



# **JBF INDUSTRIES LTD**

**Q4 - FY14 & FY14 Earnings Presentation**

***Statements in this Presentation describing the Company’s objectives, projections, estimates, expectations or predictions may be “forward looking statements” within the meaning of applicable securities laws and regulations. Actual results could differ materially from those expressed or implied. Important factors that could make a difference to the Company’s operations include raw material availability and prices, cyclical demand and pricing in the Company’s principal markets, changes in Government regulations, tax regimes economic developments within India, UAE, Oman and the countries in which the Company conducts business and other incidental factors.***

***This overview has been prepared exclusively for the benefit and internal use of the recipient to evaluate various opportunities which could be of strategic interest to the recipient. This overview does not constitute or form any part of any offer or invitation to acquire, subscribe, underwrite any of the businesses of the company under analysis nor does it imply any current transaction thereof.***

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***The information in this overview reflects prevailing conditions and our views as of this date, all of which are accordingly subject to change.***

# Key Financial Highlights



- ❑ **Q4-FY14 (Consolidated) performance:**
  - a. Total Income\*: INR 20,906 mn
  - b. EBITDA: INR 1,936 mn
  - c. EBITDA Margin: 9.26%
  - d. PAT: INR 472 mn
  - e. Diluted EPS: INR 7.09/ equity share

- ❑ **Q4-FY14 (Standalone) performance:**
  - a. Total Income\*: INR 12,207 mn
  - b. EBITDA: INR 1,028 mn
  - c. EBITDA Margin: 8.42%
  - d. PAT: INR 369 mn
  - e. Diluted EPS: INR 5.52 / equity share

*\* Total Income includes other income component*

- ❑ The Board of Directors has recommended dividend @ Rs.2/- Per share on Equity shares of Rs.10/- each for the financial year 2013-14. The payment is subject to the approval of the shareholders in its Annual General Meeting.

- ❑ **Exceptional Items:**

- In earlier years the company had provided loans to the JBF Employees Welfare Trust to purchase its Equity Shares from the open market. To be compliant with the Amendments to SEBI Guidelines, the Trust disposed off all the securities held by it and remitted the proceeds to the Company towards settlement of outstanding loans. The balance amount of INR 367 mn recoverable from the Trust has been written off during the quarter and disclosed as Exceptional Item.
- During the year ended 31st March 2013, one of the subsidiary companies in its financial statements charged expenses aggregating to INR 188 mn to the Profit & Loss. During the year the subsidiary company restated the financial numbers for the year ended 31st March 2013 by capitalizing the above expenses as rectification of an error.

# Key Operational Highlights

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## Projects:

- **Polyester Film Plant Project At Bahrain** - two lines of Polyester Film project being executed through JBF Bahrain SPC have commenced production. The plant will have 3 lines having total capacity of 90,000 Tonnes per annum. The third line is likely to be commissioned by third quarter of 2014.
- **PET Plant project in Belgium** - the 390,000 Tonnes per annum PET project executed is continuing on schedule. The plant is expected to be commissioned by mid of June 2014.
- **PTA Plant Project at Mangalore** – the 1.25 Million Tonnes per annum PTA project is continuing in full swing. The project is expected to be completed by mid 2015.
- **Total Loan related to New Projects** : Rs. 3,148.94 Crores

# Financial Highlights - Consolidated



Income Statement	Q4-FY14	Q4-FY13	FY 14	FY13
<b>Income *</b>	<b>20,906</b>	<b>21,055</b>	<b>85,803</b>	<b>74,592</b>
Total Expenses	18,970	19,530	78,558	67,656
<b>EBITDA</b>	<b>1,936</b>	<b>1,525</b>	<b>7,245</b>	<b>6,936</b>
<i>EBITDA Margin</i>	<i>9.26%</i>	<i>7.24%</i>	<i>8.44%</i>	<i>9.30%</i>
Exchange Difference & Derivative (Gain)/ Loss	(129)	258	1,254	1,329
Depreciation	678	526	2,450	2,002
Interest	921	558	3,162	2,100
Exceptional Items	188	-	(179)	-
<b>PBT</b>	<b>654</b>	<b>183</b>	<b>200</b>	<b>1505</b>
Tax	182	178	143	370
<b>Profit After Tax</b>	<b>472</b>	<b>5</b>	<b>57</b>	<b>1,135</b>
<i>PAT Margin</i>	<i>2.26%</i>	<i>0.02%</i>	<i>0.07%</i>	<i>1.52%</i>
<b>Diluted EPS</b>	<b>7.09</b>	<b>(0.02)</b>	<b>0.35</b>	<b>15.24</b>

\* Income includes other income component  
All numbers in INR Mn other than EPS

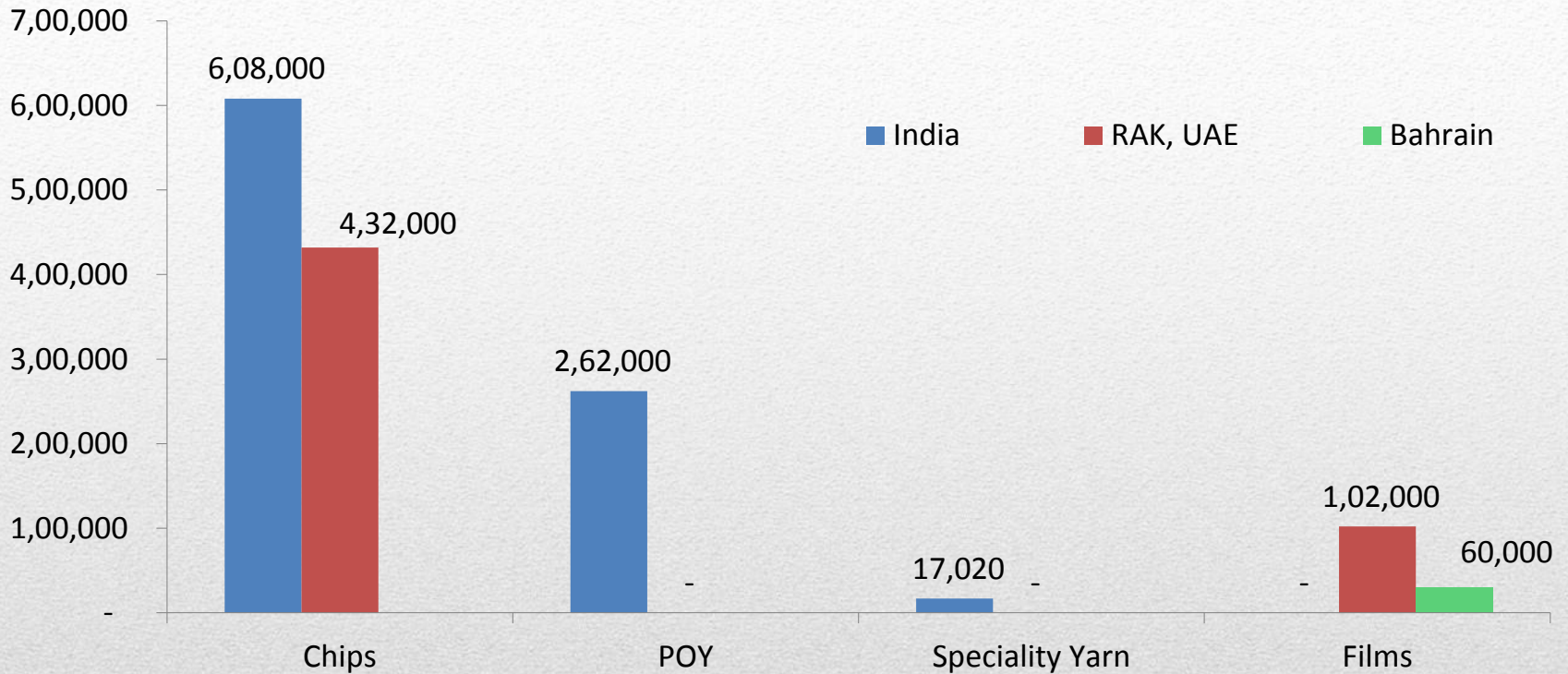
# Financial Highlights – Standalone



Income Statement	Q4-FY14	Q4-FY13	FY 14	FY13
<b>Income *</b>	<b>12,207</b>	<b>12,329</b>	<b>48,163</b>	<b>45,264</b>
Total Expenses	11,179	11,227	43,820	40,941
<b>EBITDA</b>	<b>1,028</b>	<b>1,102</b>	<b>4,343</b>	<b>4,323</b>
<i>EBITDA Margin</i>	<i>8.42%</i>	<i>8.94%</i>	<i>9.02%</i>	<i>9.55%</i>
Exchange Difference & Derivative (Gain)/ Loss	(166)	272	1,184	1,386
Depreciation	289	270	1,123	1,006
Interest	345	259	1,376	1,060
Exceptional Items	-	-	(367)	-
<b>PBT</b>	<b>560</b>	<b>301</b>	<b>293</b>	<b>871</b>
Tax	191	163	143	356
<b>Profit After Tax</b>	<b>369</b>	<b>138</b>	<b>150</b>	<b>515</b>
<i>PAT Margin</i>	<i>3.02%</i>	<i>1.12%</i>	<i>0.31%</i>	<i>1.14%</i>
<b>Diluted EPS</b>	<b>5.52</b>	<b>1.80</b>	<b>1.70</b>	<b>6.72</b>

\* Income includes other income component  
All numbers in INR Mn other than EPS

# Production Capacities



*Total polymerization capacity stands at 1,040,000 MT while downstream capacity stands at 441,020 MT*

*CHIPS – 1,040,000 MT*

*POY & Specialty yarn – 279,020 MT*

*Films – 162,000 MT*

*\* Capacity information is as on 31<sup>st</sup> March, 2014*

# Operating Performance



Indian Operation Sales (MT)	Q4-FY14	Q4-FY13	% Increase	FY14	FY13	% Increase
CHIPS (Textile + Bottle grade)	69,119	74,493	(7.2)%	2,66,550	2,74,095	(2.8)%
POY & Specialty Yarn	58,482	52,289	11.8%	2,25,040	2,16,911	3.7%
<b>Total</b>	<b>1,27,601</b>	<b>1,26,782</b>	<b>0.6%</b>	<b>4,91,590</b>	<b>4,91,006</b>	<b>0.1%</b>

Overseas Operation Sales (MT)	Q4-FY14	Q4-FY13	% Increase	FY14	FY13	% Increase
CHIPS (Bottle grade)	83,844	73,768	13.7%	3,38,463	2,48,625	36.1%
Films	19,598	19,643	(0.2)%	72,417	77,010	(6.0)%
<b>Total</b>	<b>1,03,442</b>	<b>93,411</b>	<b>10.7%</b>	<b>4,10,880</b>	<b>3,25,635</b>	<b>26.2%</b>



# Pricing Trends & Revenue Mix



## Price trends\*

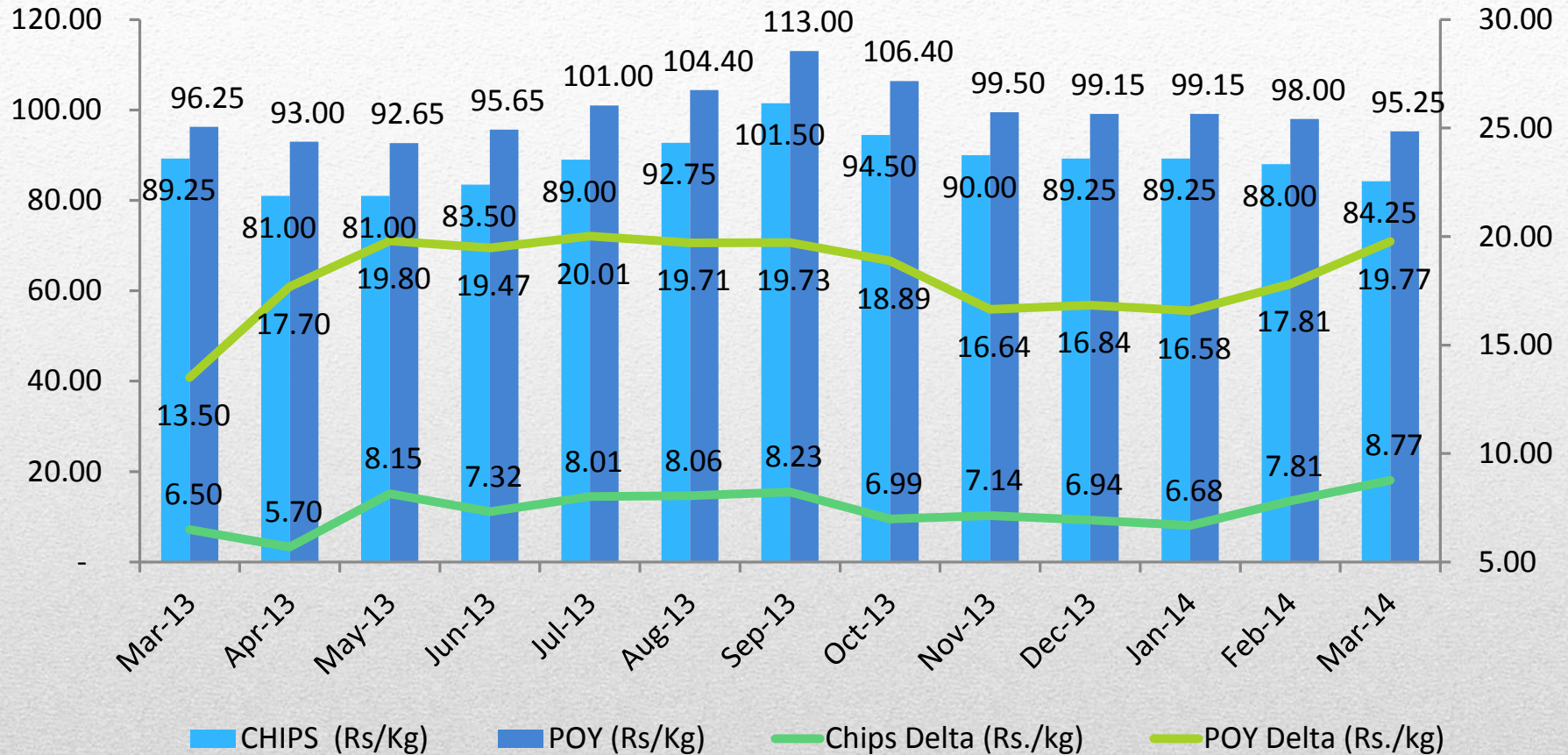
Category	Q4-FY14	Q4-FY13	% Change	FY14	FY13	% Change
CHIPS (India)(INR/Kg)	87	89	(2.2)%	89	84	6.0%
POY & Specialty Yarn (INR/Kg)	97	96	1.0%	100	93	7.5%
CHIPS (RAK) (USD/MT)	1,250	1,600	(21.9)%	1,400	1,500	(6.7)%
FILMS (USD/MT)	2,200	2,300	(4.3)%	2,200	2,300	(4.3)%

\*Prices mentioned above are the average prices for standard products in the industry, It could differ from the sale price achieved by the company

## Revenue Mix

Category	Q4-FY14	Q4-FY13	% Change	FY14	FY13	% Change
CHIPS (India)	29%	32%	(300) bps	28%	31%	(300) bps
POY & Specialty Yarn (India)	29%	26%	300 bps	27%	29%	(200) bps
CHIPS (Overseas)	30%	30%	-	33%	27%	600 bps
FILMS (Overseas)	13%	12%	100 bps	12%	13%	(100) bps

# Delta Prices over the Last 1 year



	PTA (Rs/Kg)	MEG (Rs/Kg)	CHIPS (Rs/Kg)	POY (Rs/Kg)	Chips Delta (Rs./kg)	POY Delta (Rs./kg)
<b>Max</b>	77.50	78.30	101.50	113.00	8.77	20.01
<b>Min</b>	61.50	58.70	81.00	92.65	5.70	13.50
<b>Avg</b>	67.97	67.21	88.71	99.49	7.41	18.19

Films (blended thick & thin) – USD 800/Ton

# Historical Consolidated Results – Profit and Loss A/c



Income Statement	FY 09	FY 10	FY 11	FY 12	FY 13
<b>Total Operating Income</b>	<b>43,143</b>	<b>49,444</b>	<b>64,711</b>	<b>71,793</b>	<b>74,558</b>
Total Expenses	37,914	44,740	55,149	64,666	67,656
<b>EBITDA</b>	<b>5,229</b>	<b>4,704</b>	<b>9,563</b>	<b>7,127</b>	<b>6,903</b>
<b>EBITDA Margin</b>	<b>12.1%</b>	<b>9.5%</b>	<b>14.8%</b>	<b>9.9%</b>	<b>9.3%</b>
Other Income	116	262	222	1,260	34
Exchange Difference & Derivative (Gain)/ Loss	690	149	874	2,939	1,329
Depreciation	779	1,173	1,314	1,525	2,002
Interest	975	1,275	1,534	1,898	2,100
PBT	2,900	2,668	6,063	2,025	1,505
Tax	459	540	602	(205)	371
<b>Profit After Tax</b>	<b>2,442</b>	<b>2,128</b>	<b>5,461</b>	<b>2,230</b>	<b>1,135</b>
Minority Interest	553	224	-	-	-
<b>Profit After Minority Interest</b>	<b>1,889</b>	<b>1,904</b>	<b>5,461</b>	<b>2,230</b>	<b>1,135</b>
<b>Diluted EPS</b>	<b>26.2</b>	<b>26.4</b>	<b>75.8</b>	<b>31.0</b>	<b>15.24</b>

^ - Interest amount for FY09 includes amount by way of Forex (Gain)/Loss  
All numbers in INR Mn other than EPS

# Consolidated Results – Balance Sheet



	Particulars	FY14	FY 13		Particulars	FY14	FY 13
<b>A</b>	<b>EQUITIES &amp; LIABILITIES</b>			<b>B</b>	<b>ASSETS</b>		
<b>Part -1</b>	<b>Shareholder Funds</b>			<b>Part -1</b>	<b>Non Current Assets</b>		
	(A) Share Capital	802	1,830		(A) Fixed Assets	62,372	38,830
	(C) Reserves & Surplus	18,045	16,873		(B) Goodwill on Consolidation	1,048	951
	<b>Total - Shareholder Funds</b>	<b>18,847</b>	<b>18,703</b>		(C) Non-Current Investments	26	30
<b>Part 2</b>	<b>Non Current Liabilities</b>				(D) Long Term Loans & Advances	6,624	4,704
	(A) Long Term Borrowings	45,587	23,174		(E) Other Non-Current Assets	6	-
	(B) Deferred Tax Liabilities (Net)	1,705	1,581		<b>Total - Non – Current Assets</b>	<b>70,076</b>	<b>44,515</b>
	(C) Other Long Term liabilities	352	-	<b>Part 2</b>	<b>Current Assets</b>		
	(D) Long Term provisions	403	271		(A) Current Investments	6	486
	<b>Total - Non – Current Liabilities</b>	<b>48,047</b>	<b>25,026</b>		(B) Inventories	10,440	9,231
<b>Part 3</b>	<b>Current Liabilities</b>				(C) Trade Receivables	11,507	10,348
	(A) Short term Borrowings	13,923	13,216		(D) Cash and Bank Balances	4,870	5,968
	(B) Deferred Tax Liabilities	68	-		(E) Short-term loans and advances	4,768	5,841
	(B) Trade Payables	11,841	11,230		(F) Other current assets	160	264
	(C) Other Current Liabilities	8,375	7,940		<b>Total – Current Assets</b>	<b>31,751</b>	<b>32,138</b>
	(D) Short-term provisions	726	538		<b>GRAND TOTAL – ASSETS</b>	<b>1,01,827</b>	<b>76,653</b>
	<b>Total – Current Liabilities</b>	<b>34,933</b>	<b>32,924</b>				
<b>A</b>	<b>GRAND TOTAL - EQUITIES &amp; LIABILITES</b>	<b>1,01,827</b>	<b>76,653</b>	<b>B</b>			

# Historical Consolidated Results – Balance Sheet



Particulars	FY 09	FY 10	FY 11	FY12
Share Capital	622	622	717	720
Cumulative Redeemable Preference Shares (CRPS)	-	-	266	884
Reserves	6,709	8,117	13,555	15,395
<b>Net worth</b>	<b>7,331</b>	<b>8,740</b>	<b>14,538</b>	<b>16,999</b>
Minority Interest	3,997	3,633	-	-
Loan Funds	12,414	13,644	17,836	24,247
<b>TOTAL LIABILITES</b>	<b>23,743</b>	<b>26,016</b>	<b>32,374</b>	<b>41,246</b>
Net Fixed Assets (Incl Capital WIP)	20,837	21,165	24,705	33,136
Investments	361	1,310	1,280	629
Net Current Assets (Excluding Cash)	2,873	3,880	5,469	4,720
Cash & Bank	899	999	2,350	3,987
Deferred Tax Liability (Net)	-1,226	-1,337	-1,430	-1,223
<b>TOTAL ASSETS</b>	<b>23,743</b>	<b>26,016</b>	<b>32,374</b>	<b>41,246</b>

All numbers in INR Mn

# Thank You

**For further details please contact our Investor Relations Representatives :**



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