

A collage of various products including tires, a bicycle, a Rasna detergent box, and a light bulb, all overlaid with a semi-transparent blue and green tint. A large white curved shape separates the collage from the text on the right.

apcotex industries limited

EARNINGS PRESENTATION

FY21/Q4-FY21

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 9,291 Mn as on 31st March, 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

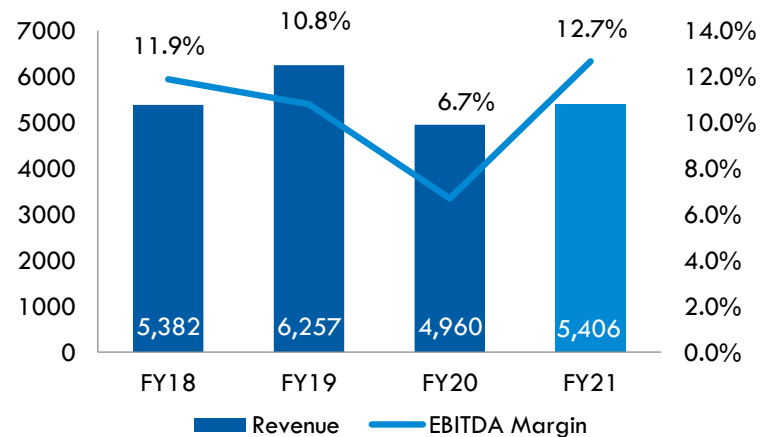
Operational Revenue - **INR 5,406 Mn**

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 (%)



Q4-FY21 Financial Highlights

INR 1,869 Mn

Operational Revenue

INR 300 Mn

Operating EBITDA

16.05%

Operating EBITDA Margin

INR 226 Mn

Net Profit

12.09%

Net Profit Margin

INR 4.36/share

EPS

FY21 Financial Highlights

INR 5,406 Mn

Operational Revenue

INR 685 Mn

Operating EBITDA

12.67%

Operating EBITDA Margin

INR 442 Mn

Net Profit

8.18%

Net Profit Margin

INR 8.52/share

EPS

- **Business Performance:**
 - This quarter the company achieved its highest ever quarterly Revenues, EBITDA, and PAT numbers, with exports also achieving highest ever numbers.
 - There was strong demand across most industries.
 - The company has scaled up of production/sales of XNB latex for Gloves from existing plants with both plants running at near full capacity.
 - Customer and product mix has been optimised in the quarter, with better procurement of raw materials and implementation of cost saving projects over the last few months and the year assisted in bolstering the margins.
- **Anti-dumping:**
 - Fresh petitions have been filed against Russia, Japan and France. The hearing has been completed and final recommendations from DGTR are expected in Q1-FY22.
- **Project Highlights:**
 - There has been a delay in commencement of construction of new project for XNB Latex project for Gloves due to delay in statutory/environmental permissions.
- **Covid-19 update:** Safety and Health of all employees has been of paramount concern. New protocols for sanitization and distancing have been put in place and are being followed strictly.
- **Liquidity:** Company has a healthy liquidity position currently and to maintain the liquidity, cash flows are reviewed regularly by the leadership team.

Q4-FY21 Income Statement (As per IndAS)



Particulars (INR Mn)	Q4-FY21	Q4-FY20	Y-o-Y	Q3-FY21	Q-o-Q
Operational Revenue	1,869	1,156	61.7%	1,646	13.5%
Total Expenses	1,569	1,077	45.7%	1,403	11.8%
Operating EBITDA	300	79	279.7%	243	23.5%
Operating EBITDA Margin	16.05%	6.83%	922 Bps	14.76%	129 Bps
Depreciation	32	36	(11.1)%	35	(8.6)%
Finance Cost	8	4	100.0%	8	NA
Other Income	20	13	53.8%	14	42.9%
PBT	280	52	438.5%	214	30.8%
Tax	54	21	157.1%	48	12.5%
PAT	226	31	629.0%	166	36.1%
PAT Margin	12.09%	2.68%	941 Bps	10.09%	200 Bps
Other Comprehensive Income	15	(65)	NA	91	(83.5)%
Total Comprehensive Income	241	(34)	NA	257	(6.2)%
Diluted EPS (INR)	4.36	0.59	NA	3.20	36.3%

FY21 Income Statement (As per IndAS)



Particulars (INR Mn)	FY21	FY20	Y-o-Y
Operational Revenue	5,406	4,960	9.0%
Total Expenses	4,721	4,626	2.1%
Operating EBITDA	685	334	105.1%
Operating EBITDA Margin	12.67%	6.73%	594 Bps
Depreciation	145	134	8.2%
Finance Cost	38	13	NA
Other Income	65	59	10.2%
PBT	567	246	130.5%
Tax	125	80	56.3%
PAT	442	166	166.3%
PAT Margin	8.18%	3.35%	483 Bps
Other Comprehensive Income	177	(56)	NA
Total Comprehensive Income	619	110	NA
Diluted EPS (INR)	8.52	3.21	NA

Historical Income Statement



Particulars (INR Mn)	FY19	FY20	FY21
Operational Revenue	6,257	4,960	5,406
Total Expenses	5,581	4,626	4,721
Operating EBITDA	676	334	685
Operating EBITDA Margin	10.80%	6.73%	12.67%
Depreciation	118	134	145
Finance Cost	18	13	38
Other Income	77	59	65
PBT	617	246	567
Tax	151	80	125
PAT	466	166	442
PAT Margin	7.45%	3.35%	8.18%
Other Comprehensive Income	(2)	(56)	177
Total Comprehensive Income	464	110	619
Diluted EPS (INR)	8.99	3.21	8.52

Balance Sheet



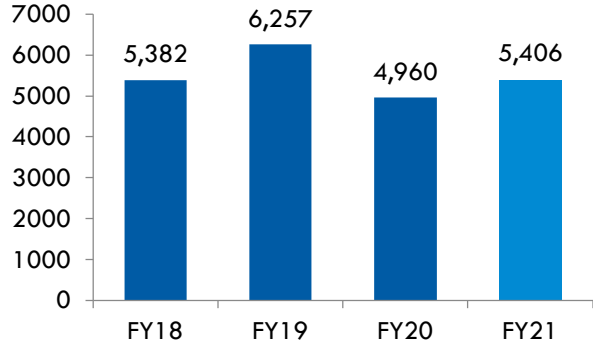
Particulars (INR Mn)	FY20	FY21
Shareholders Fund	2,513	3,054
Equity Share Capital	104	104
Other Equity	2,409	2,950
Total Non Current Liabilities	349	241
Deferred Tax liabilities	57	105
Borrowings	226	60
Long Term Provision	29	31
Other Financial Liabilities	37	45
Total Current Liabilities	1,107	1,222
Short Term Borrowings	189	51
Trade Payables	460	589
Other Current Liabilities	374	438
Short Term Provision	5	5
Other Current Liabilities	79	139
TOTAL EQUITY & LIABILITIES	3,969	4,517

Particulars (INR Mn)	FY20	FY21
Total Non Current Assets	1,916	2,383
Property, Plant and Equipment	1,239	1,441
Capital Work in progress	193	116
Non Current Investments	334	682
Intangible Assets	9	7
Current Tax Assets (net)	55	73
Other Non Current Assets	86	64
Total Current Assets	2,053	2,134
Investments	211	142
Inventories	597	558
Trade Receivables	891	1,048
Cash & Cash Equivalents	117	106
Other Bank Balances	43	44
Short Term loans & Advances	3	4
Other Financial Assets	60	72
Other Current Asset	131	160
TOTAL ASSETS	3,969	4,517

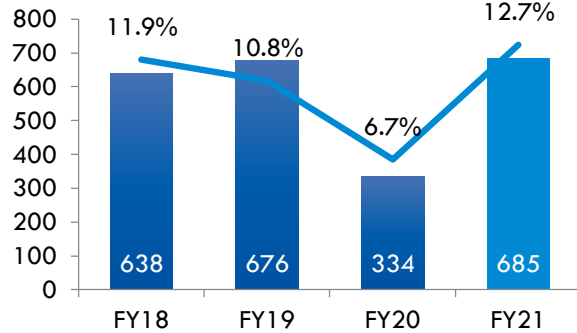
Historical Performance Indicators



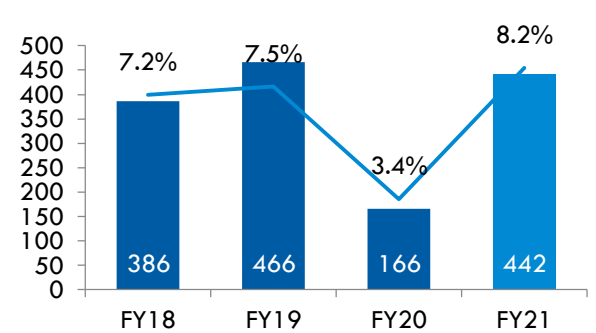
Operational Revenue (In Mn)



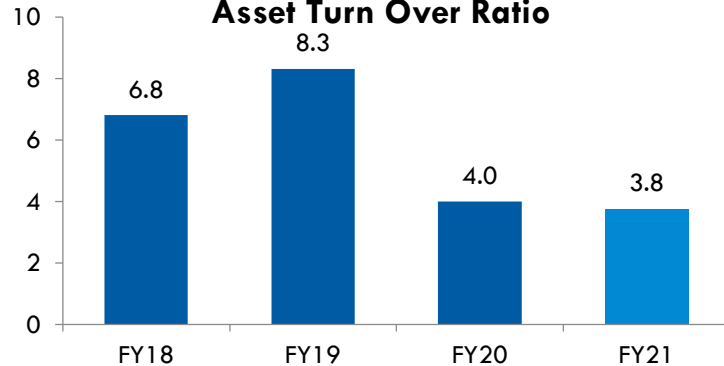
Operating EBITDA and EBITDA Margin



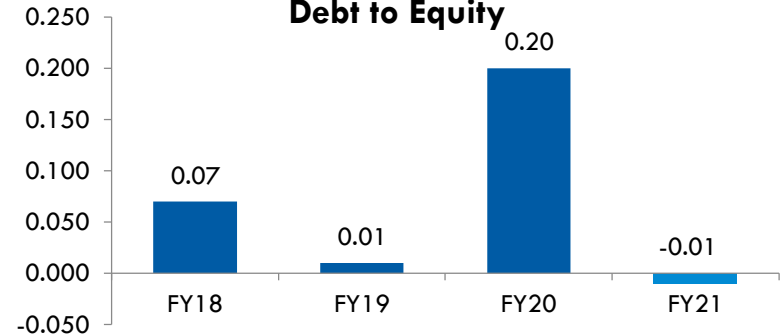
PAT and PAT Margin



Asset Turn Over Ratio



Debt to Equity



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The background features three overlapping, curved shapes. A blue shape is in the top-left, a white shape is in the center-right, and a green shape is at the bottom. The shapes have soft, feathered edges.

Thank You