



# **IG Petrochemicals Limited**

**Investor Presentation – May 2021**



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# Financial Highlights



## Highest Ever Quarterly & Annual EBITDA and PAT

## Key Highlights

### Q4FY21 Performance

### FY21 Performance

**Total Revenue<sup>^</sup>**  
growth on YoY basis

**Rs 425 Cr**

**57%**



**Rs 1,127 Cr**

**6%**



**EBITDA**  
growth on YoY basis

**Rs 146 Cr**

**715%**



**Rs 302 Cr**

**287%**



**PAT**  
growth on YoY basis

**Rs 100 Cr**

**2425%**



**Rs 188 Cr**

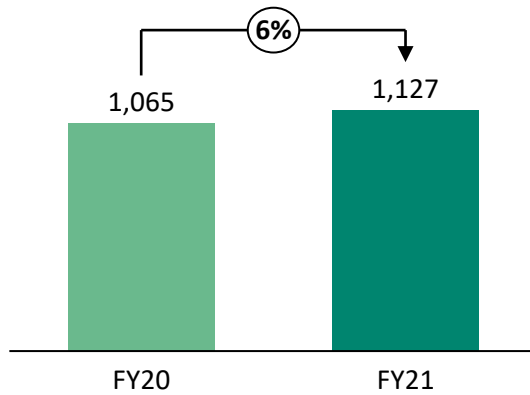
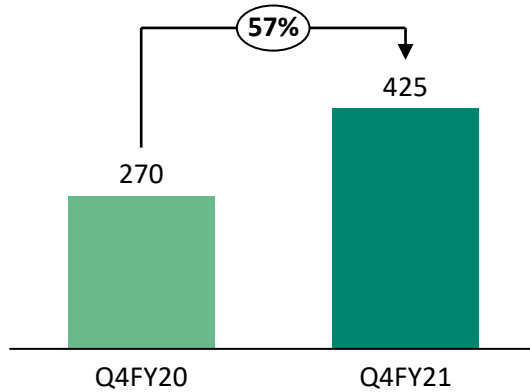
**801%**



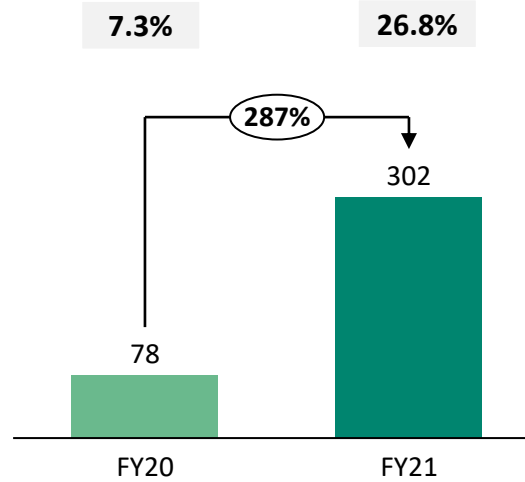
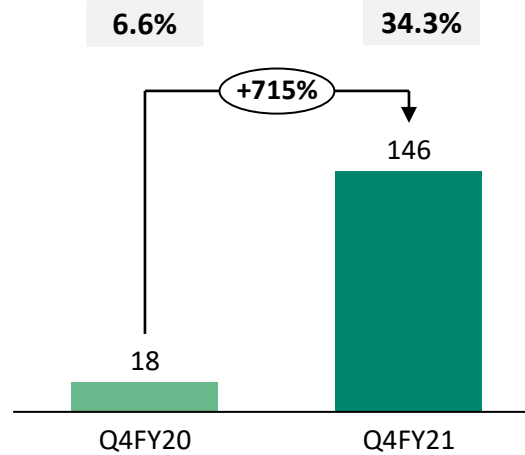
- Demand for Phthalic Anhydride & Maleic Anhydride was high both in domestic as well International Markets
- Revenue from export was 10% due to high demand in domestic market
- Capacity addition of Phthalic Anhydride at PA4 unit was commercialised in Dec'20 and has achieved optimal utilisation in Q4FY21
- Advance Plasticizer is expected to commission in July 2021
- Our total repayment of long term debt was Rs 57 Crs, including prepayment of Rs 42 Crs of term loan obtained for PA-4 unit.
- The Board of Director has recommended a Dividend of Rs 7.5 each of face value Rs 10.0 each for FY21

# Strong Financial Returns

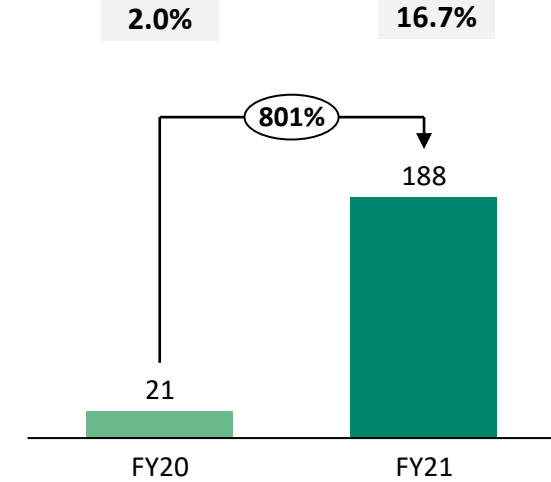
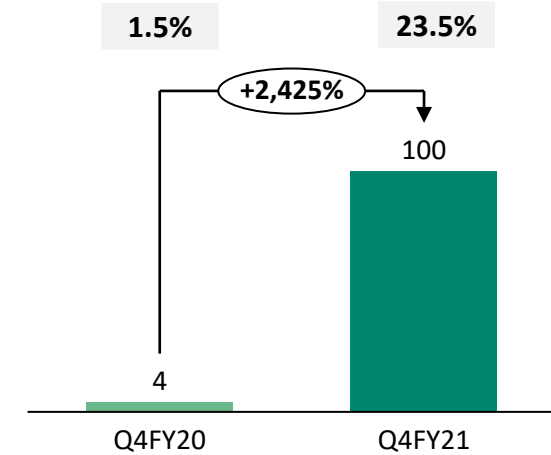
Revenue^ (Rs. Cr)



EBITDA



PAT





# Profit & Loss Statement

Particulars (Rs. Cr)	Q4FY21	Q4FY20	Y-o-Y	FY21	FY20	Y-o-Y
<b>Total Revenue ^</b>	<b>425.3</b>	<b>270.4</b>	<b>57%</b>	<b>1,126.9</b>	<b>1,064.8</b>	<b>6%</b>
Total Raw Material	225.0	<b>214.5</b>		651.4	817.2	
Employee Expenses	25.5	16.2		70.7	60.2	
Other Expenses	29.1	21.8		102.9	109.6	
<b>EBITDA</b>	<b>145.7</b>	<b>17.9</b>	<b>715%</b>	<b>301.9</b>	<b>78.1</b>	<b>287%</b>
<b>EBITDA Margin (%)</b>	<b>34.3%</b>	<b>6.6%</b>		<b>26.8%</b>	<b>7.3%</b>	
Depreciation	10.5	7.4		34.1	29.9	
<b>EBIT</b>	<b>135.2</b>	<b>10.4</b>	<b>1,195%</b>	<b>267.8</b>	<b>48.2</b>	<b>456%</b>
<b>EBIT Margin (%)</b>	<b>31.8%</b>	<b>3.9%</b>		<b>23.8%</b>	<b>4.5%</b>	
Finance Cost	1.2	4.2		14.6	<b>16.0</b>	
Exceptional Items	0.0	0.3		0.6	0.3	
<b>Profit before Tax</b>	<b>134.0</b>	<b>6.0</b>	<b>2,133%</b>	<b>252.6</b>	<b>31.9</b>	<b>692%</b>
Tax	34.1	2.0		64.5	11.0	
<b>Profit After Tax</b>	<b>99.9</b>	<b>4.0</b>	<b>2,425%</b>	<b>188.1</b>	<b>20.9</b>	<b>801%</b>
<b>PAT Margin (%)</b>	<b>23.5%</b>	<b>1.5%</b>		<b>16.7%</b>	<b>2.0%</b>	
<b>EPS</b>	<b>32.42</b>	<b>1.28</b>		<b>61.08</b>	<b>6.78</b>	

# Balance Sheet

Particulars (Rs. Cr)	Mar-21	Mar – 20
<b>Non-Current assets</b>		
Property, Plant and Equipment	698.3	467.0
Capital Work-In-Progress	131.9	339.5
Goodwill	2.0	2.0
Other Intangible Assets	0.3	2.4
Improvement in Leased Asset	1.0	0.0
<b>Financial Assets</b>		
Investments	5.8	0.2
Loans	0.0	0.0
Other Financial Assets	23.3	3.7
Non-Current Tax Assets	16.1	10.8
Other Non-Current Assets	8.1	10.1
<b>Total Non-Current Assets</b>	<b>886.8</b>	<b>835.6</b>
<b>Current Assets</b>		
Inventories	143.8	95.1
<b>Financial Assets</b>		
Investments	10.0	11.6
Trade Receivables	198.7	143.3
Cash and Cash Equivalents	35.0	8.0
Bank Balances	38.5	41.3
Loans	0.7	0.7
Other Financial Assets	0.3	14.3
Other Current Assets	9.8	11.6
<b>Total Current Assets</b>	<b>437.0</b>	<b>325.9</b>
<b>Total Assets</b>	<b>1,323.8</b>	<b>1,161.4</b>

Particulars (Rs. Cr)	Mar– 21	Mar – 20
<b>Equity</b>		
Equity Share Capital	30.8	30.8
Other Equity	791.2	601.9
<b>Total Equity</b>	<b>822.0</b>	<b>632.7</b>
<b>Non-Current Liabilities</b>		
<b>Financial Liabilities</b>		
Borrowings	89.8	147.4
Other Liabilities	9.5	20.4
Provisions	3.9	3.5
Deferred Tax Liabilities (Net)	69.6	62.9
<b>Total Non-Current Liabilities</b>	<b>172.8</b>	<b>234.3</b>
<b>Current Liabilities</b>		
<b>Financial Liabilities</b>		
Borrowings	36.1	39.5
Trade Payables	239.7	199.6
Other Financial Liabilities	41.9	49.8
Other Current Liabilities	10.3	3.4
Provisions	1.0	2.2
Current tax liabilities (Net)	0.0	0.0
<b>Total Current Liabilities</b>	<b>329.0</b>	<b>294.4</b>
<b>Total Equity and Liabilities</b>	<b>1,323.8</b>	<b>1,161.4</b>

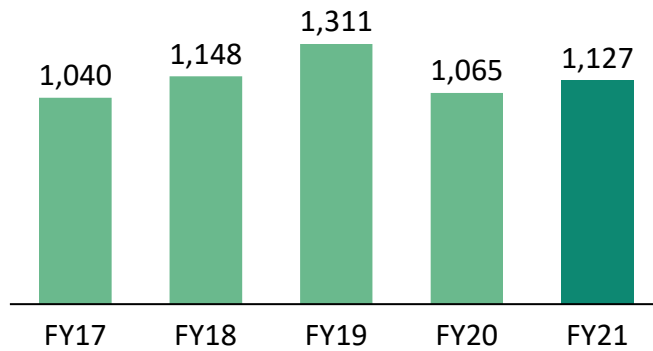
# Cash Flow Statement

Particulars (Rs. Crs)	Mar-21	Mar-20
<b>Net Profit Before Tax</b>	<b>252.6</b>	<b>31.9</b>
Adjustments for: Non Cash Items / Other Investment or Financial Items	46.2	37.3
<b>Operating profit before working capital changes</b>	<b>298.9</b>	<b>69.2</b>
Changes in working capital	(52.9)	22.1
<b>Cash generated from Operations</b>	<b>246.0</b>	<b>91.3</b>
Direct taxes paid (net of refund)	62.7	7.6
<b>Net Cash from Operating Activities</b>	<b>183.3</b>	<b>83.7</b>
<b>Net Cash from Investing Activities</b>	<b>(72.5)</b>	<b>(104.0)</b>
<b>Net Cash from Financing Activities</b>	<b>(80.3)</b>	<b>35.3</b>
<b>Net Decrease in Cash and Cash equivalents</b>	<b>30.4</b>	<b>15.0</b>
Add: Cash & Cash equivalents at the beginning of the period	1.2	(13.9)
<b>Cash &amp; Cash equivalents at the end of the period</b>	<b>31.6</b>	<b>1.2</b>

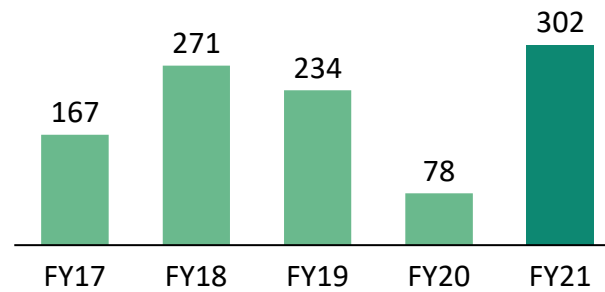


# Historical Financial Highlights

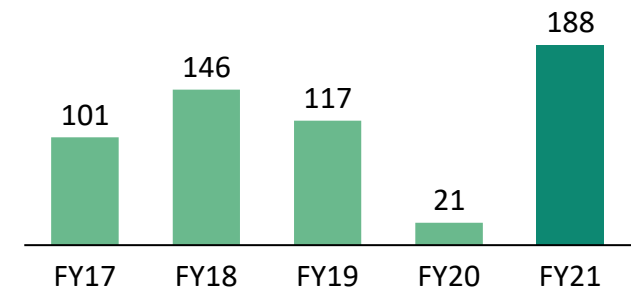
Total Revenue ^ (Rs. Cr)



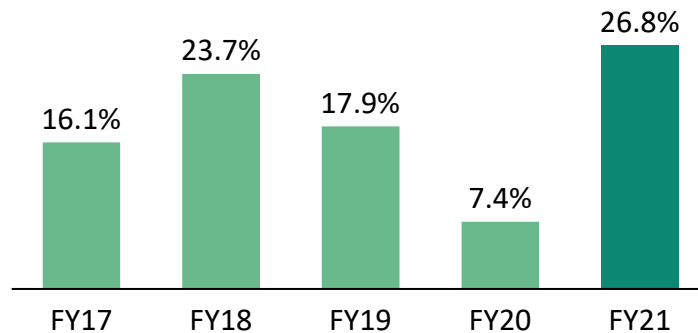
EBITDA (Rs. Cr)



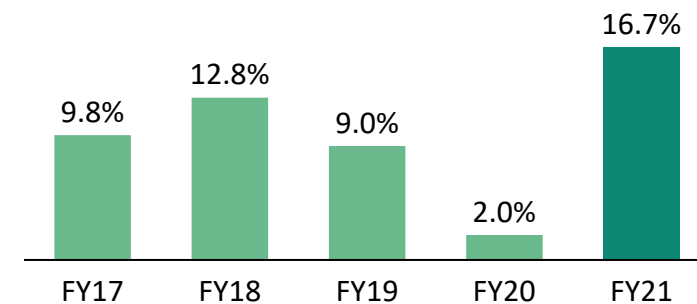
PAT (Rs. Cr)



EBITDA Margin (%)

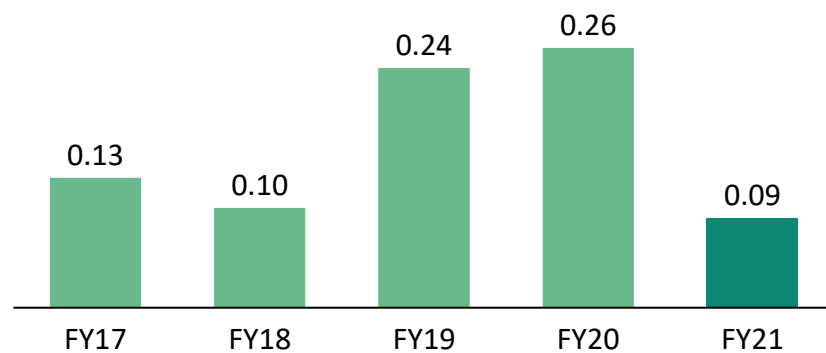


PAT Margin (%)

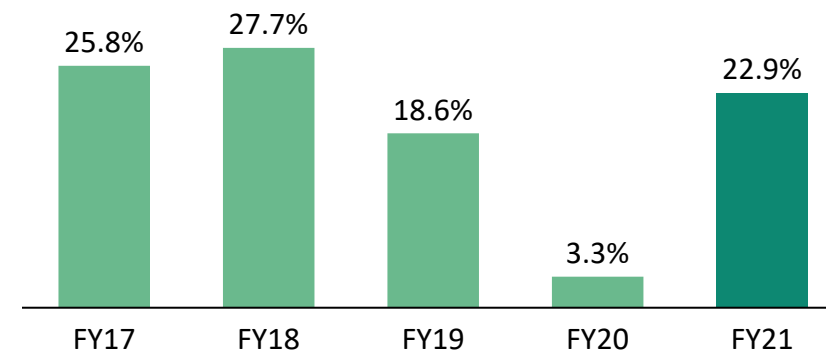


# Key Ratios

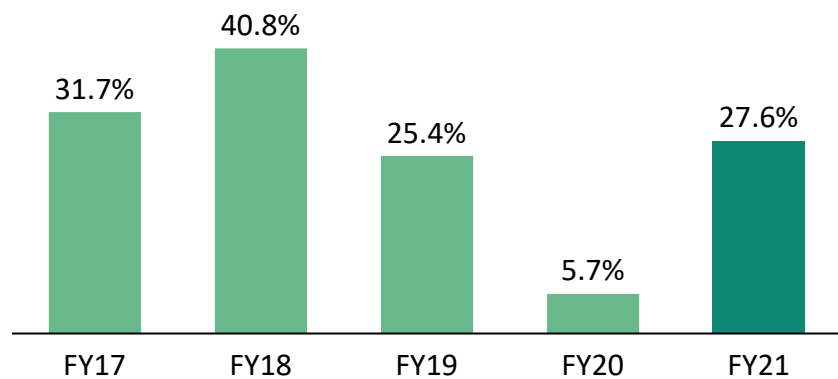
**Net Debt/ Equity (x)**



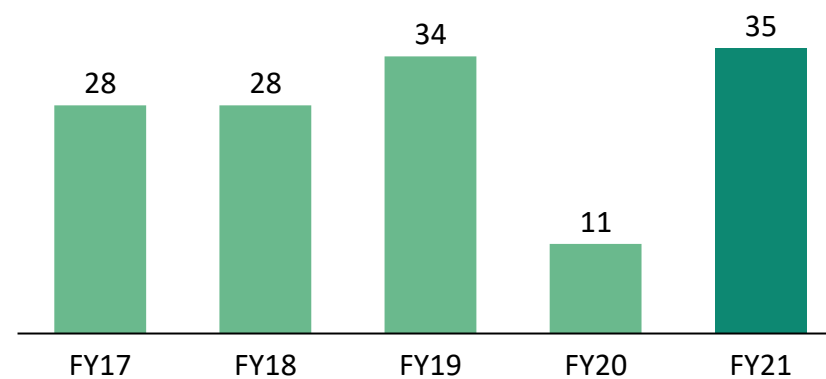
**Return on Equity(%)**



**Return on Capital Employed(%)**



**Net Working Capital Days**





# Company Overview



# India's Largest Phthalic Anhydride (PAN) Manufacturer

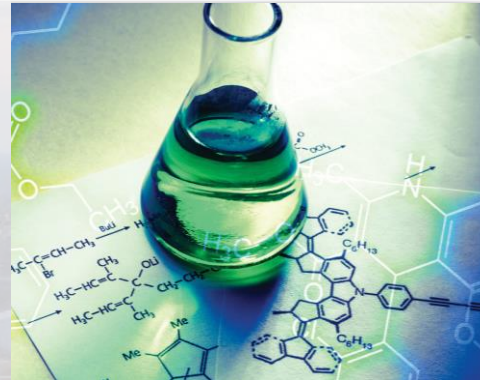


**1988**

INCORPORATED IN THE YEAR

**Largest**

PAN\* MANUFACTURER IN  
INDIA



**Lowest**

COST PRODUCER OF PAN



**20+**

END USER INDUSTRIES  
SERVED



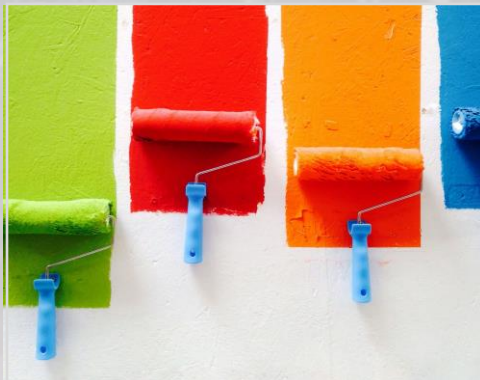
**3<sup>rd</sup> Largest**

PAN MANUFACTURER IN THE  
WORLD



**ISO Certified**

ISO 9001:2008  
ISO 14001:2004



**Largest**

MAN\* MANUFACTURER IN  
INDIA



**>50%**

DOMESTIC MARKET SHARE

**2.22 Lakh MTPA**

PAN CAPACITY

# Our State of the Art Manufacturing Facilities

## VISION

*“To be a well-diversified chemicals company with a leadership position in Phthalic Anhydride Industry”*



Plants are engineered with **Technical collaboration with Lurgi GmbH, Germany** and are designed on the low energy-based processes



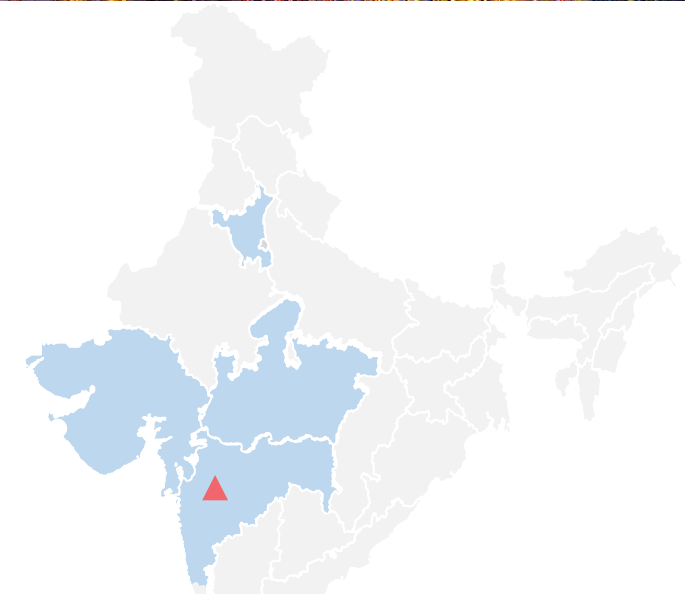
The company has a distinct sourcing and selling advantage due to its strategic location in the **Western Chemical Belt of India**



Post commissioning of the new PA4 plant, we are **a leading PAN manufacturer in India and the global market** and will enable the company to further ramp up its output for the demand-supply gap in India.



The plant is well connected with **road & port facilities.**

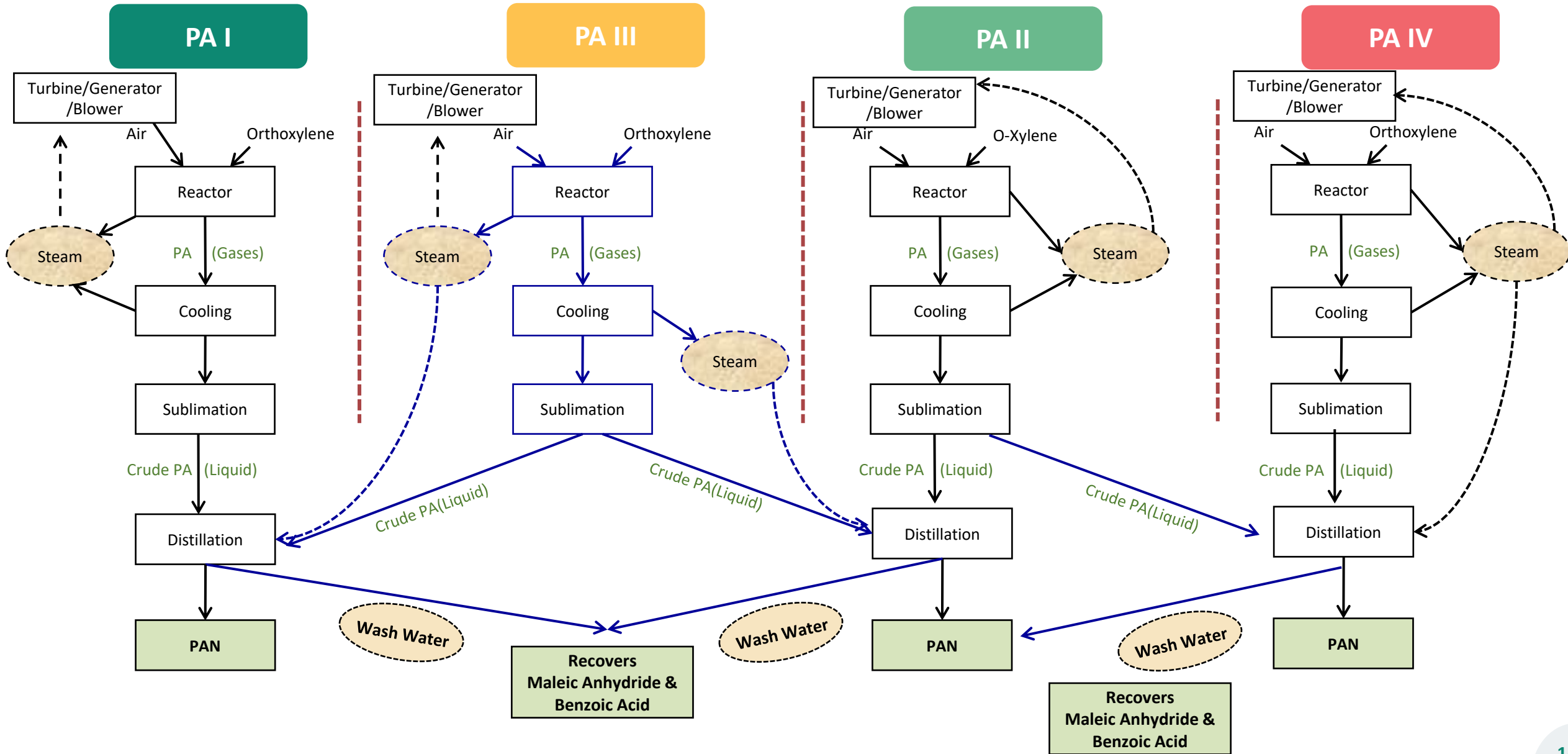


▲ IGPL Plant at MIDC - Taloja, Maharashtra

■ Chemical Belt of Western India

Map not to scale. All data, information and maps are provided “as is” without warranty or any representation of accuracy, timeliness or completeness.

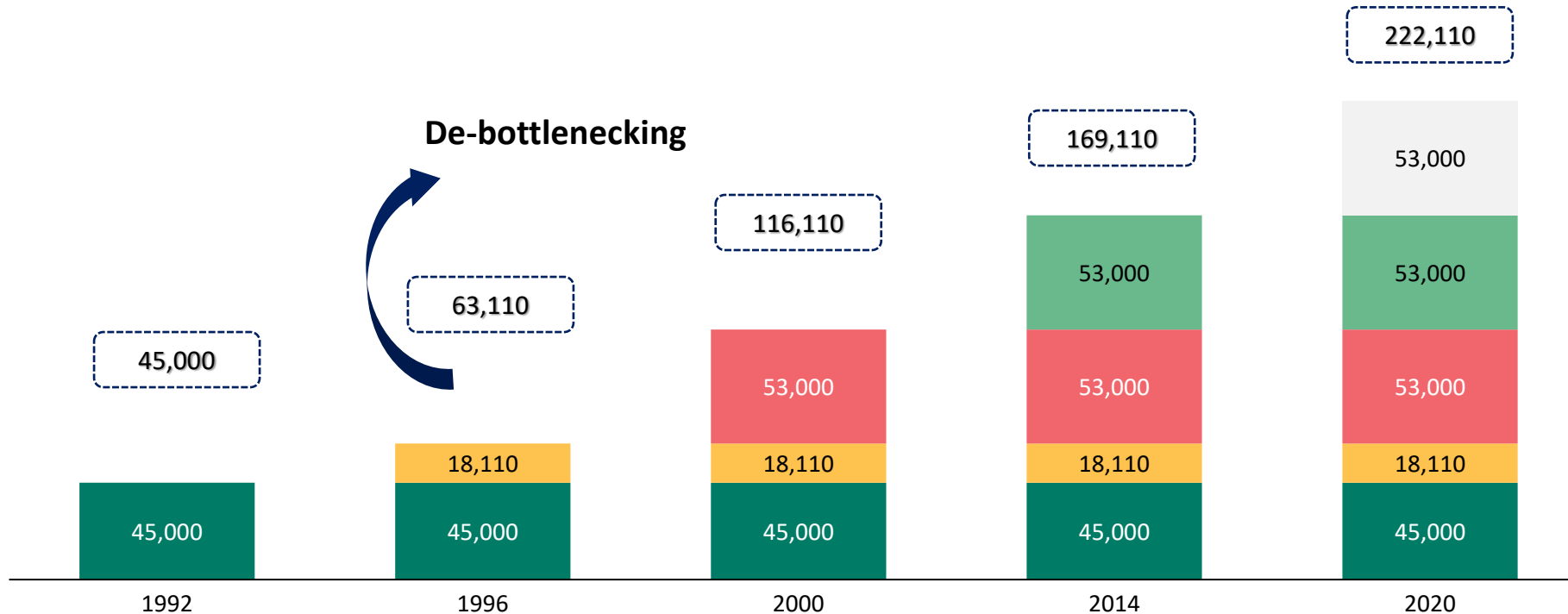
# Integrated Manufacturing Process





# Our Manufacturing Capacities of PAN

Phthalic Anhydride (PAN) Capacity (MTPA)



**125+**  
Clients

**~55%**  
Revenue contribution  
from Paints, Plasticizer &  
CPC Pigments Industries

**20+**  
End User Industries  
Served



The Company has also undertaken **Significant Process Enhancement Initiatives** along with capacity expansions and product diversification



**Steam generated from the production process** is used for Company's captive power requirements

# Serving 20+ End User Industries

## Plasticizers

- Used in manufacturing of poly vinyl chloride (PVC) products
- Shoes, wires & cables
- Pipes & hoses, boxes, containers
- Packaging Films, Medical and surgical equipment

### Phthalic Anhydride

## Alkyd Resins & Paints

- Paints
- Lacquers
- Dyes insect repellents
- Urethane polyester polyols

## Unsaturated Polyester Resin

- Thermostat for manufacturing of fiberglass reinforced plastics for automobile, construction, marine and transportation industries

## CPC Pigments

- Inks
- Photovoltaic cells
- Coatings



- Spandex (Elastics)
- Unsaturated Polyester Resins (UPR)
- Lubricating Oil Additives
- Personal Care Products
- Water Treatment
- Detergents
- Insecticides and Fungicides.

### Maleic Anhydride

### Benzoic Acid

- Perfumes
- Dyes
- Topical medications
- Insect repellants
- Food preservatives

### Advance Plasticizers

- Incense sticks
- Perfumes
- Plastic packaging film



**Shri M M Dhanuka**  
**Non-executive Chairman**

**Background :** B.E. (Chem) and a founder member of the Company along with his brother Shri Shyam Sundar Dhanuka. Possesses varied experience and expertise in Chemical Industries, sales, marketing, commercial, board governance, production and technical.



**Shri Nikunj Dhanuka**  
**Managing Director & CEO**

**Background :** Management Graduate and is associated with the company since 1998. In charge of the overall affairs of the Company. Under his leadership, the overall performance of the Company has been growing at a brisk pace with significant improvement in margins during the last few years.



**Shri J.K Saboo**  
**Executive Chairman**

**Background :** Commerce & Law Graduate and is associated with the Company since 1991. Has more than 35 years of experience in the petrochemical industry & is in charge of the operations of the Company's Plant situated at Taloja.



**Shri Rajesh R Muni**  
**Non-executive & Independent**

**Background :** A fellow member of The Institute of Chartered Accountants of India. He is a senior partner of M/s R. R. Muni & Co., Practicing Chartered Accountants and has more than 41 years of vast experience in audit and taxation



**Dr. A. K. A. Rathi**  
**Non-executive and Independent**

**Background :** M.E. (Chem), Ph.D (Chem). He was associated with the Industries Department and Forest and Environment Department with the Government of Gujarat, Faculty of Planning and Public Policy, CEPT University, Ahmadabad



**Dr. Vaijayanti Pandit**  
**Non-executive and Independent**

**Background :** Ph. D in Management studies from JBIMS. she was Vice President at Adfactors Group and headed FICCI West as the Sr. Director and was Secretary to Indian Merchants' Chamber





# Investing In Growth



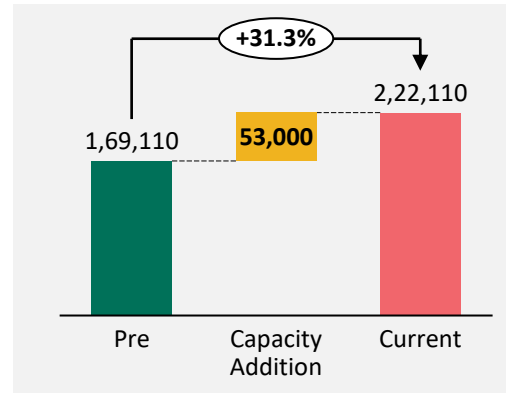
## Commissioned

### PA 4 Plant

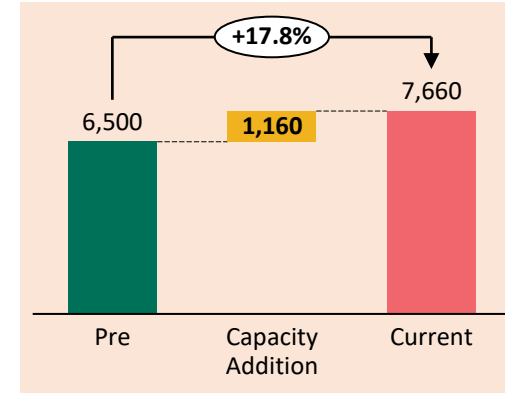
- Project Cost : Rs 345 Crore
- Loan : Rs 125 Crore (ECB)
- PAN Capacity of 53,000 MTPA
- **Capacity commissioned in December, 2020**

## Post PA 4 Plant Expansion (MTPA)

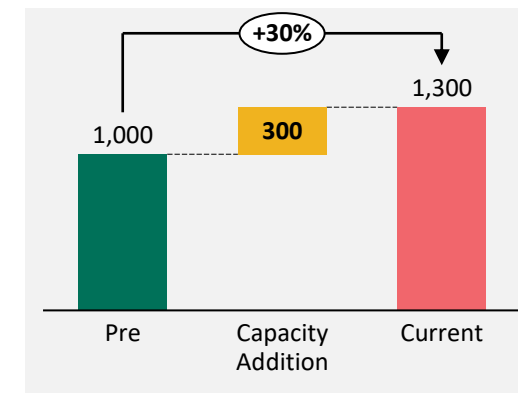
### Phthalic Anhydride



### Maleic Anhydride



### Benzoic Acid



## Upcoming

### Advance Plasticizers

- Project Cost : Rs 40 Crore
- Capacity of 8,400 MTPA
- **Capacity to be commission in July 2021**

## Upcoming

### Greenfield Expansion

- Project Cost : ~Rs 600 Crore
- PAN Capacity of 80,000 MTPA & other Derivative Products
  - ~50% will be used for downstream products
  - ~50% balance for domestic & export demand
- Expected to commission in ~3 years

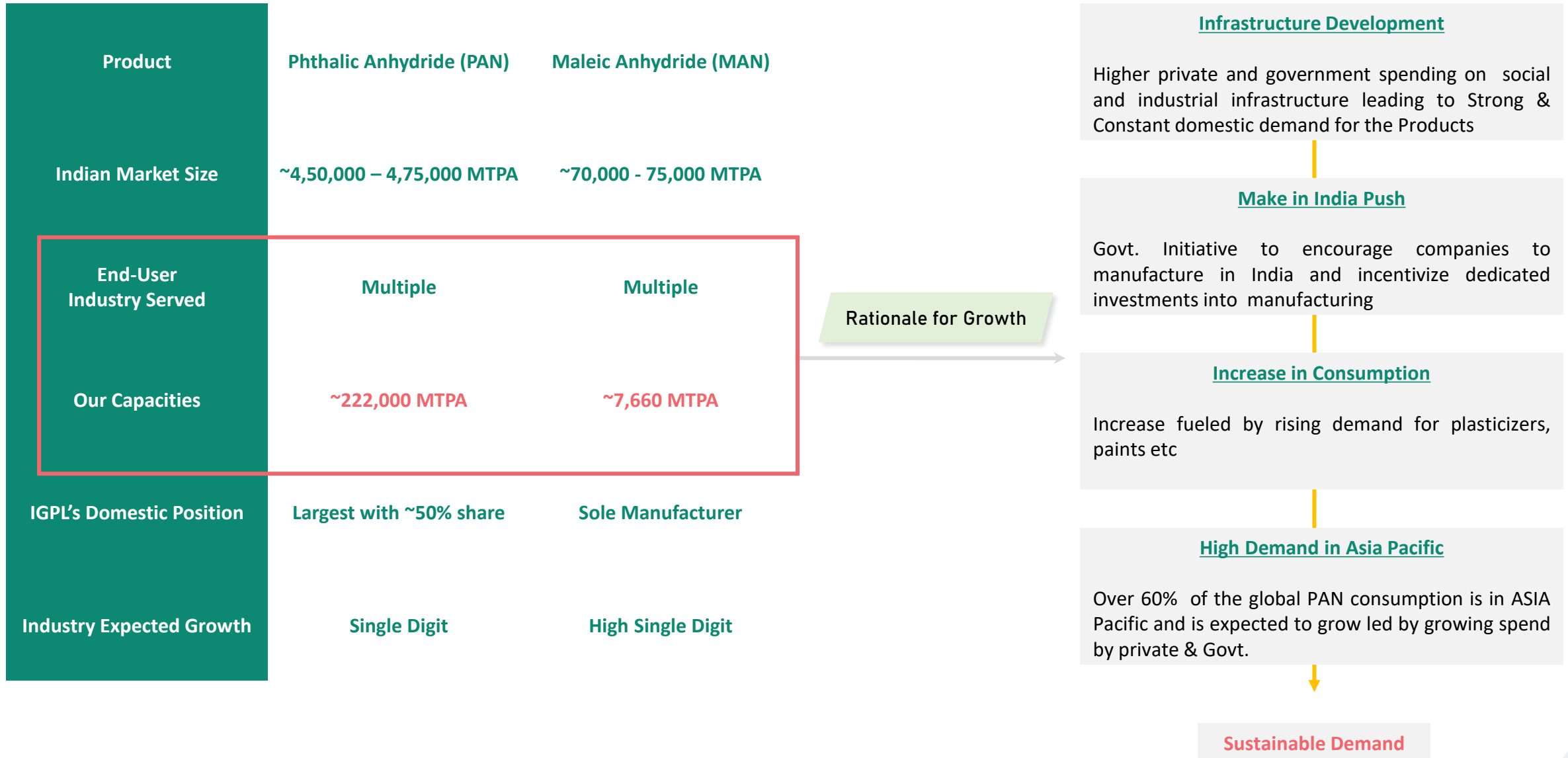
### Expansion Rationale

The demand for PAN in domestic market is expected to increase due to Govt. focus on Infrastructure spending and demand growth in downstream products like Paints, Plasticizers, Polyvinyl chloride, Unsaturated polyester resins (UPR) etc., led by good GDP growth in India.

### Objective

To diversify & increase revenue pie of downstream products & other derivatives

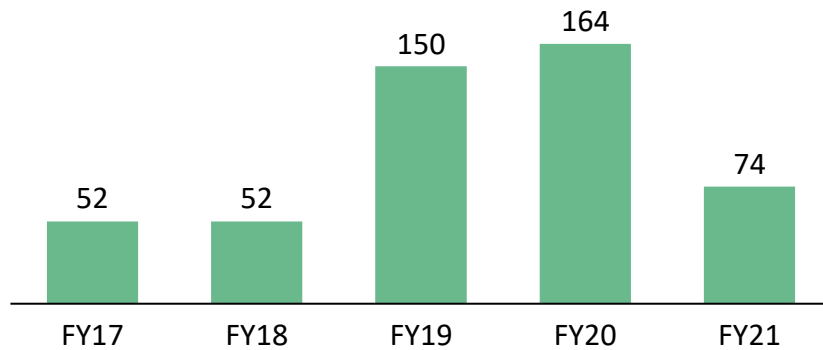
# Size of Opportunities



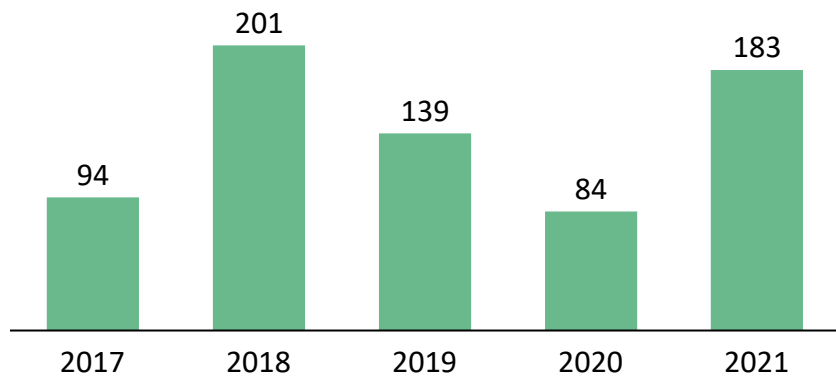


# Strong Operating Cash Flow

**Net Debt (Rs in Cr)**



**Net Cash Flow Operating Activities (Rs in Cr)**



**Our Total Repayment of long term Debt was Rs 57 Cr**

**Positive Operating Cash Flow**

Cater To Increasing  
Diverse End-user  
Industries Of PAN

High Capacity Utilization  
& Recovery Process To  
Drive Efficiencies And  
Cost Reduction

To Complete  
Greenfield Project

Increase International  
Presence

To Commission New  
Downstream Advanced  
Plasticizers

Diversification Into  
Downstream & Other  
Speciality Products

For further information, please contact



**I G Petrochemicals Ltd**

CIN: L51496GA1988PLC000915

Mr. Pramod Bhandari - CFO

[pbhandari@igpetro.com](mailto:pbhandari@igpetro.com)

[www.igpetro.com](http://www.igpetro.com)

**SGA** Strategic Growth Advisors

**Strategic Growth Advisors Pvt. Ltd.**

CIN - U74140MH2010PTC204285

Mr. Shrikant Sangani

Email - [shrikant.sangani@sgapl.net](mailto:shrikant.sangani@sgapl.net)

+91 9619595686

[www.sgapl.net](http://www.sgapl.net)

**Thank  
You**