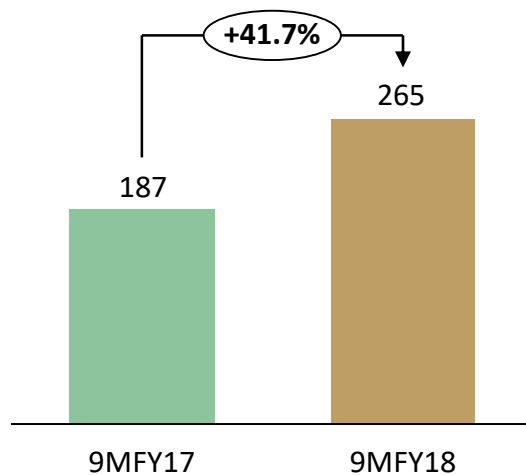
EBITDA (Rs. Crs)



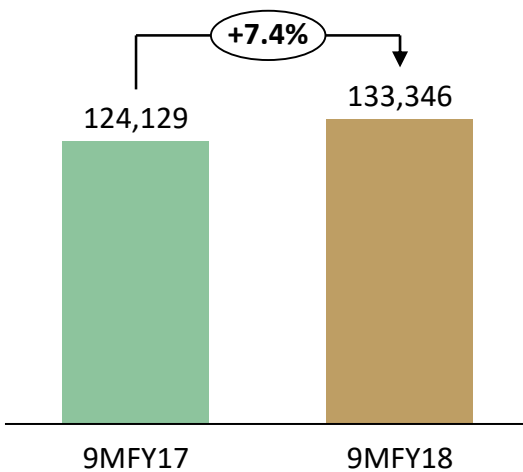
PAT (Rs. Crs)



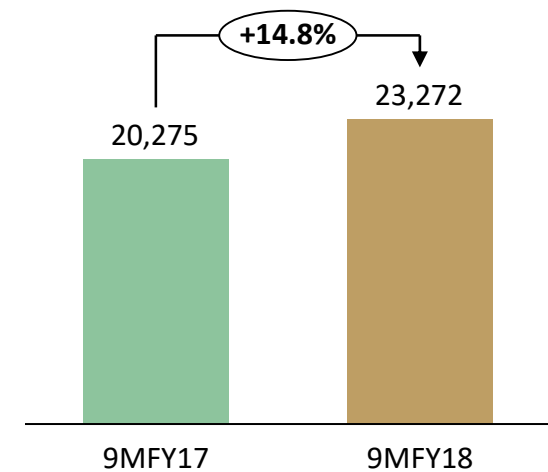
Exports (Rs Crs)



Yarns Volume (MTPA)



Chips Volume (MTPA)



Trial Production Commences in January 2018



Bright Facility



Bright Poly Condensation



Chips Cutter



Bright Chips



Spinning of Bright Fully Drawn Yarn



Take-up of Bright Fully Drawn Yarn

**Brownfield expansion
for Bright Polyester
Fully Drawn Yarn and
Bright Chips at Dahej**



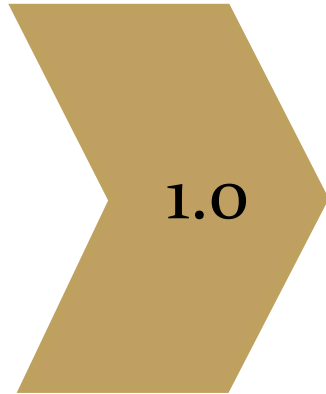
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Journey: 1.0 ➤ 4.0

Value Creation Journey So Far



Transition Manufacturing

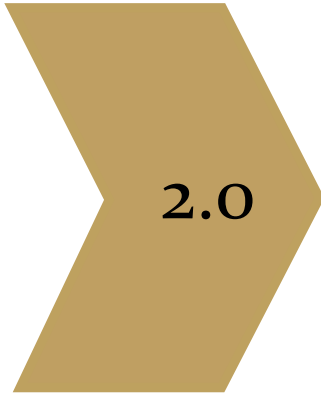


1990-1995

Noida Plant

- A pioneer in manufacturing of Monofilament yarns in the Indian markets
- Capacity of 500 MT p.a. to manufacture Polyester, nylon and polypropylene monofilament yarns from chips

Product Diversification

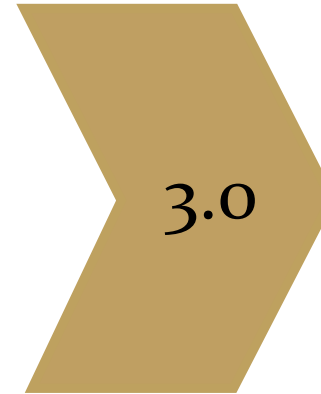


1996 - 2011

Dadra Plant

- Diversified into Polyester POY and Textured Yarn
- Polypropylene Multi filament Dope Dyed Yarns
- Fully Drawn Yarns (FDY)
- Texturizing Machines
- Narrow Woven Fabric Looms

Backward Integration

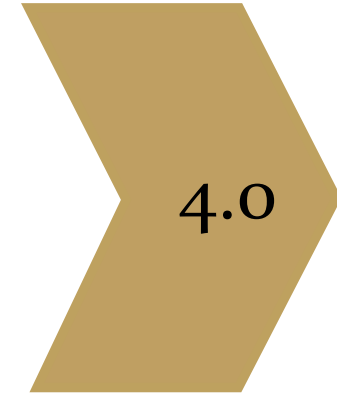


2012 - 2015

Dahej Plant

- Fully Integrated – From Raw Material to Finished Products
- Poly-Condensation plant envisaging 600 TPD and 250 TPD POY and 350 TPD of Polyester Chips

Forward Integration



2016

Dahej Plant

- Commenced production of 115 TPD of FDY
- Added 42 Texturizing Machines to improve Product Mix (Key input for DTY is POY)
- Commenced production of 200 TPD in Sep 2016

Success follows Diligent Planning



Focus on Core Business, Emergence of New Platforms and Financial Discipline



1

Increase in
Product Offerings

2

Increase in
Manufacturing
Capacities

3

Increase in
Value Addition

4

Increase in
Market Reach

5

Increase in
Profitability

Increase in Product Offerings



Polyester Chips

Industrial intermediate product used to manufacture Polyester Yarn



Polyester POY (Partially Oriented Yarn)

Intermediate product, post Texturizing used for producing all kinds of Fabrics



Drawn Textured Yarn (DTY)

Produced by processing POY through a texturing process. Immediate products used for manufacturing Fabrics



Fully Drawn Yarn (FDY)

Type of Fully drawn polyester filament yarn which is used for producing all kinds of Fabrics



Polypropylene Multifilament Crimp Yarns

Different shades and deniers, the range being used for Socks, Under Garments and Sports Wear



Narrow Woven Fabric

Used in manufacture of Carpets, Rugs, Tapes and Ribbons



Monofilament Yarns

Superior technology from Reifenhäuser GmbH, Germany. Used in zippers, fishing nets, sports strings, magic fasteners etc

Increase in Manufacturing Capacities



Capacity Break-up (Plant Wise)

Products	Existing Capacity (MTPA)	
	Dadra	Dahej
Narrow Woven Fabric	2,500	-
Semi Dull Polyester POY*	16,700	20,000
Semi Dull Drawn Textured Yarn*	6,000	70,000
Semi Dull Polyester Chips	-	64,000
Semi Dull Fully Drawn Yarn	-	42,000
Bright Fully Drawn Yarn	10,500	-
Polypropylene Yarn	4,800	-
Total	40,500	196,000

Capacity increased
from
500 MTPA
to
236,500 MTPA

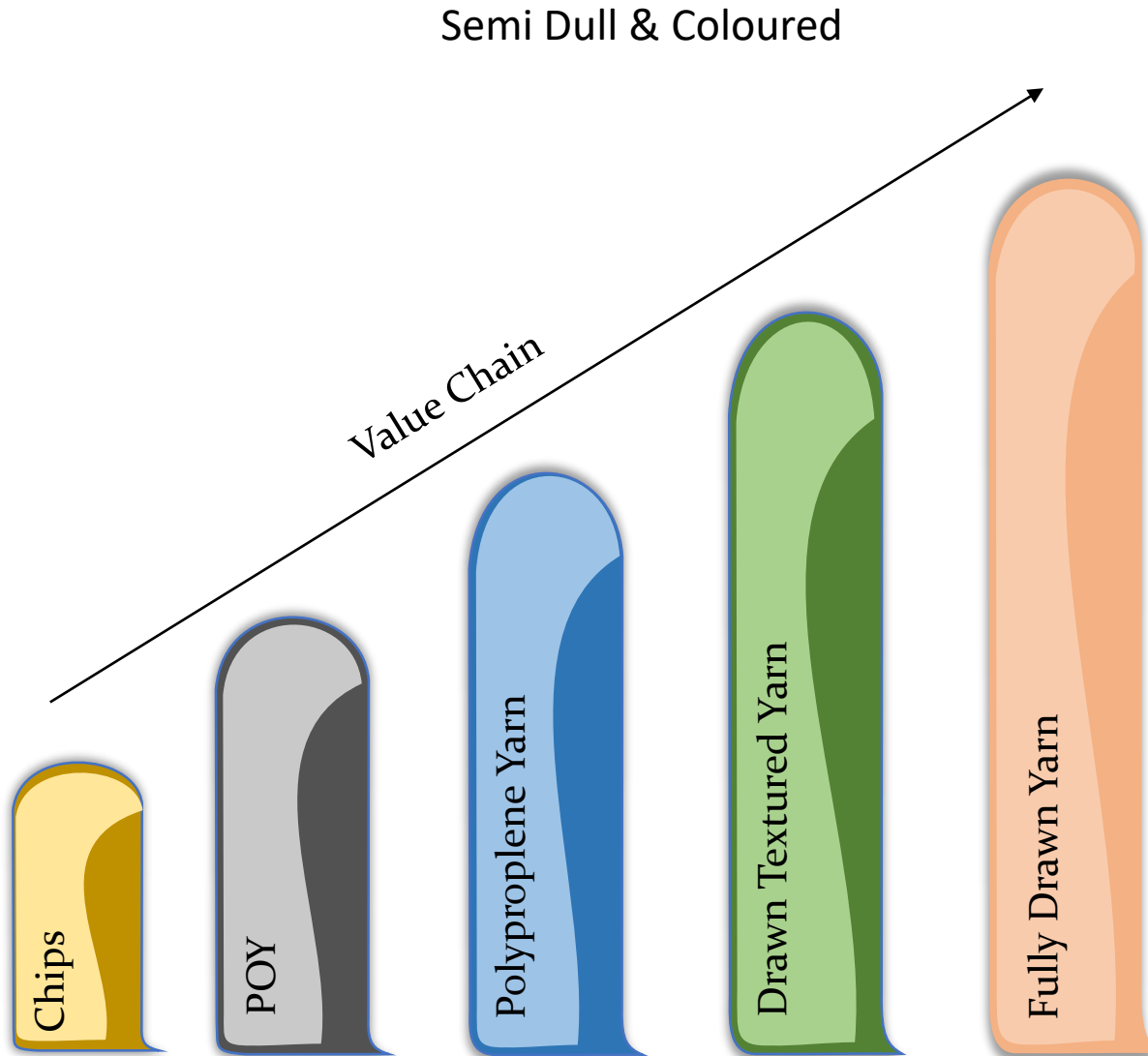


The Noida Plant has been closed with effect from 17th November, 2017

*Total Semi Dull Polyester POY capacity is 22,700 MTPA at Dadra & 90,000 MTPA at Dahej which partially is being utilized in manufacturing Semi Dull Drawn Textured Yarn

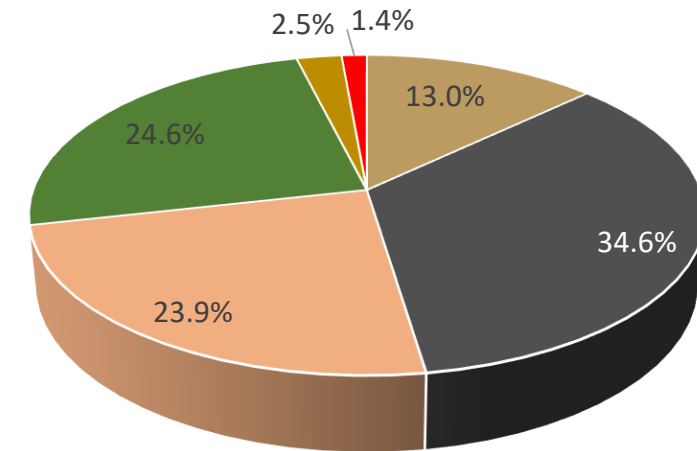
Disclaimer: Maps not to scale. All data, information, and maps are provided "as is" without warranty or any representation of accuracy, timeliness or completeness

Increase in Value Addition



Production Split by Volume – FY17

Total Production Volume for FY17 – 189,945 Metric Tonnes



- Polyester Chips - 24,601 MT
- Polyester POY - 65,811 MT
- Fully Drawn Yarn - 45,401 MT
- Drawn Textured Yarn - 46,797 MT
- Polypropylene Yarn - 4,759 MT
- Others - 2,576 MT

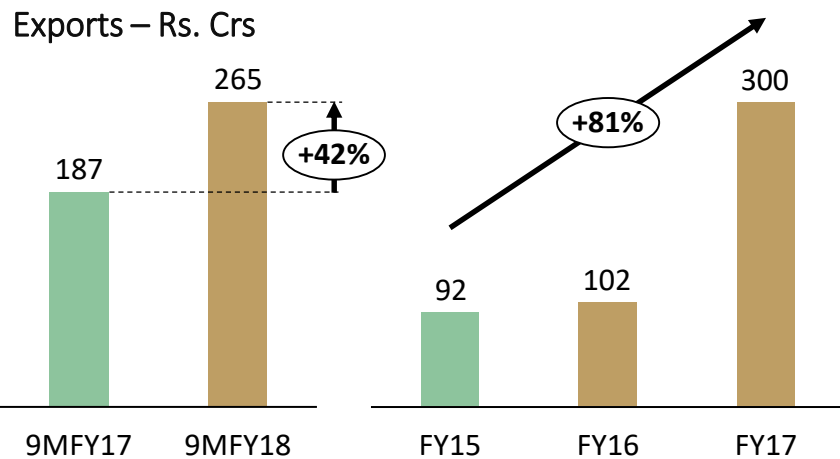
September 2016 - Commenced full capacity of 115 TPD of Fully Drawn Yarn (FDY) and 200 TPD of Draw Textured Yarn (DTY)

Increase in Market Reach



Over 50% of DTY production are exported

Exports contributed 19% to overall Revenues as on 9MFY18



Exporting to 28 countries across the Globe

Increase in Profitability



Revenue

10 Year CAGR

18%

EBITDA

10 Year CAGR

31%

PAT

10 Year CAGR

30%



Interest
Coverage Ratio

2X

ROCE

14%

ROE

19%

Strong Leadership Team



Mr. Madhu Sudhan Bhageria - Chairman & Managing Director

- › Gold medalist in Commerce from Shri Ram College of Commerce, Delhi
- › Rich experience in Polyester Industry and President of PTA Users Association

Mr. Purshottam Bhaggeria – Joint Managing Director

- › Master Degree in Business Administration from Cornell University, USA
- › Member of Managing Committee of PHD Chamber of Commerce & Industry

Mr. Madhav Bhageria – Joint Managing Director

- › Commerce Graduate from Hindu College, Delhi University
- › Over 30 years of experience in Polyester Industry

Mr. Ashok Chauhan – Whole time Director

- › B.E. (Mech) and Master Degree in Business Administration
- › Vast experience in Marketing, Project Management, Corporate Planning & Business Strategies

Mr. R P Gupta – Chief Financial Officer

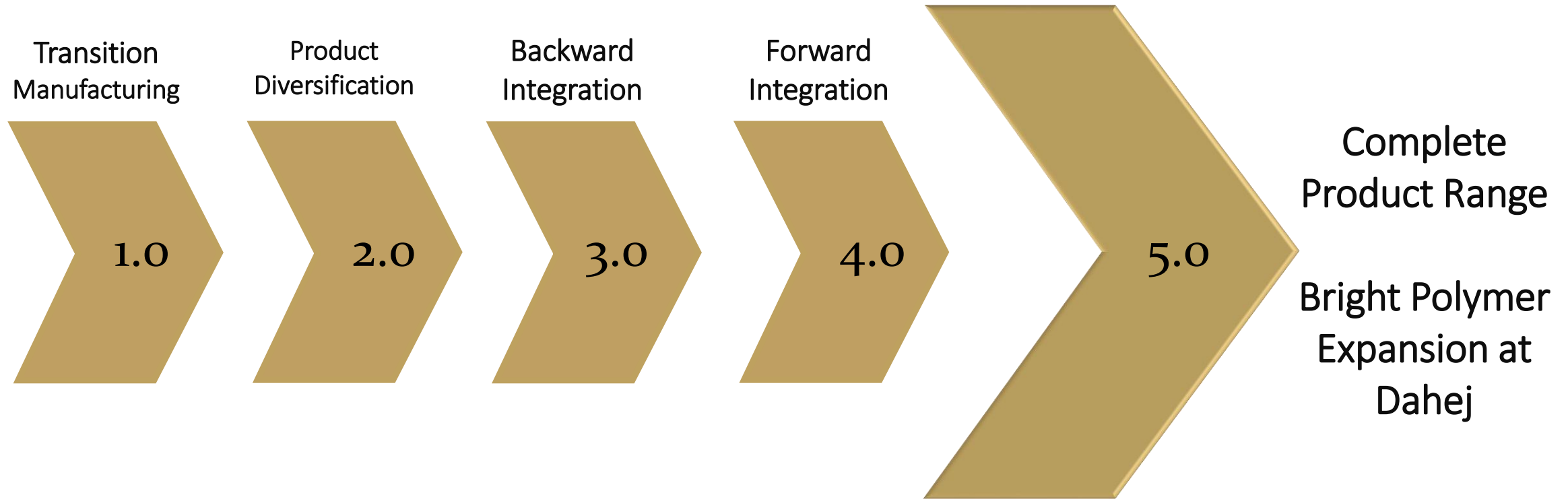
- › Commerce Graduate from Shri Ram College of Commerce, Delhi, Fellow Member of ICAI
- › Over 35 years experience in various field viz. Accounts, Finance, Taxation and Management



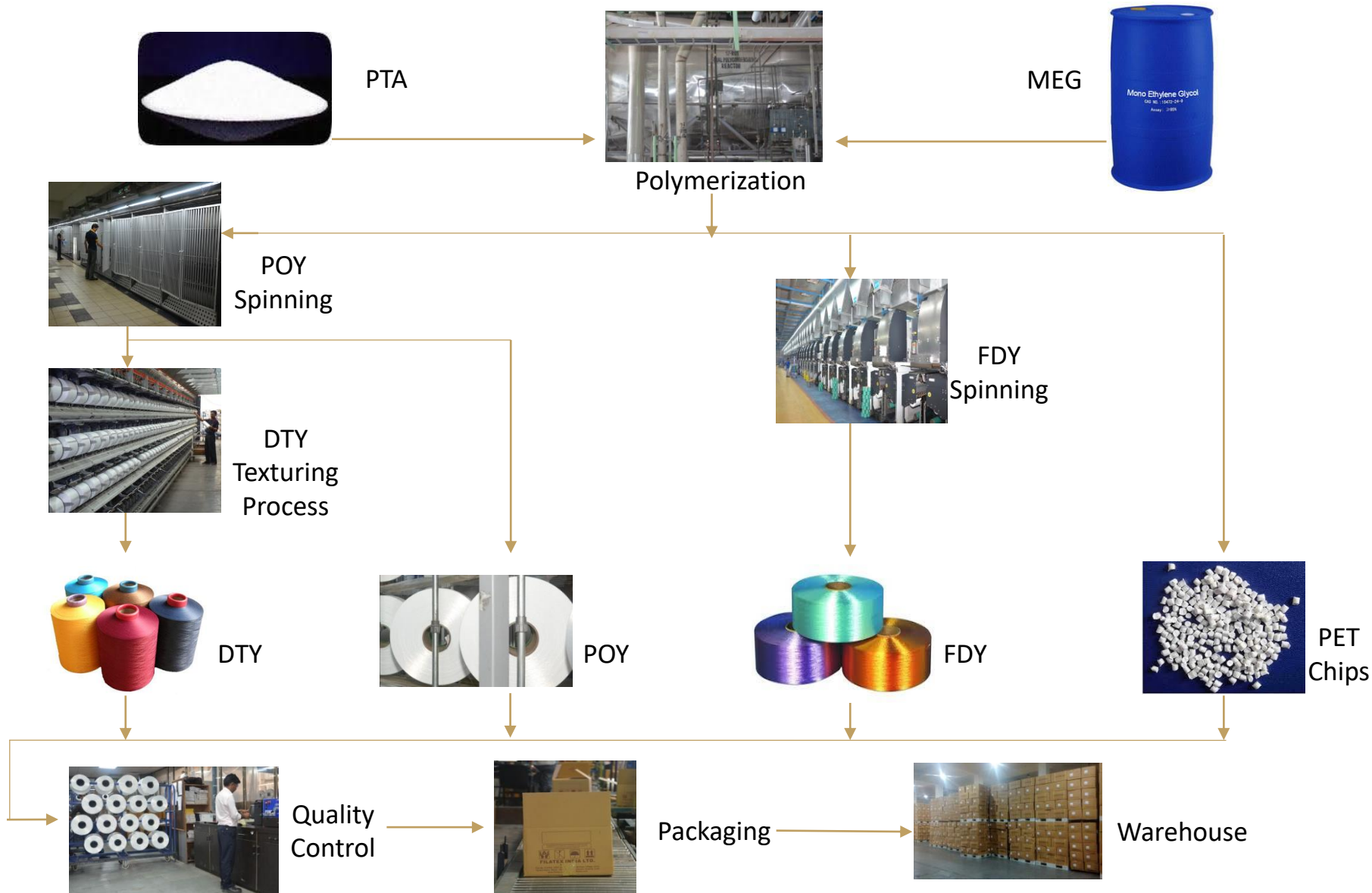
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5.0

Phase 5.0 – Complete Product Range



Dahej Expansion – Integration & Optimization



- › Finished Products
 - Semi Dull – DTY, POY & FDY
 - Bright– DTY, POY & FDY
- › Existing Polymerization Capacity to support Bright Capex
 - Remaining Polyester Chips as well as Bright Chips supplied to Dadra Plant
- › 42 Texturizing Machines installed to improve Product Mix

Economies of Scale
Operating Leverage Play

Brownfield Expansion at Dahej

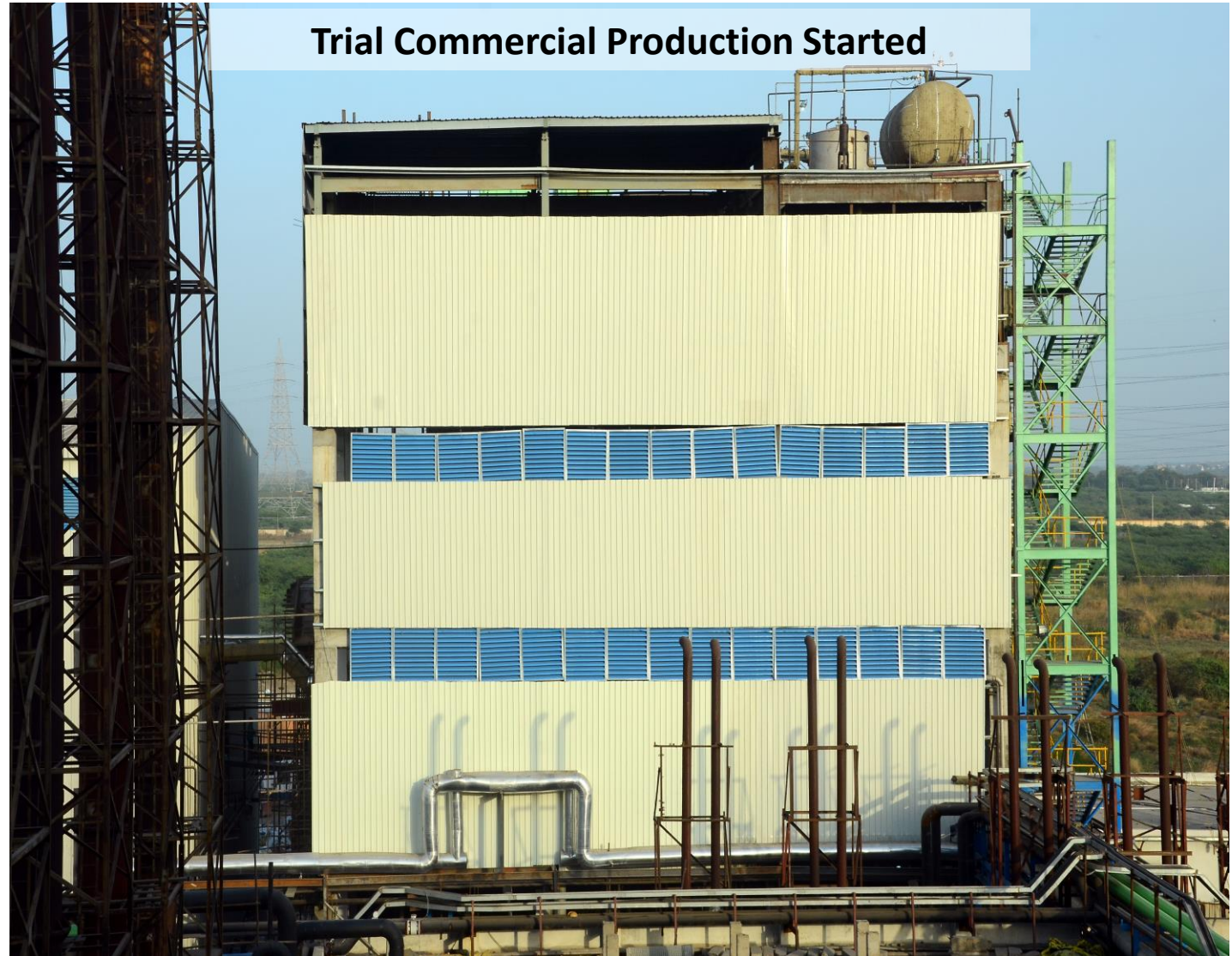


Project Cost of Rs. 343 Crores – Fully Funded

- Internal Accruals – Rs. 63.5 Crs
- Debt – Rs. 279.5 Crs
 - Foreign Debt – 174.5 Crs
 - Rupee Debt – Rs. 105 Crs
 - Eligible for Partial SGST refund
- Blended Interest Rate – 6-7%

Products (MTPA)	Gross	Captive	Net
Bright Polyester POY	9,000	-	9,000
Bright Polyester Chips	30,600	13,000	17,600
Bright Fully Drawn Yarn	68,400	-	68,400
Total - New Expansion	1,08,000	13,000	95,000

Trial Commercial Production Started



Post Expansion Capacities

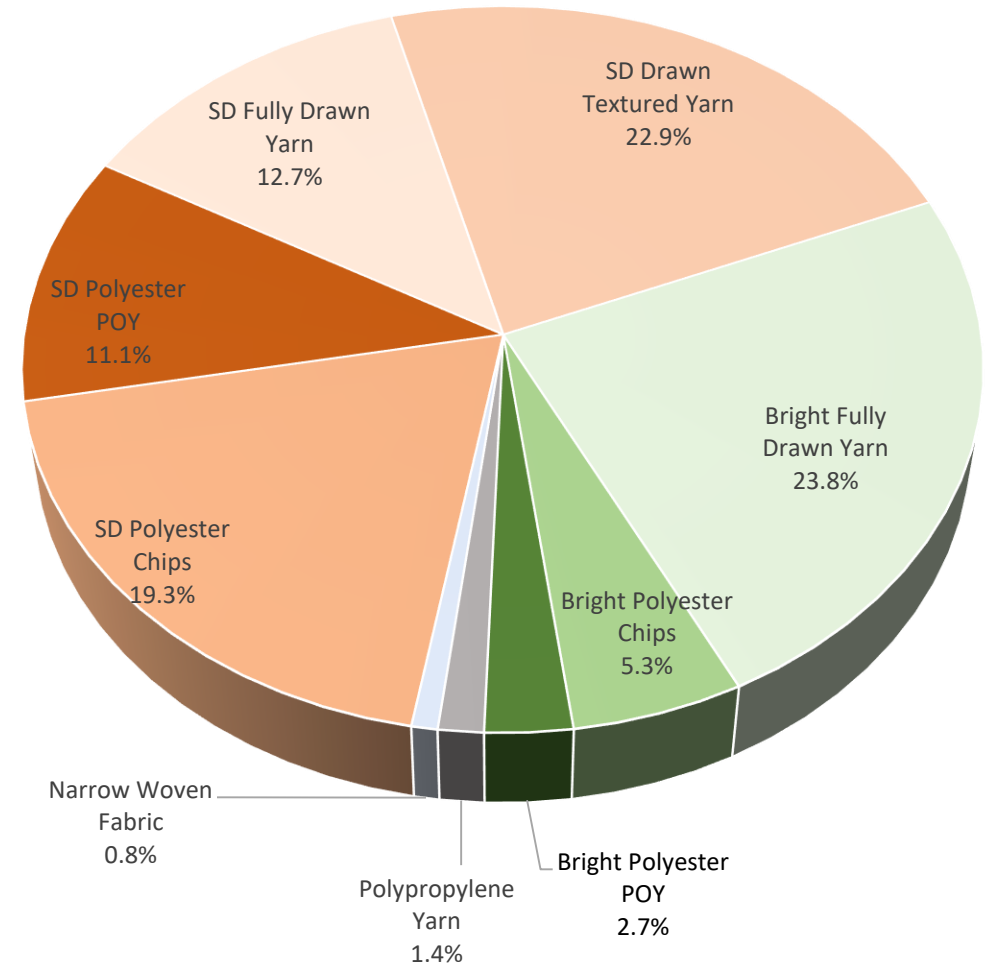


Products (MTPA)	Gross	Captive	Net	%
Bright Polyester POY	9,000	-	9,000	2.7%
Bright Polyester Chips	30,600	13,000	17,600	5.3%
Bright Fully Drawn Yarn	68,400	-	68,400	20.6%
Total - New Expansion	1,08,000	13,000	95,000	28.7%

Semi Dull Polyester POY	1,12,700	76,000	36,700	11.1%
Semi Dull Polyester Chips	84,000	20,000	64,000	19.3%
Semi Dull Drawn Textured Yarn	76,000	-	76,000	22.9%
Semi Dull Fully Drawn Yarn	42,000	-	42,000	12.7%
Bright Fully Drawn Yarn	13,000	2,500	10,500	3.2%
Polypropylene Yarn	4,800	-	4,800	1.4%
Narrow Woven Fabric	2,500	-	2,500	0.8%

Total - Existing Facilities	3,35,000	98,500	2,36,500	71.3%
Total - Post Expansion	4,43,000	1,11,500	3,31,500	100.0%

Net Capacity (Post Expansion Net of Captive)
3,31,500 TPA



Complete Product Range



One Stop Shop for Synthetic Filament Yarn



Filatex India Limited

New Expansion

Semi Dull

Color

Bright

POY

DTY

FDY

POY

DTY

FDY

POY

DTY

FDY

Expansion will enable us to deliver all varieties of DENIERS and COLOURS

Economics of Expansion



Higher Realization
&
Better Margin 01

Lower Capex
Existing Land
& Infrastructure 03

Utilization of
Existing
Polymerization
Partially 05



02 Government
Incentive Schemes

04 Saving in Operating
and Interest Cost

Financial Performance

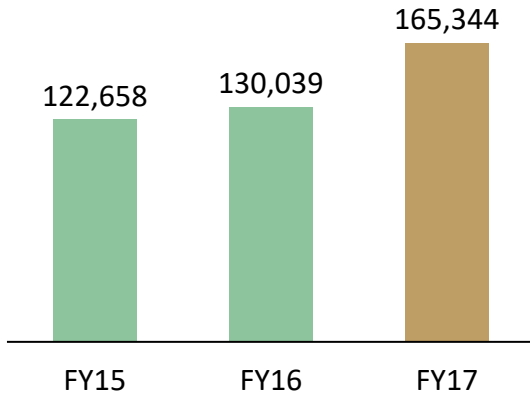


- › Robust Business Results
- › Margin Development
- › Return Indicators
- › Disciplined Capital Allocation
- › Financials

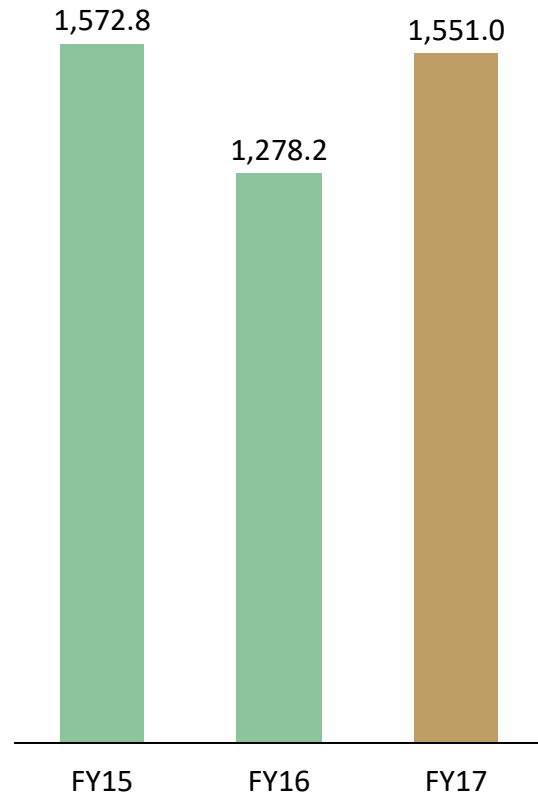
Robust Business Results



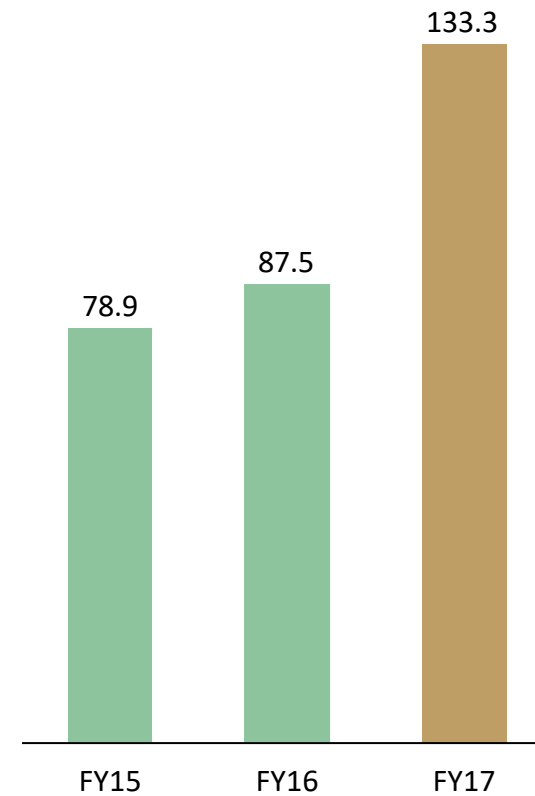
Yarns Volume (MTPA)



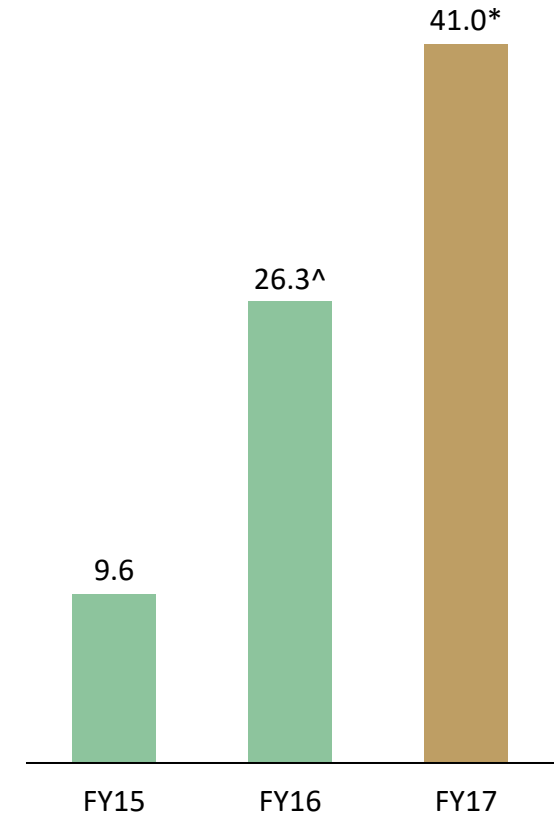
Revenue (Rs. Crs)



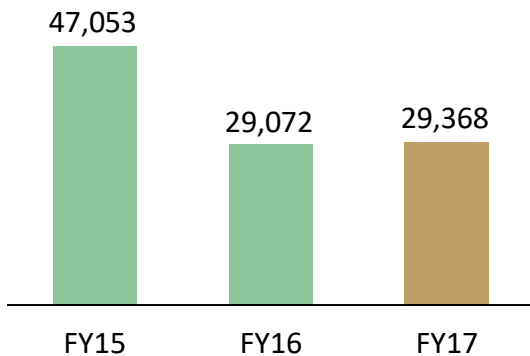
EBITDA (Rs. Crs)



PAT (Rs. Crs)



Chips Volume (MTPA) #



*FY17 - Includes Profit of Rs. 0.92 Cr on sale of land and Loss of Rs. 4.37 Cr on settlement of dispute with a supplier

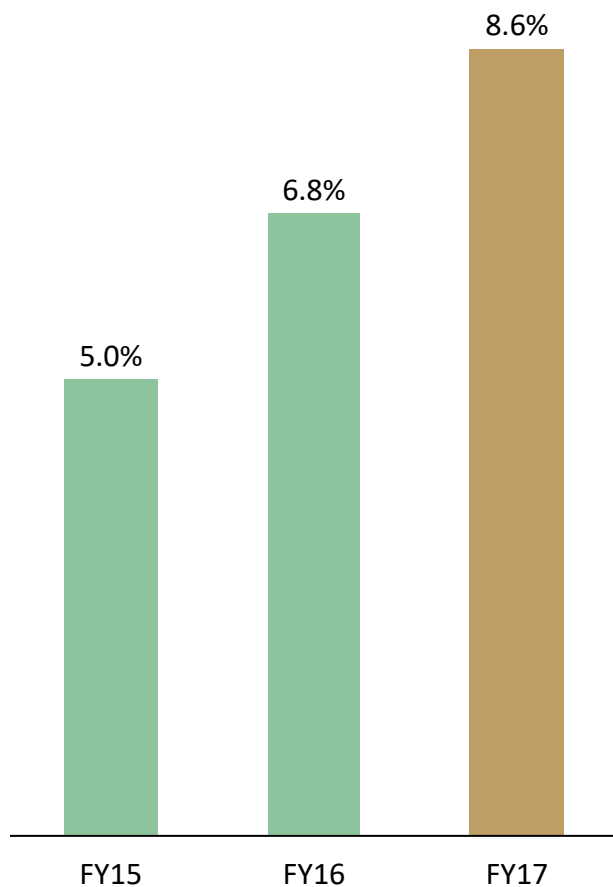
[^]FY16 - Includes Profit of Rs 6.97 Cr on sale of Land & Building

Includes Job Work Sales
On Standalone basis

Margin Development

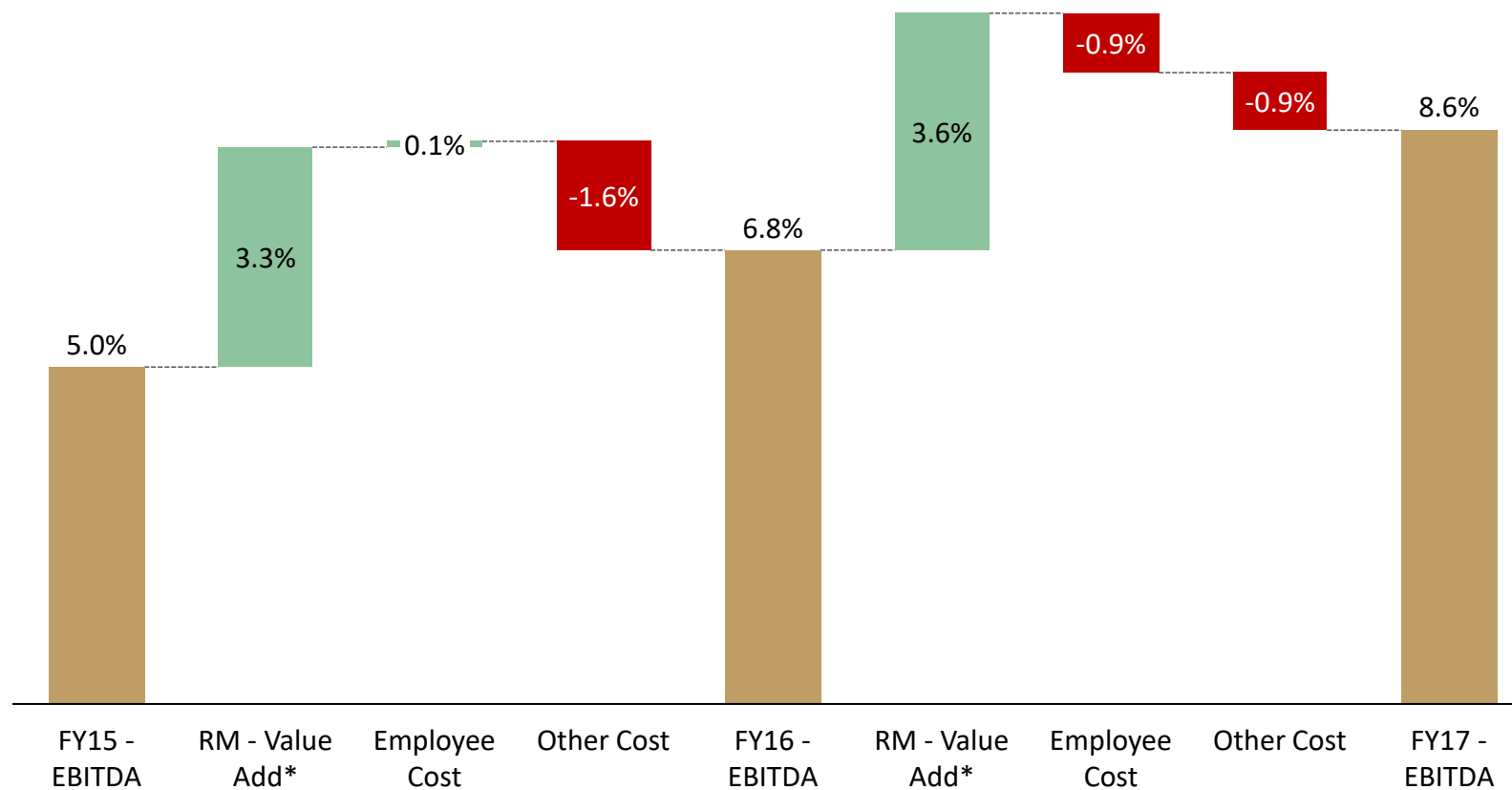


EBITDA Margin %



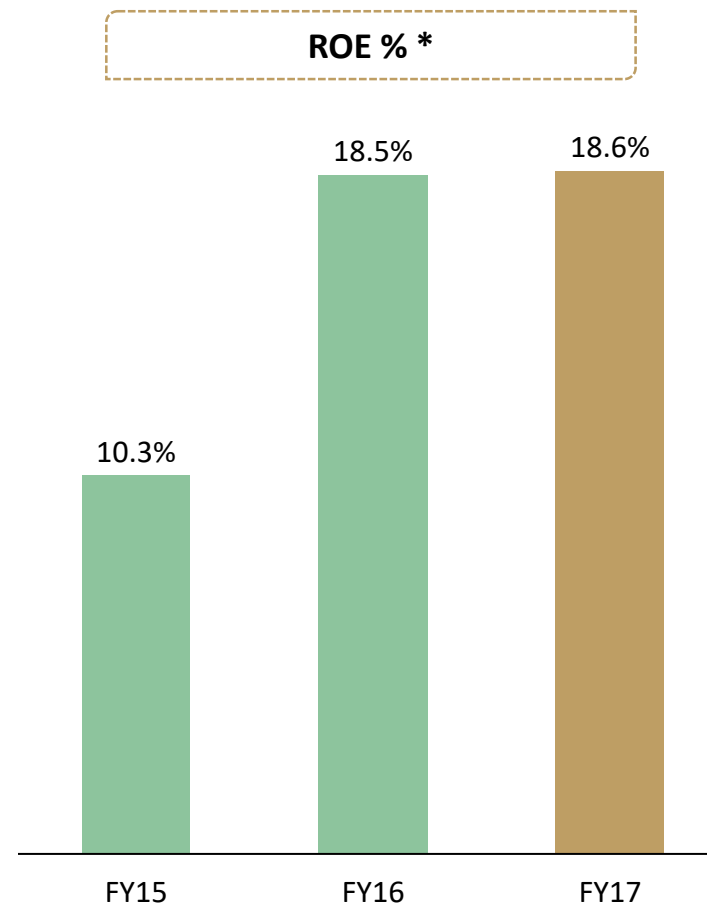
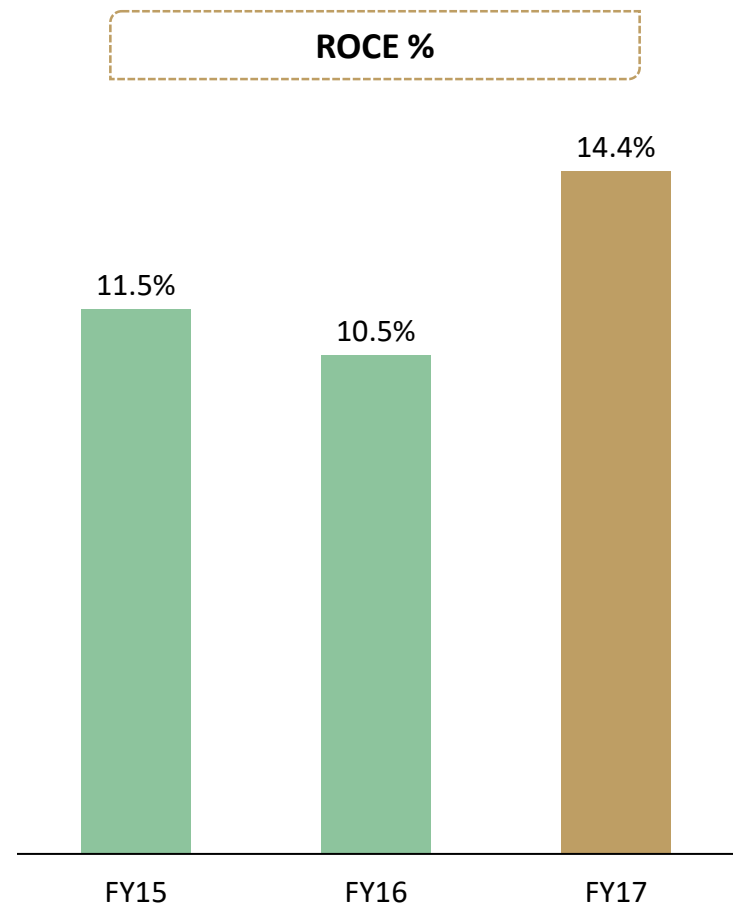
EBITDA Margin Development

Improving Margins through Operating Cost Efficiencies



*New Higher Value Products manufactured with the same quantum of Raw Material

Return Indicators



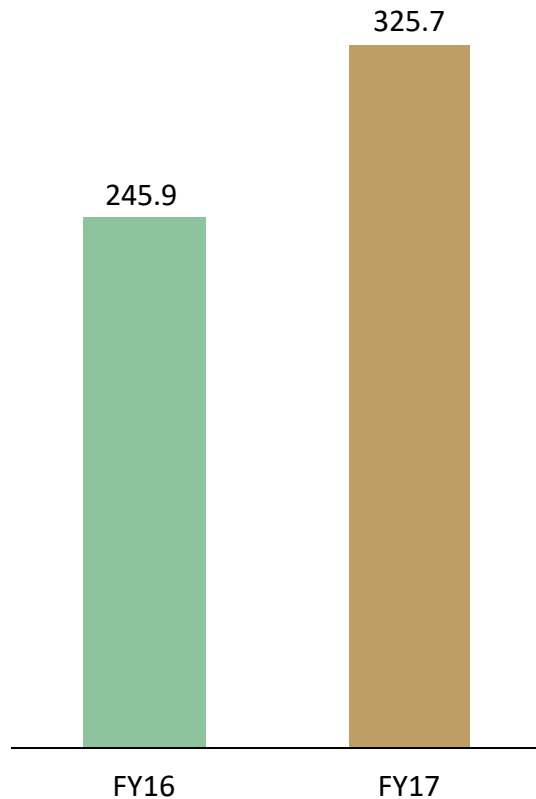
Return ratios improvement led by improved product mix and operating cost efficiencies

*Shareholders Funds = Equity Capital + Share Premium + Accumulated Profits
On Standalone basis

Disciplined Capital Allocation

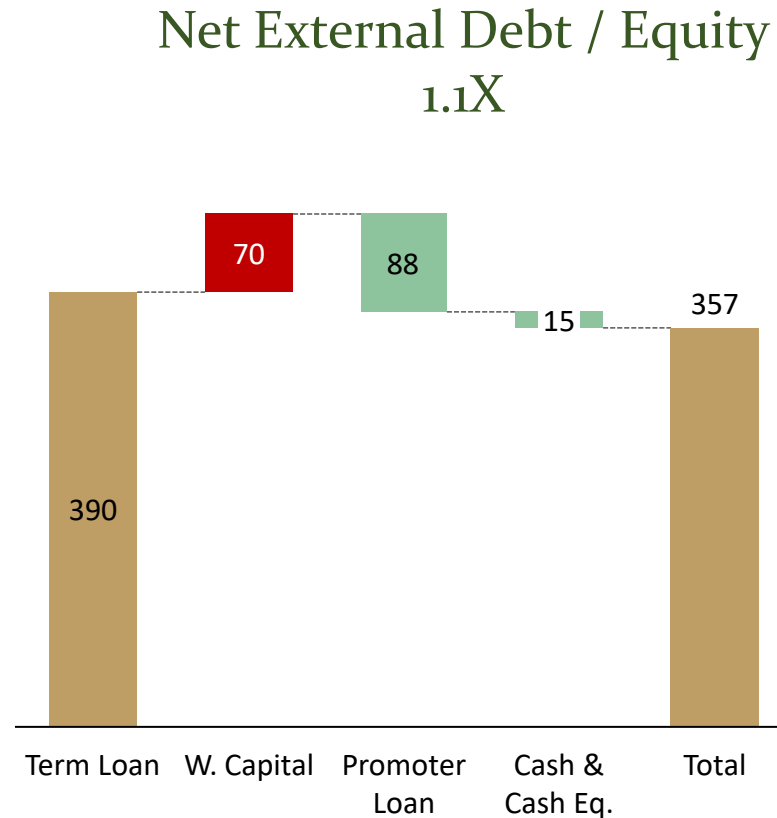


Net-worth (Rs. Crs)

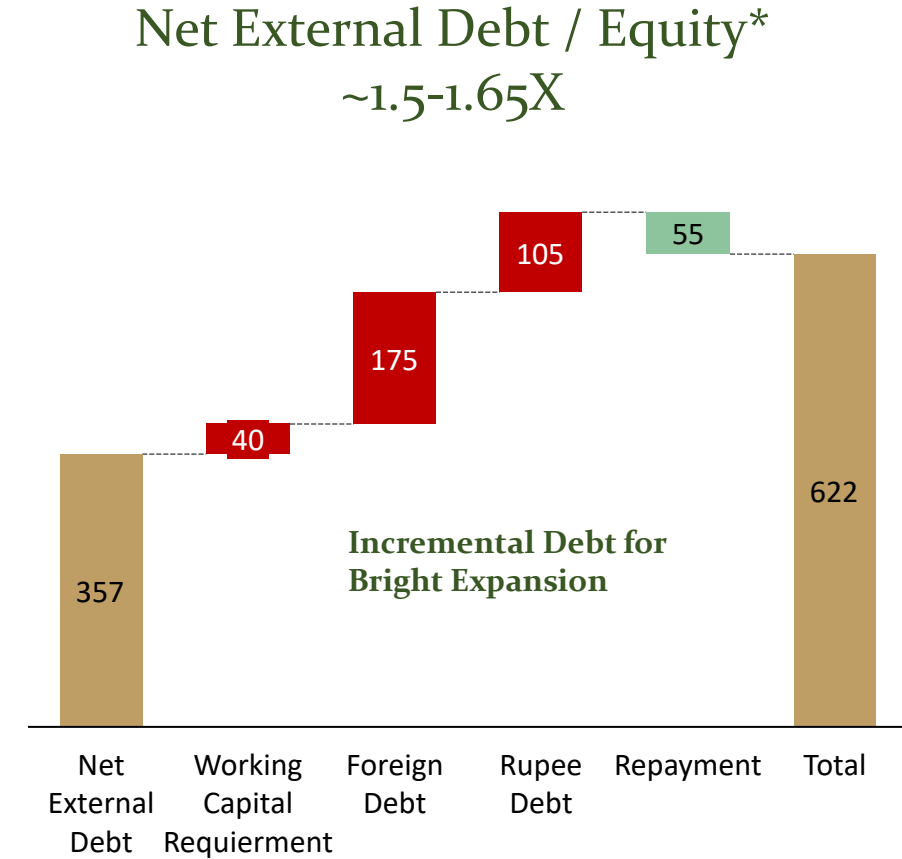


On Standalone basis

Net External Debt (Rs. Crs)



Estimated - Net External Debt (Rs. Crs)



*Current Net Worth + Expected Future Retained Earnings

Standalone Profit & Loss Statement - Quarter



Particulars (Rs. Crs)	Q3FY18	Q3FY17	YoY	9MFY18	9MFY17	YoY
REVENUE (Net of Excise Duty)	504.2	368.2	36.9%	1349.1	1102.3	22.4%
Raw Material Costs	409.0	288.5		1079.6	871.1	
Employee Expenses	12.2	12.3		36.4	35.7	
Other Expenses	45.1	37.6		122.8	100.1	
EBITDA	37.9	29.9	26.6%	110.4	95.4	15.7%
EBITDA Margin	7.5%	8.1%		8.2%	8.7%	
Other Income	3.9	3.1		8.8	8.3	
Depreciation	7.4	7.6		22.5	21.4	
EBIT	34.4	25.5	34.9%	96.7	82.4	17.3%
EBIT Margin	6.8%	6.9%		7.2%	7.5%	
Interest / Finance Cost	12.2	16.7		32.0	45.9	
Exceptional Item Gain / Loss	-	-		-	-	
PBT	22.1	8.8	151.1%	64.7	36.5	77.1%
Tax	7.6	2.0		22.4	9.4	
PAT	14.5	6.8	111.4%	42.3	27.1	56.1%
PAT Margin	2.9%	1.9%		3.1%	2.5%	
Other Comprehensive Income	-	(0.1)		-	(0.2)	
Total Comprehensive Income	14.5	6.8	113.3%	42.3	26.9	57.3%

As per Ind-AS

Standalone Profit & Loss Statement - Annual



Particulars (Rs. Crs)	FY17	FY16	FY15
REVENUE	1,551.0	1,278.2	1,572.8
Raw Material Costs	1,225.3	1,051.8	1,350.0
Employee Expenses	47.0	40.0	35.4
Other Expenses	145.5	99.0	108.5
EBITDA	133.3	87.5	78.9
EBITDA Margin	8.6%	6.8%	5.0%
Other Income	11.4	10.7	9.7
Depreciation	29.0	21.3	20.6
EBIT	115.7	76.9	68.0
EBIT Margin	7.5%	6.0%	4.3%
Interest / Finance Cost	57.6	51.2	53.6
Exceptional Item Gain / (Loss)	(3.5)^	7.0*	0.0
PBT	54.6	32.7	14.4
Tax	13.6	6.4	4.8
PAT	41.0	26.3	9.6
PAT Margin	2.6%	2.1%	0.6%

Profit & Loss Statement for FY17 & FY16 are re-instated according to Ind-AS

^Includes Profit of Rs. 0.92 Cr on sale of land and Loss of Rs. 4.37 Cr on settlement of dispute with a supplier

*Includes Profit of Rs 6.97 Cr on sale of Land & Building

Standalone Balance Sheet



Particulars (Rs. Crs)	Sept-17	Mar-17	Mar-16	Mar-15
EQUITY & LIABILITIES				
EQUITY	353.3	325.7	245.9	170.3
Equity Share capital	43.5	43.5	32.0	32.0
Other equity	309.8	282.2	201.0	138.3
Money received against share warrants	-	-	12.9	-
LIABILITIES	893.1	735.1	678.0	546.1
Non-Current Liabilities	517.2	389.1	346.0	244.9
Financial liabilities				
Borrowings	462.2	333.3	299.1	219.1
Provisions	6.5	5.6	4.7	3.7
Deferred tax liabilities	33.2	28.9	27.0	16.7
Other Non-Current Liabilities	15.3	21.3	15.2	5.3
Current Liabilities	375.9	346.1	332.1	301.3
Financial liabilities				
Borrowings	142.1	144.8	139.2	157.6
Trade Payables	134.2	111.3	120.4	83.7
Provisions	1.3	1.3	1.0	0.8
Other Current Liabilities	98.2	88.7	71.5	59.2
TOTAL EQUITY AND LIABILITIES	1246.4	1,060.8	924.0	716.5

Particulars (Rs. Crs)	Sept-17	Mar-17	Mar-16	Mar-15
ASSETS				
Non-Current Assets	818.8	664.2	571.6	409.4
Property, plant and equipment	621.1	628.4	549.1	388.2
Capital work-in-progress	167.2	5.7	18.0	2.4
Other Intangible Assets	0.1	0.2	0.1	0.1
Financial Assets				
Investments	0.1	0.1	-	-
Loans and Advances	-	29.0	3.3	17.9
Other non-current assets	30.3	0.9	1.1	0.8
Current Assets	427.7	396.6	352.4	307.1
Inventories	134.8	149.1	98.6	118.5
Financial Assets				
Investments	30.0	-	-	-
Trade receivables	176.0	200.7	213.4	149.1
Cash and cash equivalents	25.5	14.8	12.5	15.4
Other financial assets	3.0	25.1	27.1	11.6
Other current assets	58.4	6.9	0.8	12.4
TOTAL ASSETS	1,246.4	1,060.8	924.0	716.5

Balance Sheet for FY17 & FY16 are re-instated according to Ind-AS

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