

15<sup>th</sup> March 2023

To, The Manager - Listing Department, The National Stock Exchange of India Ltd Exchange Plaza, 5th floor, Plot no. C/1, "G" Block, Bandra-Kurla Complex, Mumbai-400051  Symbol: APCOTEXIND	To, Manager-Department of Corporate Services BSE Limited Jeejeebhoy Towers, Dalal Street, Fort, Mumbai - 400 001  Security Code: 523694
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**Sub: Investor Presentation**

Dear Sir/Madam,

Please find enclosed herewith Investor Presentation – March 2023. The same is for your reference and records.

Thanking you,

For **Apcotex Industries Limited**

Jeevan Mondkar

Company Secretary & Head - Legal

**REGISTERED OFFICE**

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Maharashtra, India  
T: + 91 22 2777 0800

**CORPORATE OFFICE**

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Mumbai 400020, India  
T: + 91 22 2283 8302/04

**TALOJA FACTORY**

Plot No. 3/1, MIDC Industrial Area  
Taloja, Dist. Raigad 410208  
Maharashtra, India  
T: + 91 22 2740 3500

A collage of images including a stack of tires, a person riding a bicycle, a Rasna detergent packet, and various mechanical parts like a light bulb and a fan, all overlaid with a blue and green tint.

# **apcotex industries limited**

INVESTOR PRESENTATION

March 2023

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**Executive Summary**

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**Company Overview**

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**Business Overview**

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**Industry Overview**

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**Strategic Overview**

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**Financial Overview**



# Executive Summary

# Executive Summary



## 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.
- ▶ Apcotex is listed on both the BSE and NSE and has an approximate market capitalisation of INR 24,183.08 Mn as on 31<sup>st</sup> December, 2022.

## BUSINESS MIX

- ▶ **SYNTHETIC LATEX**
  - ▷ Paper/ Paper Board, Carpet, Gloves, Construction, Tyre Cord, Speciality, Textile.
- ▶ **SYNTHETIC RUBBER**
  - ▷ Automobile, Footwear, Rice Rolls, Various Rubber Products.

## MARQUEE CLIENTS

- ▶ **SYNTHETIC LATEX**
  - ▷ ITC, Asian Paints, Ultratech Cement, Welspun, BILT, JK PAPER, Pidilite Industries, MRF, SRF, Century Enka, Standard, Mac, Kordsa etc.
- ▶ **SYNTHETIC RUBBER**
  - ▷ Paragon Footwear, Jayshree Polymers, Parker Hannifin, Gates India, Armacell, Supreme Industries etc.

## MANUFACTURING

- ▶ **Taloja Facility: Maharashtra**
  - ▷ 65,000 MTPA Synthetic Latex
  - ▷ 7,000 MTPA High Styrene Rubber
- ▶ **Valia Facility: Gujarat**
  - ▷ 21,000 MTPA Nitrile Rubber and Allied Products.

## FY22 FINANCIALS

Operational Revenue - **INR 9,569 Mn**

EBITDA - **INR 1,398 Mn**

PAT- **INR 988 Mn**



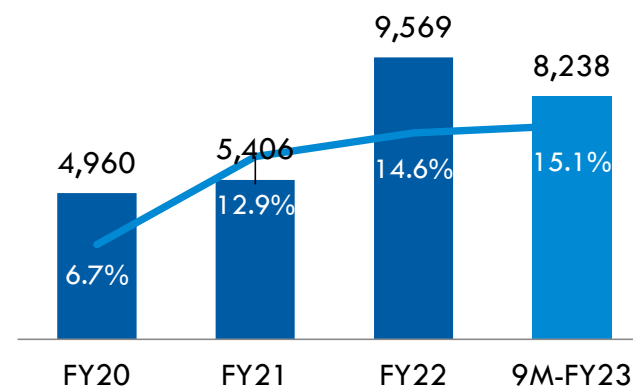
# Company Overview

# Company Overview



- ▶ 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 550 fulltime employees.
- ▶ Apcotex Industries is also a part of the Top 10 Indian companies on the list of "Forbes Asia Best Under A Billion 2022".

## Operational Revenue (INR Mn) and EBITDA Margin (%)



**Forbes Asia**  
**BEST UNDER A**  
**BILLION**  
**2022**

# Promoter Background and Board of Directors



**MR. ATUL C. CHOKSEY**  
Chairman

He is a Chemical Engineer from Illinois Institute of Technology, Chicago, USA and has more than four decades of experience in managing the affairs of the Company. He is on the board of reputed companies like Ceat.



**MR. AMIT C. CHOKSEY**  
Director

He is a Bachelor of Commerce and has over 30 years of experience in managing industries manufacturing various types of construction chemicals, specialty water proofing compounds and inorganic pigments. He is the Chairman of Mazda Colours Ltd.



**DR. S. SIVARAM**  
Independent Director

He obtained his MSc degree from IIT-Kanpur followed by PhD and DSc degrees from Purdue University, W. Lafayette, Indiana, USA. He was the Director of CSIR-NCL from 2002-10 and is presently an INSA Senior Scientist and Professor at the Indian Institute of Science Education and Research, Pune. He has over fifty years of R&D experience in the area of chemicals and polymers. The President of India bestowed on him the coveted civilian honour Padma Shri in 2006.



**MR. KAMLESH S. VIKAMSEY**  
Independent Director

He is a Chartered Accountant and a Senior Partner in reputed firm of Khimji Kunverji & Co. He was member of the Central Council of ICAI from 1998 to 2007 and held the post of president in 2005.



**MR. UDAYAN D. CHOKSI**  
Independent Director

He is a graduate in Economics from Warwick University. In addition to his CA degree, he also holds an LLB from Mumbai University. He is a senior indirect tax professional and practising counsel, and was previously at Big 4 – accounting and prominent law firms. He is a Partner at Khaitan & Co.



**MR. ABHIRAJ A. CHOKSEY**  
Managing Director

He is a Bachelor of Science in Economics from Wharton Business School and also Bachelor of Science in Engineering from the Engineering School, University of Pennsylvania in U.S.A.



**MR. SHAILESH S. VAIDYA**  
Independent Director

He is a law graduate from Government Law College and became Solicitor in the year 1983 and has been practicing as Advocate and Solicitor. He is one of the senior partner at Kanga & Co.



**MS. PRIYAMVADA BHUMKAR**  
Independent Director

She is a graduate in Chemistry and MBA in Finance from Mumbai University having 25 years of rich experience in the field of colour dispersions. She is Managing Director of Soujanya Color Pvt. Ltd., the well-known Indian colorant manufacturing company.

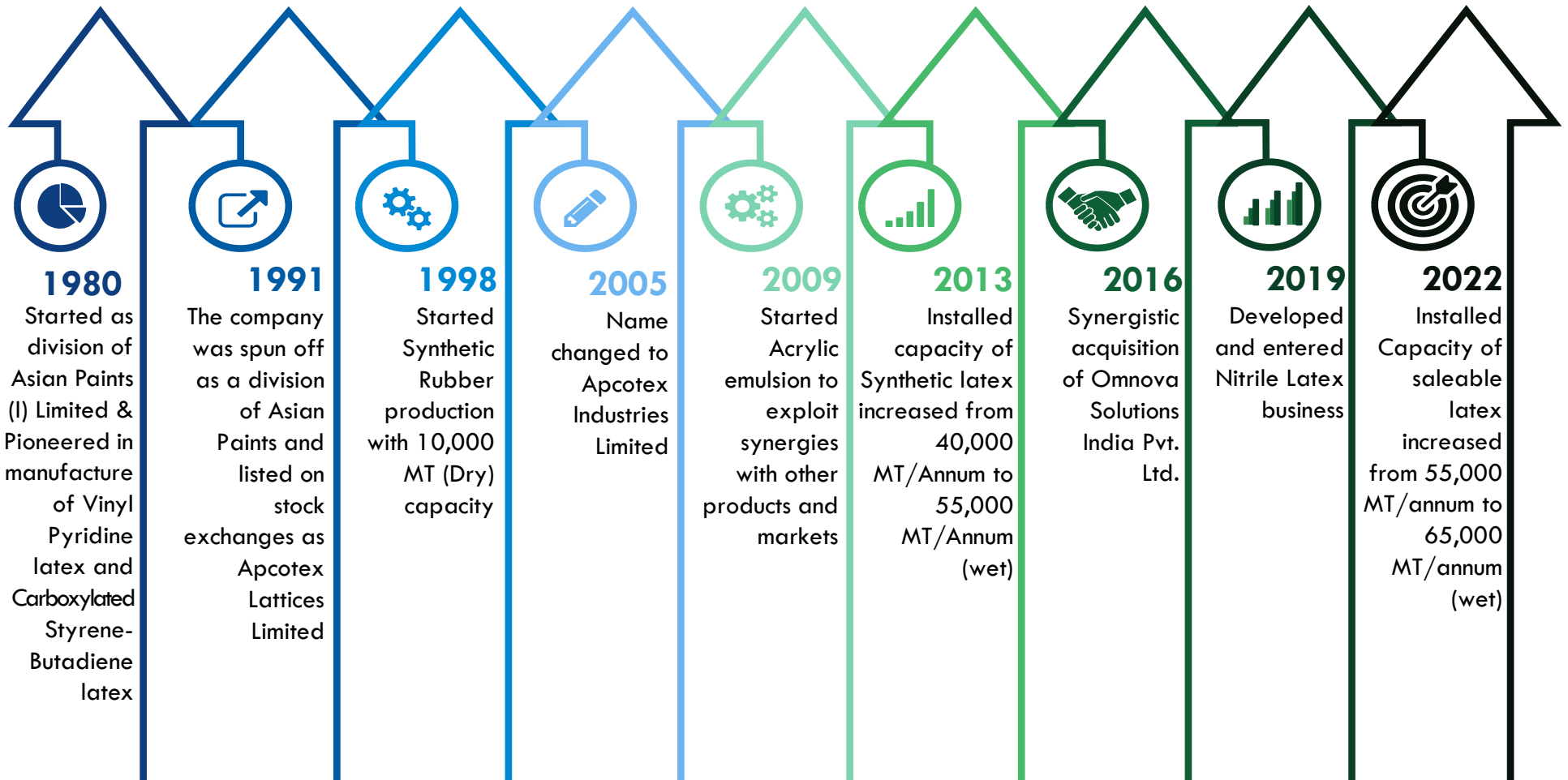


**MR. RAVISHANKAR SHARMA**  
Executive Director

He is a Chemical Engineer from Laxminarayan Institute of Technology, Nagpur, passed out in 1988 and PGDBM from Goa Institute of Management, Goa (Executive MBA) in 2009 and has more than 30 years of rich experience in the field of Production, Projects, Specialty Chemicals, operations and Manufacturing.



# Key Milestones



# Industry Clients



## PAPER

- ▶ ITC Ltd
- ▶ BILT
- ▶ JK PAPER
- ▶ NR Group

## CARPET

- ▶ Obeetee Industries
- ▶ Standard
- ▶ ABC Industries
- ▶ Mac

## RUBBER

- ▶ Paragon Footwear
- ▶ Lunars Footwear
- ▶ Josco
- ▶ Distributors all over India

## CONSTRUCTION

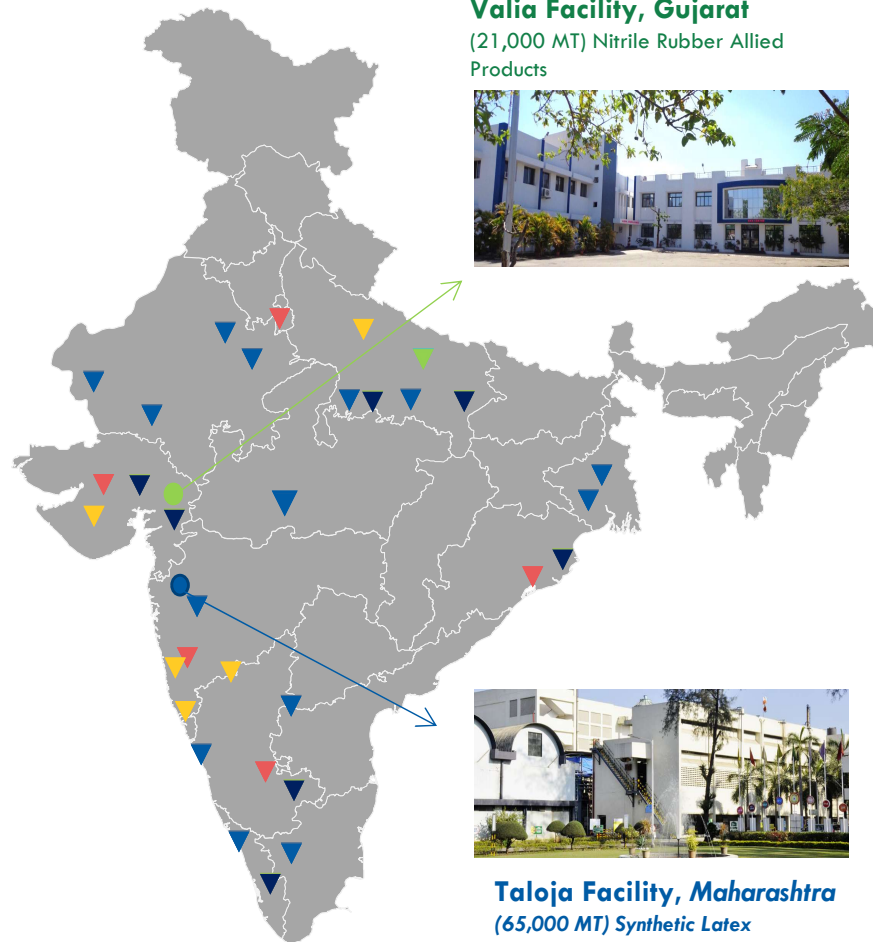
- ▶ Pidilite Industries
- ▶ Sika
- ▶ Fosroc
- ▶ Asian Paints
- ▶ Ultratech Cements

## TYRE / CORD DIPPER

- ▶ MRF
- ▶ SRF
- ▶ Kordsa
- ▶ Rajshree Polyfill (Century Enka)
- ▶ Madura

### Valia Facility, Gujarat

(21,000 MT) Nitrile Rubber Allied Products



### Talaja Facility, Maharashtra

(65,000 MT) Synthetic Latex  
(7,000 MT) High Styrene Rubber

## AUTO & INDUSTRIAL

- ▶ Unique Auto Rub Udyog Pvt Ltd
- ▶ Varroc Elast
- ▶ G.B. Rubber
- ▶ Jayashree Polymers

## HOSES & LPG

- ▶ Vansh Industries
- ▶ Super Hoze
- ▶ Jugaltara
- ▶ Parker Hannifin India

## RICE ROLLS

- ▶ Shaktiman
- ▶ Hindustan Rubber Industries (RR)
- ▶ Golden Rolls Pvt Ltd/Cable Corp

## GLOVES

- ▶ Top Glove
- ▶ Brightway
- ▶ SRI Trang
- ▶ PT Shamrock

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

# R&D and Quality Control



## PRODUCT DEVELOPMENT LAB



## DCS PROCESS CONTROL



## PRODUCT APPLICATION LAB



## QUALITY ASSURANCE LAB



The company has been **continuously upgrading** their **technology** through **in house research & development** efforts to meet the **changing needs** of customers  
Currently 47 employees are dedicated for R&D and technical support.

# Quality Certifications



ISO  
9001  
certified

TPM  
Journey  
starts

ISO  
14001:2004,  
OHSAS  
18001:2007  
Certified

TPM  
Excellence  
Category  
A

Integration  
Of Quality,  
Environment  
and OHSAS  
Systems

TPM  
Consistency  
Award

Responsible  
Care Certified

Valia plant  
RC  
certified

TPM  
Excellence  
Award for  
Valia Plant

2000

2006

2011

2011

2012

2013

2015

2018

2022

# Key Strengths



Experienced Promoters  
along with professional  
management team



Marquee list of clients



Only Manufacturer of NBR, HSR and Nitrile  
Latex in India



Strategic location of  
manufacturing units in India and  
lean business operations



Apcotex is a Globally  
Reputed Brand



High entry barriers due to  
proprietary product and process  
technology, large capex, long sales  
lead times and difficult-to-handle  
RMs



Advanced technological  
knowhow, in-house R&D and  
customisation capability

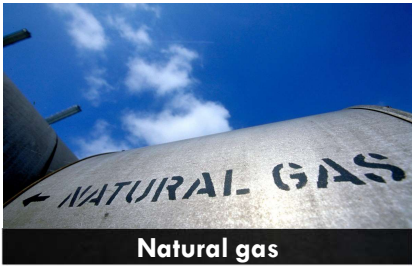




# Business Overview

## VALUE CHAIN

### Sources of Raw Materials



### Raw Materials

Butadiene

Styrene

Acrylonitrile



### Final Products



# Synthetic Latex Products



The company caters to a large customer base for synthetic latex across industries and commands high market share across industries like Paper, Carpets, Tyres and Construction.

PAPER	CARPET	CONSTRUCTION	TYRE CORD	GLOVES	SPECIALTY
<p>Provides high wet and dry binding strength, high sheet gloss; Provides excellent wet and dry binding strengths; Provides excellent coverage and coating holdout; Provides excellent gloss.</p>	<p>Soft secondary backings of tufted carpets, Needle felt coating and impregnation, Textile Finishing / Softener, produces chemical additives for Textile Flooring, Synthetic Turf, Mattresses etc.</p>	<p>Bonding agent, cementitious waterproofing 2 component repair mortar, Hydraulic cement admixture, damp proof coatings, bonding agent for cement sand plaster on concrete and Gypsum.</p>	<p>Tyre cord / belting fabric dipping.</p>	<p>For Medical and Industrial Purpose.</p>	<p>Binder for Nonwoven Fabric, Paper saturation, Binder for cork sheets, Jointing sheets, Textile finishing, Adhesives.</p>
CLIENTS	CLIENTS	CLIENTS	CLIENTS	CLIENTS	CLIENTS



# Synthetic Rubber Products



Apcotex is the only manufacturer of Nitrile Rubber and High Styrene Rubber in India. It has a high market share in HSR but a low market share in NBR due to capacity constraints.

## NITRILE RUBBER (NBR)

Low viscosity grade with excellent processibility, good tack and easy flow suitable for moulded & extruded rubber goods.



### CLIENTS



## NBR POLYBLEND

Cost effective medium ACN blend for general purpose automotive and industrial moulded and extruded products, footwear products etc.



### CLIENTS



## HIGH STYRENE RUBBER

Low hardness rubber grade with very good processibility for Hawaii and Micro-cellular sheets, Medium hardness grade for general purpose footwear products, Banwar and Neolite applications.



### CLIENTS



## NBR POWDER

Linear powder grade suitable for jointing sheets, PVC modifications, medium ACN grade suitable for footwear, moulded and extruded goods, joining sheets, adhesives and Friction materials, Suitable for brake pads.



### CLIENTS





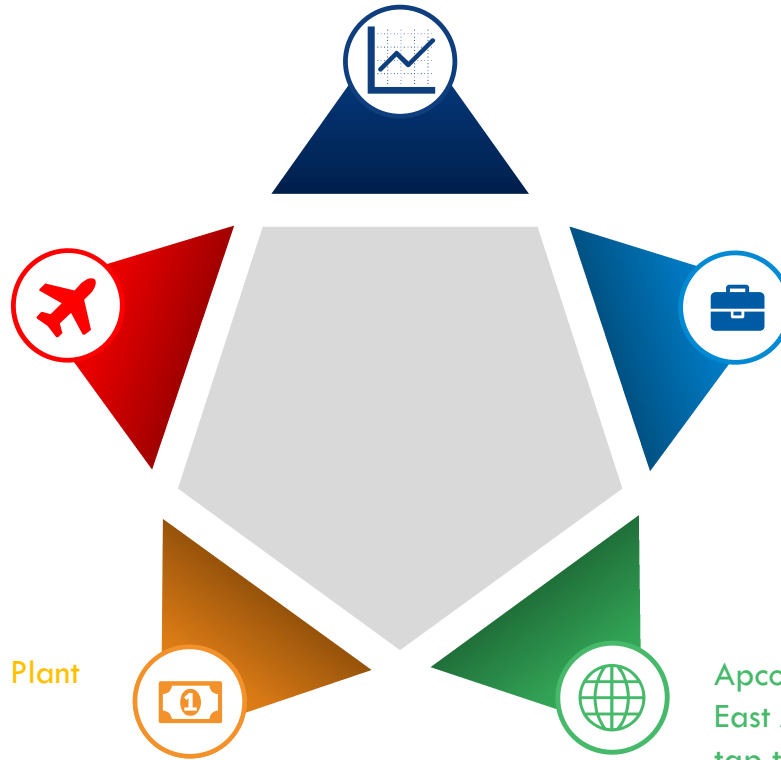
# Strategic Overview

# Future Strategy



The company's presence in the stable growth industries like Paper, Construction, Carpet, Tyre and Rubber provides stable growth & is a strong base for Apcotex.

The company also plans to increase capacities for Nitrile Rubber to cater to domestic and export market.



Apart from the existing product portfolio, the next generation product pipeline is strong to propel growth. Launched new product XNBR Latex for gloves mainly catering to exports and plan to build capacity of 50,000 MT for this product and 35,000 MT for existing product portfolio by Q4-FY2022-23.

Planned capex worth INR 100 Cr at Valia Plant with the purpose of reduction in costs and debottlenecking completed in June 2020.

Apcotex has a strong global presence in South East Asia, Middle East & Africa and intends to tap the Asian Markets.



# Financial Overview

# Historical Income Statement



Particulars (INR Mn)	FY20	FY21	FY22	9M-FY23
<b>Operational Revenue</b>	<b>4,960</b>	<b>5,406</b>	<b>9,569</b>	<b>8,238</b>
Total Expenses	4,626	4,708	8,171	6,994
<b>EBITDA</b>	<b>334</b>	<b>698</b>	<b>1,398</b>	<b>1,244</b>
<b>EBITDA Margins</b>	<b>6.73%</b>	<b>12.91%</b>	<b>14.61%</b>	<b>15.10%</b>
Depreciation	134	145	141	111
Finance Cost	13	38	32	45
Other Income	59	52	79	60
<b>PBT</b>	<b>246</b>	<b>567</b>	<b>1,304</b>	<b>1,148</b>
Tax	80	125	316	301
<b>PAT</b>	<b>166</b>	<b>442</b>	<b>988</b>	<b>847</b>
<b>PAT Margins</b>	<b>3.35%</b>	<b>8.18%</b>	<b>10.33%</b>	<b>10.28%</b>
Other Comprehensive Income	(56)	177	127	0
<b>Total Comprehensive Income</b>	<b>110</b>	<b>619</b>	<b>1,115</b>	<b>847</b>
Diluted EPS (INR)	3.21	8.52	19.06	16.34

# Balance Sheet



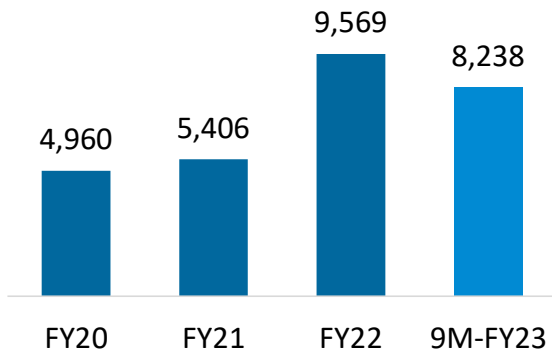
Particulars (INR Mn)	FY21	FY22	H1-FY23
<b>Shareholders Fund</b>	<b>3,054</b>	<b>3,962</b>	<b>4,452</b>
Equity Share Capital	104	104	104
Other Equity	2,950	3,858	4,348
<b>Total Non Current Liabilities</b>	<b>240</b>	<b>439</b>	<b>1,164</b>
Deferred Tax liabilities	105	81	98
Borrowings	60	264	964
Lease liabilities	1	1	1
Long Term Provision	31	33	32
Other Financial Liabilities	43	60	69
<b>Total Current Liabilities</b>	<b>1,223</b>	<b>1,648</b>	<b>2,100</b>
Short Term Borrowings	84	238	455
Trade Payables	810	1,000	989
Other Financial Liabilities	185	256	410
Short Term Provision	13	16	22
Other Current Liabilities	131	138	224
<b>TOTAL EQUITY &amp; LIABILITIES</b>	<b>4,517</b>	<b>6,049</b>	<b>7,716</b>

Particulars (INR Mn)	FY21	FY22	H1-FY23
<b>Total Non Current Assets</b>	<b>2,383</b>	<b>3,014</b>	<b>4,140</b>
Property, Plant and Equipment	1,441	1,560	1,554
Capital Work in progress	116	386	1,689
Non Current Investments	682	823	801
Intangible Assets	7	6	5
Non Current Tax Assets (net)	73	28	14
Other Non Current Assets	64	211	77
<b>Total Current Assets</b>	<b>2,134</b>	<b>3,035</b>	<b>3,576</b>
Investments	142	153	176
Inventories	558	871	948
Trade Receivables	1,048	1,618	1,759
Cash & Cash Equivalents	106	20	59
Other Bank Balances	44	69	70
Short Term loans & Advances	4	4	5
Other Financial Assets	72	93	114
Other Current Asset	160	207	445
<b>TOTAL ASSETS</b>	<b>4,517</b>	<b>6,049</b>	<b>7,716</b>

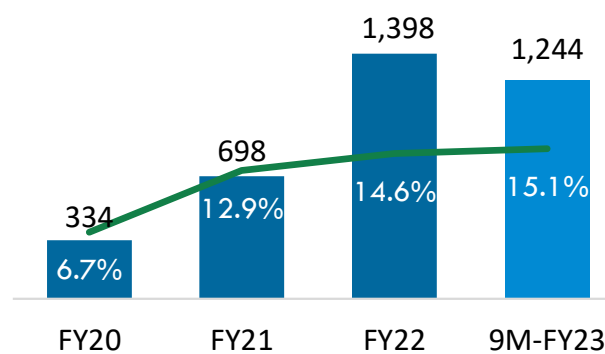
# Historical Performance Indicators



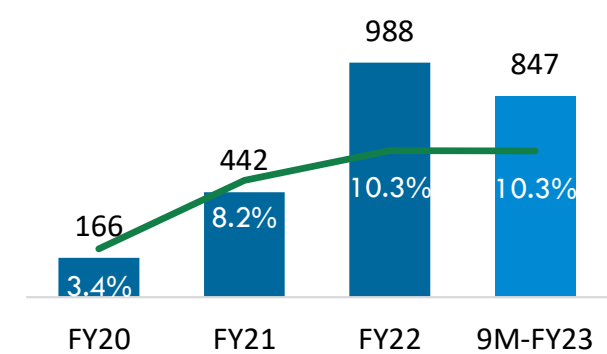
**Operational Revenue (INR Mn)**



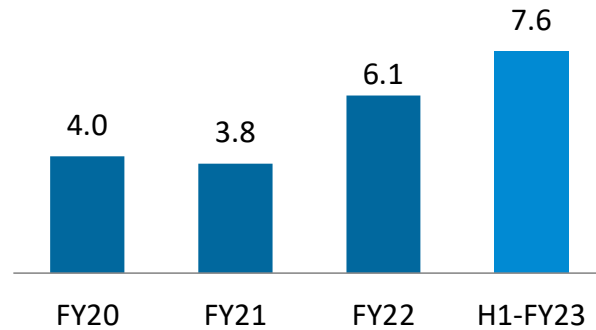
**EBITDA (INR Mn) EBITDA Margin (%)**



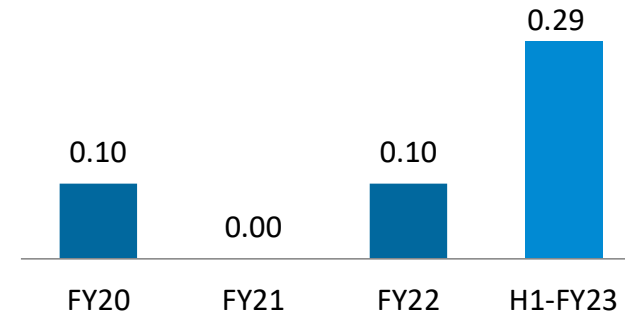
**PAT (INR Mn) and PAT Margin (%)**



**Asset Turn Over Ratio (x)**



**Net Debt to Equity (x)**



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**Apcotex Industries Limited**  
CIN: L99999MH1986PLC039199  
Email: [sachin.karwa@apcotex.com](mailto:sachin.karwa@apcotex.com)



The background features three overlapping, curved shapes. On the left, a dark blue shape tapers towards the bottom-left corner. In the center, a white shape curves from the top-left towards the bottom-right. At the bottom, a green shape curves from the left towards the right. The text 'Thank You' is positioned in the white area on the right side.

Thank You