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Fineotex Chemical conducted their conference call for Q1: FY 2022 today at 5:00 PM

Here are the conference call highlights.

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Business Updates:

- Focusing to expand the portfolio in textile and homecare.
- Phase 1 of Ambarnath plant is expected to commission in Sept 2021.
- Appointed Arindam Choudhuri as new CEO. He has 2 decades of experience from the global textile chemical industry.

Partnership:

- Recently done JV with HealthGuard, for expanding in the Malaysia segment. This will provide scope in metal-free sustainable chemistry solutions that are anti-microbial and anti-viral.
- Tied up with Sasmira for R&D, where even Mr. Sanjay was alumini as welll.









Joint venture with HealthGuard, Australia to become the exclusive global marketing and sales channel partner with joint operations from Malaysia



HealthGuard® will concentrate on developing cuttingedge solutions, that will be marketed and channelized across the world by Fineotex-Biotex



Synergy will provide durable metal-free sustainable chemistry solutions that are anti-microbial and anti-viral



Range of products over several industries - textile, detergent, leather and allied industries



Setting up a state of art Research & Development centre in collaboration with Sasmira Institute, one of India's premier textile institutes



Develop a first-of-its-kind Support and Solution Centre for technical service in Sasmira to catalyze innovation and focus on sustainable chemistry



Focus on new sustainable solutions and chemicals to reduce water, time and energy consumption for the textile wet processing industry



Provide the much-needed exposure for students and help provide practical experience, which will benefit the industry in the long term

Cleaning and Hygiene Business:

- Got FDA approval for disinfectant, and has also hired 10 sales team. There will addition of 16 more team members this quarter.
- This segment will be targeted to institutional segment targeting to corporate office, hospitals.
- With market opening up this segment is expected to grow well.
- Healthguard Guard is Billion \$ opportunity and FCL is targeting 7-8% of market share. This is expected to generate revenue from the next quarter.
- HAIQ, DOW is the competitor for HealthGuard.

Industry:

- Unorganized market is currently struggling as recent norms of government is not feasible for small players.
- This has led to increase in the share of organized player.
- Foreign players are looking for China+1 which is benefiting India.

Raw Material:

- There was temporary shortage of raw material due to supply related issue. Post which there was sharp increase in Raw Material Price as well.
- These increased Raw Material price has also been passed on to customer.

Acquisition:

- Company is not looking for any big sort of acquisition, and mgmt would be disciplined in acquiring business.
- Acquisition won't be in new segment.
- Criteria of company would be looking at FCL, in terms of Margins, Debt and sales growth potential.

Sustainability:

- China + policy is leading to increasing customer for India and FCL as well.
- FCL has not looses any of its customers till now.
- Focus is not on big becoming bigger; but Fast becoming bigger. Hence strengthening the sales channel is the focus of the company
- Optimum utilization of business is around 75% and FCL currently stands at around 50-55% of utilization.
- Mgmt target Q4 of FY 2021 as the base scenario and expects to grow over that base unless there is risk covid.

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