



16s/61

# FINEOTEX CHEMICAL LIMITED



15<sup>th</sup> November 2016

To,

General Manager, Listing Department, <b>The Bombay Stock Exchange Limited,</b> P.J. Towers, Dalal Street, Mumbai – 400 001  <b>Company code: 533333</b>	The Manager, Listing & Compliance Department <b>The National Stock Exchange of India Limited</b> Exchange Plaza, Bandra Kurla Complex, Bandra East, Mumbai - 400051  <b>Company code: FCL</b>
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Dear Sirs/Madam,

**Subject:- Regulation 30, Schedule III Part A (15) of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015**

With reference to the above caption subject, we hereby enclose Earning Presentation for quarter ended 30<sup>th</sup> September 2016, requesting you to kindly take it in your record.

Thanking You,

Yours faithfully,

For FINEOTEX CHEMICAL LIMITED

**Raina Dsilva**  
**(Company Secretary)**

**FCL**



**FINEOTEX CHEMICAL LIMITED**  
*Where Dependability Counts...*

**Q2/H1-FY17**  
**EARNINGS PRESENTATION**



# EXECUTIVE SUMMARY



### OVERVIEW

- Fineotex Group founded in 1979 is engaged in manufacturing of Specialty Chemicals and Enzymes.
- Mr. Surendra Kumar Tibrewala is Chairman & MD and Mr Sanjay Tibrewala Executive Director & CFO.
- The company has manufacturing facilities in Navi Mumbai and Malaysia with a combined production capacity of 22,000 MT/p.a.
- Current Market Capitalization is INR 3,632.91 MN as of 31st March, 2016 .



### BUSINESS MIX

- Fineotex is one of India's largest and most progressive speciality textile chemical manufacturers.
- The Company manufactures chemicals for the entire value chain for the textile industry including pretreatment, dyeing , printing and finishing process
- The company also manufactures other chemicals for various industries like agro , adhesives , construction, water treatment etc.
- It has more than 400 products catering to various industries.



### KEY STRENGTHS

- Strong Balance Sheet with Zero Debt; High ROE and ROCE, Consistently Dividend paying
- Professionally run company with high Promoter holding. Promoter stake increased from 62% to 72% over the last 3-4 years.
- Strong Industry knowledge – over three decades of operations
- Low cost high margin products with high entry barriers
- Extremely strong brand loyalty
- Strong R&D capabilities help them increase customization levels of their products



### FY16 FINANCIALS

- **Total Income** – INR 1,121 MN , 5 year CAGR of 31.4%
- **EBITDA** – INR 299 MN , 5 year CAGR of 35.7%
- **PAT** – INR 170 MN , 5 year CAGR of 31.6%

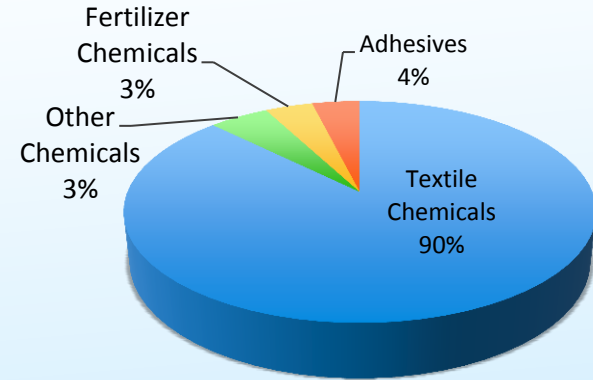


The background features a dark blue overlay with faint white chemical structures and formulas, including  $C=C$ ,  $H-C-H$ , and  $H-C-H$ . In the foreground, there are two Erlenmeyer flasks on the left, each containing a dark liquid and marked with volume levels (25, 50, 75, 100). To the right is a rack of test tubes, also containing dark liquid. A bright green horizontal bar with arrowheads at both ends is positioned behind the text.

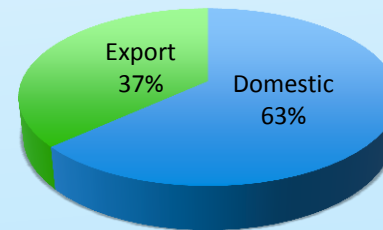
# COMPANY OVERVIEW

- Fineotex Group was established in 1979 by Mr.Surendra Tibrewala
- FCL was incorporated as a public limited company in 2007. The company was listed on Bombay Stock Exchange in March 2011, and listed on the National Stock Exchange in January 2015.
- Fineotex is one of India's largest and most progressive specialty textile chemical manufacturers.
- The company manufactures over 400 specialty chemicals and enzymes to Textile, Garment, Construction, Leather, Water treatment , Agrochemicals, Adhesives and others industries.
- Headquartered in Mumbai, it has manufacturing facilities in India and Malaysia with a combined production capacity of 22,000MT/p.a.
- It has a global presence across 33 countries and caters to well known companies in India and overseas.
- FCL along with its subsidiary Biotex Malaysia, has a global presence as a reputed producer of specialty chemicals.

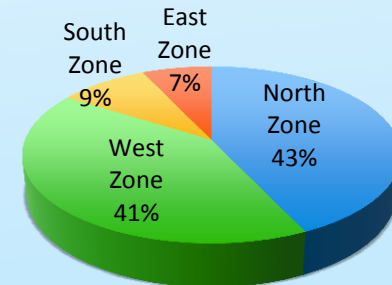
Industry wise Revenue Break-up



Geographical Revenue Break-up



Domestic Revenue Break-up



#### □ Q2-FY17 performance (Standalone):

- **Total Income** : INR 198 Mn; Growth of 11.9% YoY
- **EBITDA** : INR 56 Mn; Growth of 16.7% YoY
- **EBITDA Margin** : 28.28%; Increase by 116 bps
- **Net Profit** : INR 38 Mn; Growth of 26.7% YoY
- **PAT Margin** : 19.19%; Increase by 224 bps
- **Diluted EPS** : 0.34 INR; Growth of 25.9% YoY

#### □ Q2-FY17 performance (Consolidated):

- **Total Income** : INR 309 Mn
- **EBITDA** : INR 84 Mn; Growth of 9.1% YoY
- **EBITDA Margin** : 27.18%; Growth by 327 bps
- **Net Profit** : INR 53 Mn; Growth of 20.5% YoY
- **PAT Margin** : 17.15%; increase by 349 bps
- **Diluted EPS** : 0.47 INR; Growth of 20.5%

#### □ H1-FY17 performance (Standalone):

- **Total Income** : INR 386 Mn; Growth of 10.6% YoY
- **EBITDA** : INR 106 Mn; Growth of 12.7% YoY
- **EBITDA Margin** : 27.46%; Increase by 53 bps
- **Net Profit** : INR 71 Mn; Growth of 18.3% YoY
- **PAT Margin** : 18.39%; Increase by 120 bps
- **Diluted EPS** : 0.64 INR; Growth of 20.8% YoY

#### □ H1-FY17 performance (Consolidated):

- **Total Income** : INR 612 Mn; Growth of 5.2% YoY
- **EBITDA** : INR 157 Mn; Growth of 11.3% YoY
- **EBITDA Margin** : 25.65%; Growth by 142 bps
- **Net Profit** : INR 97 Mn; Growth of 19.75% YoY
- **PAT Margin** : 15.85%; increase by 193 bps
- **Diluted EPS** : 0.86 INR; Growth of 19.4%



## FINANCIAL OVERVIEW



INCOME STATEMENT (INR Mn)	Q2 - FY17	Q1 - FY17	Q-O-Q	Q2-FY16	Y-O-Y
Total Income*	198	189	4.8%	177	11.9%
Expenses	142	138	2.9%	129	10.1%
EBITDA	56	51	9.8%	48	16.7%
<i>EBITDA Margin %</i>	<i>28.28%</i>	<i>26.98%</i>	<i>130 bps</i>	<i>27.12%</i>	<i>116 bps</i>
Depreciation	2	1	100%	1	100%
Finance Cost	1	1	NA	1	NA
PBT	53	49	8.2%	46	15.2%
Tax	15	16	NA	16	NA
PAT	38	33	15.2%	30	26.7%
<i>PAT Margin %</i>	<i>19.19%</i>	<i>17.46%</i>	<i>173 bps</i>	<i>16.95%</i>	<i>224 bps</i>
EPS	0.34	0.30	13.3%	0.27	25.9%

\*Total Income includes Revenues and Other Income

INCOME STATEMENT (INR Mn)	H1-FY17	H1-FY16	Y-O-Y
Total Income*	386	349	10.6%
Expenses	280	255	9.8%
EBITDA	106	94	12.7%
<i>EBITDA Margin %</i>	<i>27.46%</i>	<i>26.93%</i>	<i>53 bps</i>
Depreciation	3	2	50%
Finance Cost	1	1	NA
PBT	102	91	12.1%
Tax	31	31	NA
PAT	71	60	18.3%
<i>PAT Margin %</i>	<i>18.39%</i>	<i>17.19%</i>	<i>120 bps</i>
EPS	0.64	0.53	20.8%

\*Total Income includes Revenues and Other Income

INCOME STATEMENT (INR Mn)	Q2 FY17	Q1 FY17	Q-O-Q	Q2 FY16	Y-O-Y
Total Income*	309	303	1.9%	322	-4.1%
Expenses	225	230	-2.2%	245	-8.2%
EBITDA	84	73	15.1%	77	9.1%
<i>EBITDA Margin %</i>	<i>27.18%</i>	<i>24.09%</i>	<i>309 bps</i>	<i>23.91%</i>	<i>327 bps</i>
Depreciation	2	1	100%	1	100%
Finance Cost	1	1	NA	1	NA
PBT	81	71	14.1%	75	8.0%
Tax	21	21	NA	23	-8.7%
PAT	60	50	20.0%	52	15.4%
Minority Interest	7	6	16.7%	8	-12.5%
PAT after Minority Interest	53	44	22.5%	44	20.5%
PAT %	17.15%	14.52%	263 bps	13.66%	349 bps
EPS	0.47	0.39	20.5%	0.39	20.5%

\*Total Income includes Revenues and Other Income

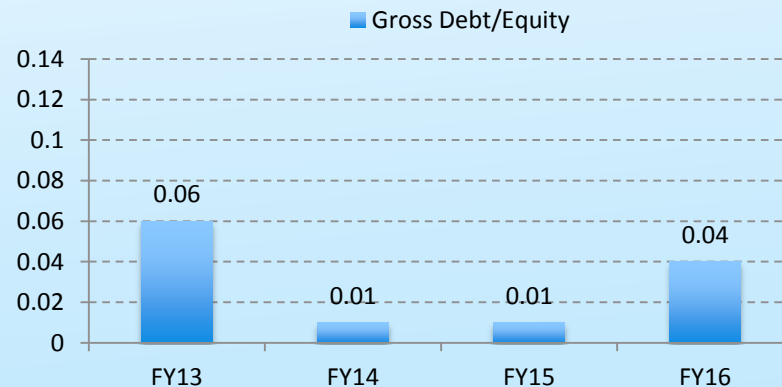
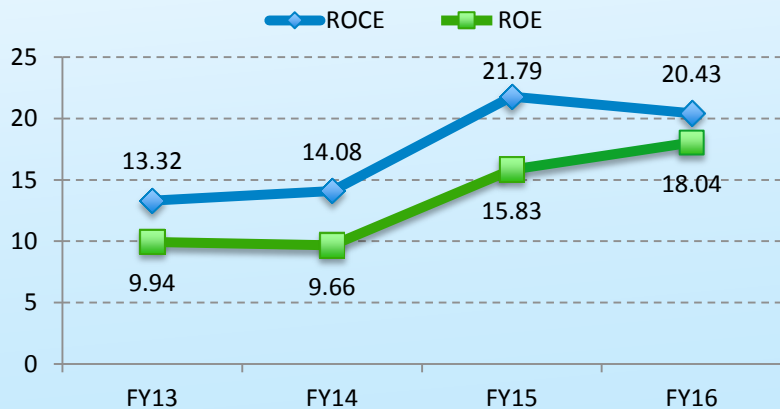
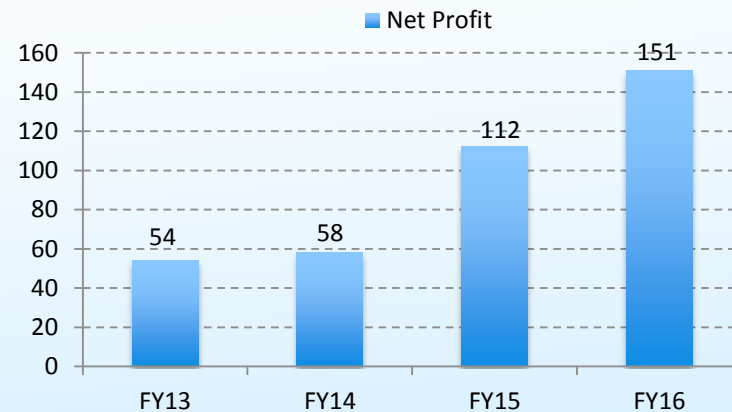
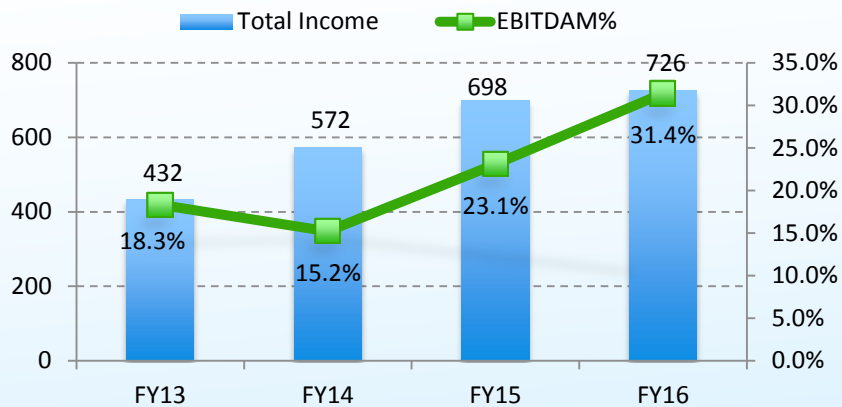
INCOME STATEMENT (INR Mn)	H1-FY17	H1-FY16	Y-O-Y
Total Income*	612	582	5.2%
Expenses	455	441	3.2%
<b>EBITDA</b>	<b>157</b>	<b>141</b>	<b>11.3%</b>
<i>EBITDA Margin %</i>	<i>25.65%</i>	<i>24.23%</i>	<i>142 bps</i>
Depreciation	3	3	NA
Finance Cost	2	2	NA
<b>PBT</b>	<b>152</b>	<b>136</b>	<b>11.8%</b>
Tax	42	42	NA
<b>PAT</b>	<b>110</b>	<b>94</b>	<b>17.02%</b>
<i>Minority Interest</i>	<i>13</i>	<i>13</i>	<i>NA</i>
<i>PAT</i>	<i>97</i>	<i>81</i>	<i>19.75%</i>
<i>PAT Margin %</i>	<i>15.85%</i>	<i>13.92%</i>	<i>193 bps</i>
EPS	0.86	0.72	19.4 %

\*Total Income includes Revenues and Other Income

INCOME STATEMENT (INR Mn)	FY13	FY14	FY15	FY16
<b>Total Income*</b>	<b>432</b>	<b>572</b>	<b>698</b>	<b>726</b>
Expenses	353	485	537	498
<b>EBITDA</b>	<b>79</b>	<b>87</b>	<b>161</b>	<b>228</b>
<b>EBITDA Margin %</b>	<b>18.29%</b>	<b>15.2%</b>	<b>23.06%</b>	<b>31.40%</b>
Depreciation	2	2	5	5
Finance Cost	4	3	2	3
Extra-Ordinary Items	0	2	0	0
<b>PBT</b>	<b>73</b>	<b>80</b>	<b>154</b>	<b>220</b>
Tax	19	22	42	69
<b>PAT</b>	<b>54</b>	<b>58</b>	<b>112</b>	<b>151</b>
<b>PAT %</b>	<b>12.50%</b>	<b>10.14%</b>	<b>16.05%</b>	<b>20.79%</b>
EPS	4.34	2.59	1.00	1.35

\*Total Income includes Revenues and Other Income

PARTICULARS	FY 13	FY14	FY 15	FY16	H1 FY17	PARTICULARS	FY 13	FY14	FY15	FY16	H1 FY17
<b>EQUITIES &amp; LIABILITIES</b>						<b>ASSETS</b>					
<b>Shareholder Funds</b>	<b>546</b>	<b>601</b>	<b>707</b>	<b>837</b>	<b>908</b>	<b>Non Current Assets</b>	<b>225</b>	<b>244</b>	<b>576</b>	<b>678</b>	<b>742</b>
(A) Share Capital	112	112	224	225	225	(A) Net Fixed Assets	63	68	106	120	141
(B) Reserves& Surplus	434	489	483	612	683	(B) Non-current Investments	84	93	385	484	518
(C) Share Application Money	-	-	-	-	-	(C) Long term Loans & Advances	73	79	80	69	78
<b>Non Current Liabilities</b>	<b>33</b>	<b>7</b>	<b>-</b>	<b>-</b>	<b>-</b>	(D) Other Non Current Assets	5	4	5	5	5
(A) Long Term Borrowings	33	7	-	-	-	<b>Current Assets</b>	<b>464</b>	<b>516</b>	<b>272</b>	<b>292</b>	<b>299</b>
<b>Current Liabilities</b>	<b>110</b>	<b>152</b>	<b>141</b>	<b>133</b>	<b>133</b>	(A)Inventories	42	59	47	57	70
(A) Short term Borrowings	2	-	10	30	17	(B) Trade Receivables	114	171	169	192	204
(B) Trade Payables	72	111	96	99	111	(C) Cash & Bank Balances	91	82	27	28	17
(C) Other Current Liabilities	29	34	12	3	3	(D) Short-term loans & advances	3	35	20	14	8
(D) Short-term provisions	7	7	23	1	2	(E) Other current assets	214	169	9	1	0
<b>GRAND TOTAL - EQUITIES &amp; LIABILITES</b>	<b>689</b>	<b>760</b>	<b>848</b>	<b>970</b>	<b>1,041</b>	<b>GRAND TOTAL – ASSETS</b>	<b>689</b>	<b>760</b>	<b>848</b>	<b>970</b>	<b>1,041</b>

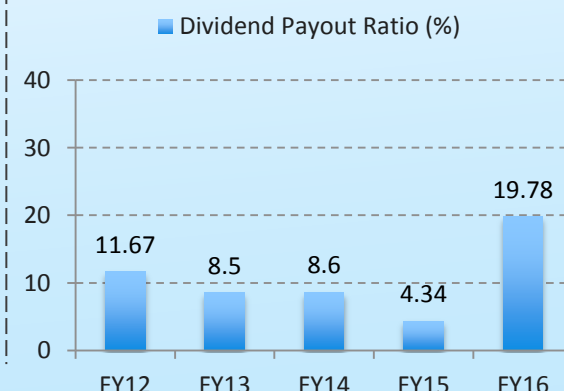
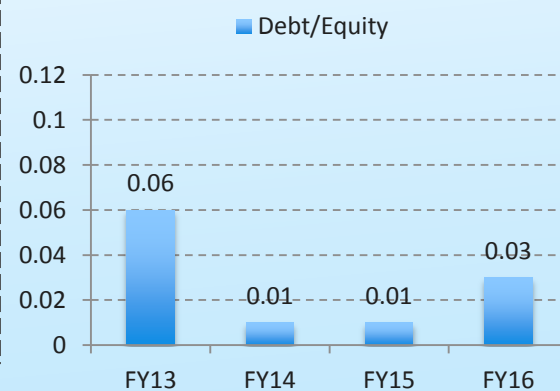
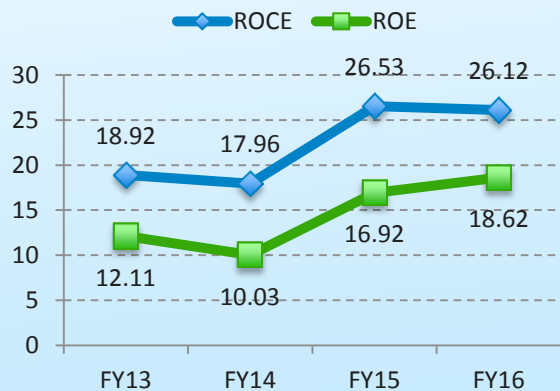
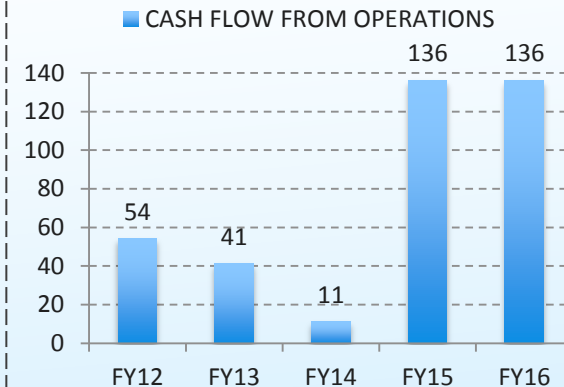
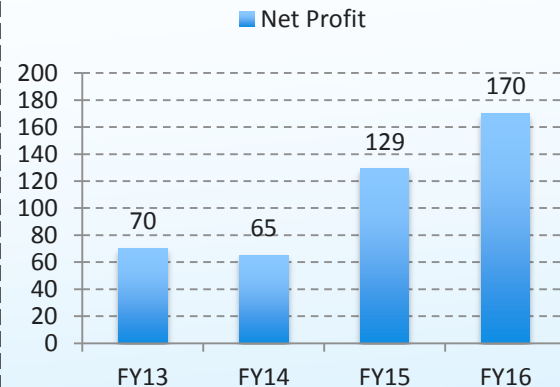
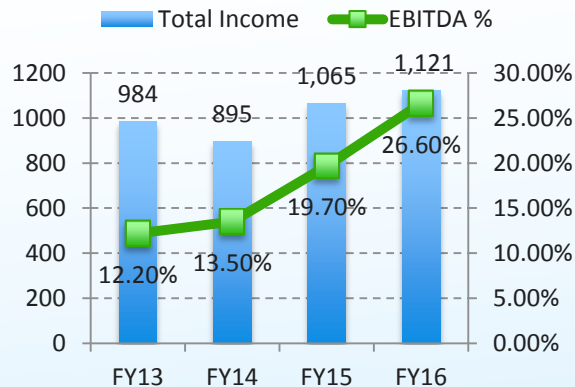


INCOME STATEMENT (INR Mn)	FY13	FY14	FY15	FY16
<b>Total Income*</b>	<b>984</b>	<b>895</b>	<b>1,065</b>	<b>1,121</b>
Expenses	864	774	855	822
<b>EBITDA</b>	<b>120</b>	<b>121</b>	<b>210</b>	<b>299</b>
<b>EBITDA Margin %</b>	<b>12.19%</b>	<b>13.51%</b>	<b>19.72%</b>	<b>26.67%</b>
Depreciation	3	3	5	6
Finance Cost	6	4	3	4
Extra-Ordinary Items	0	2	0	0
<b>PBT</b>	<b>111</b>	<b>112</b>	<b>202</b>	<b>289</b>
Tax	30	34	56	92
<b>PAT</b>	<b>81</b>	<b>78</b>	<b>146</b>	<b>197</b>
<b>Minority Interest</b>	<b>11</b>	<b>13</b>	<b>17</b>	<b>27</b>
<b>PAT after Minority Interest</b>	<b>70</b>	<b>65</b>	<b>129</b>	<b>170</b>
<b>PAT %</b>	<b>7.11%</b>	<b>7.26%</b>	<b>12.11%</b>	<b>15.16%</b>
EPS	6.27	2.89	1.15	1.52

\*Total Income includes Revenues and Other Income



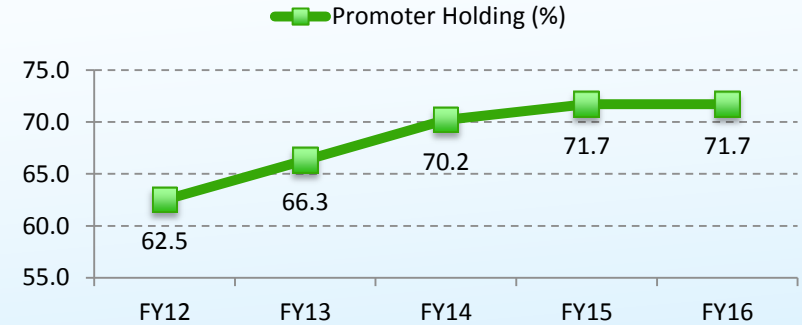
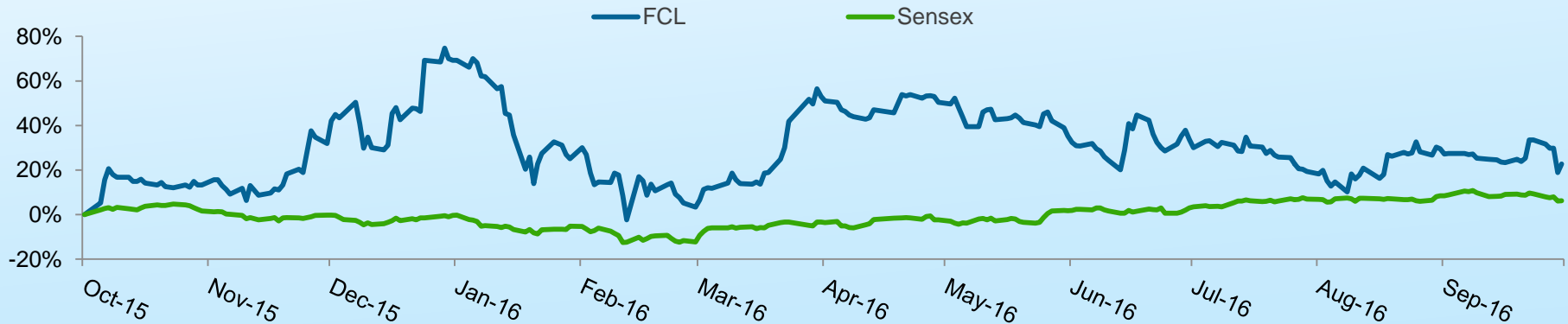
PARTICULARS	FY 13	FY14	FY 15	FY 16	H1 FY17	PARTICULARS	FY 13	FY14	FY15	FY 16	H1 FY17
<b>EQUITIES &amp; LIABILITIES</b>						<b>ASSETS</b>					
<b>Shareholder Funds</b>	<b>581</b>	<b>647</b>	<b>763</b>	<b>913</b>	<b>1,003</b>	<b>Non Current Assets</b>	<b>200</b>	<b>224</b>	<b>556</b>	<b>647</b>	<b>709</b>
(A) Share Capital	112	112	224	225	225	(A) Net Fixed Assets	66	76	117	131	151
(B) Reserves & Surplus	469	535	539	688	778	(B) Goodwill on consolidation	54	61	61	61	61
(C) Share Application Money	-	-	-	-	-	(C) Non-current investments	-	2	293	390	424
<b>Minority Interest</b>	<b>35</b>	<b>43</b>	<b>54</b>	<b>48</b>	<b>52</b>	(D) Long term Loans & Advances	75	81	80	60	68
<b>Non Current Liabilities</b>	<b>33</b>	<b>7</b>	<b>-</b>	<b>-</b>	<b>-</b>	(E) Other Non Current Assets	5	4	5	5	5
(A) Long Term Borrowings	33	7	-	-	-	(F) Foreign Currency translation	-	-	-	-	-
<b>Current Liabilities</b>	<b>166</b>	<b>181</b>	<b>191</b>	<b>181</b>	<b>173</b>	<b>Current Assets</b>	<b>615</b>	<b>654</b>	<b>452</b>	<b>495</b>	<b>519</b>
(A) Short term Borrowings	2	-	10	30	17	(A) Inventories	112	115	104	115	125
(B) Trade Payables	128	137	138	131	132	(B) Trade Receivables	167	219	218	254	246
(C) Other Current Liabilities	29	35	15	5	11	(D) Cash & Bank Balances	117	127	100	94	123
(D) Short-term provisions	7	9	28	15	13	(E) Short-term loans & advances	5	30	21	27	14
						(F) Other current assets	214	163	29	5	11
<b>GRAND TOTAL - EQUITIES &amp; LIABILITIES</b>	<b>815</b>	<b>878</b>	<b>1,008</b>	<b>1,142</b>	<b>1,228</b>	<b>GRAND TOTAL – ASSETS</b>	<b>815</b>	<b>878</b>	<b>1,008</b>	<b>1,142</b>	<b>1,228</b>



PRICE DATA (AS ON 30<sup>th</sup> SEPTEMBER, 2016)

Face value (INR)	2
Market Price (INR)	25.95
52 Week H/L (INR)	37.95/19.5
Market Cap (INR Mn)	2,914.18
Equity Shares Outstanding (Mn)	112.3
Free Float Market Cap (Mn)	824.66
1 Year Avg. trading volume ('000)	366.81

## INCREASE IN PROMOTER HOLDING

1 Year Share Price Movement (Up to 30<sup>th</sup> September 2016)

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*Thank You!*