



IG Petrochemicals Limited

Investor Presentation - August 2019



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Company Overview



India's Largest Phthalic Anhydride (PAN) manufacturer and among the top five in the world

PAN is a downstream product of Orthoxylene (OX) a basic Petrochemical

PAN is a versatile intermediate in organic chemistry for production of Plasticizers, Unsaturated Polyester Resins, Alkyd Resins, Paints & CPC Pigments

Plants are engineered with modern technologies and are designed on the low energy based processes. Steam generated from the production process used for Company's captive power requirements

Usage of PAN is increasing in new generation products where R & D is ongoing

ISO 9001:2008 for quality management system
ISO 14001:2004 for environment certification from Bureau Veritas

IGPL produces Maleic Anhydride through wash water generated out of the production process of PAN. Maleic Anhydride is used in agro and food businesses

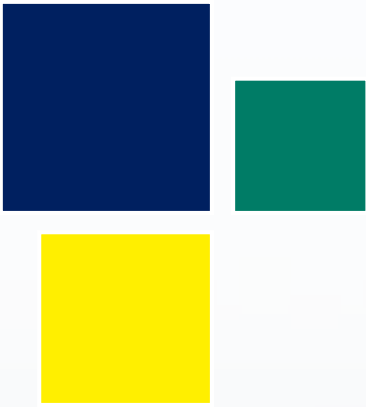
IGPL also manufactures Benzoic Acid (BA) as a by-product



VISION

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



A faded background image of an industrial facility, likely a refinery or chemical plant, with various structures, pipes, and two tall distillation columns. The facility is set against a backdrop of hazy mountains under a light sky.

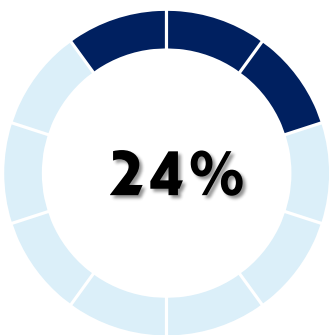
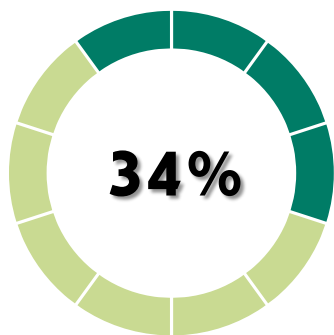
Business Overview

End User Industry & Application of PAN



PLASTICIZERS

Used in manufacturing of poly vinyl chloride (PVC) products which is used for manufacturing a range of consumer care, personal care and home care products like shoes, wires & cables, pipes & hoses, boxes, containers, packaging films, medical and surgical equipment's

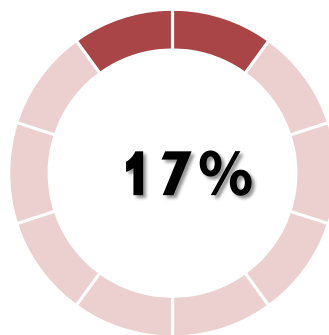


CPC PIGMENTS

Used for making inks & photovoltaic cells

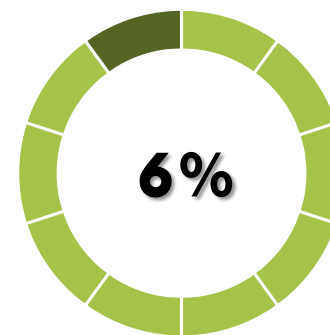
ALKYD RESINS

Used in manufacturing of paints and coatings

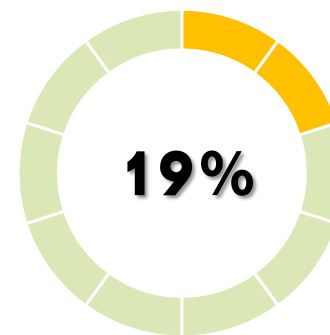


UNSATURATED POLYESTER RESIN

Used as thermostat for manufacturing of fiberglass reinforced plastics for automobile, construction, marine and transportation industries



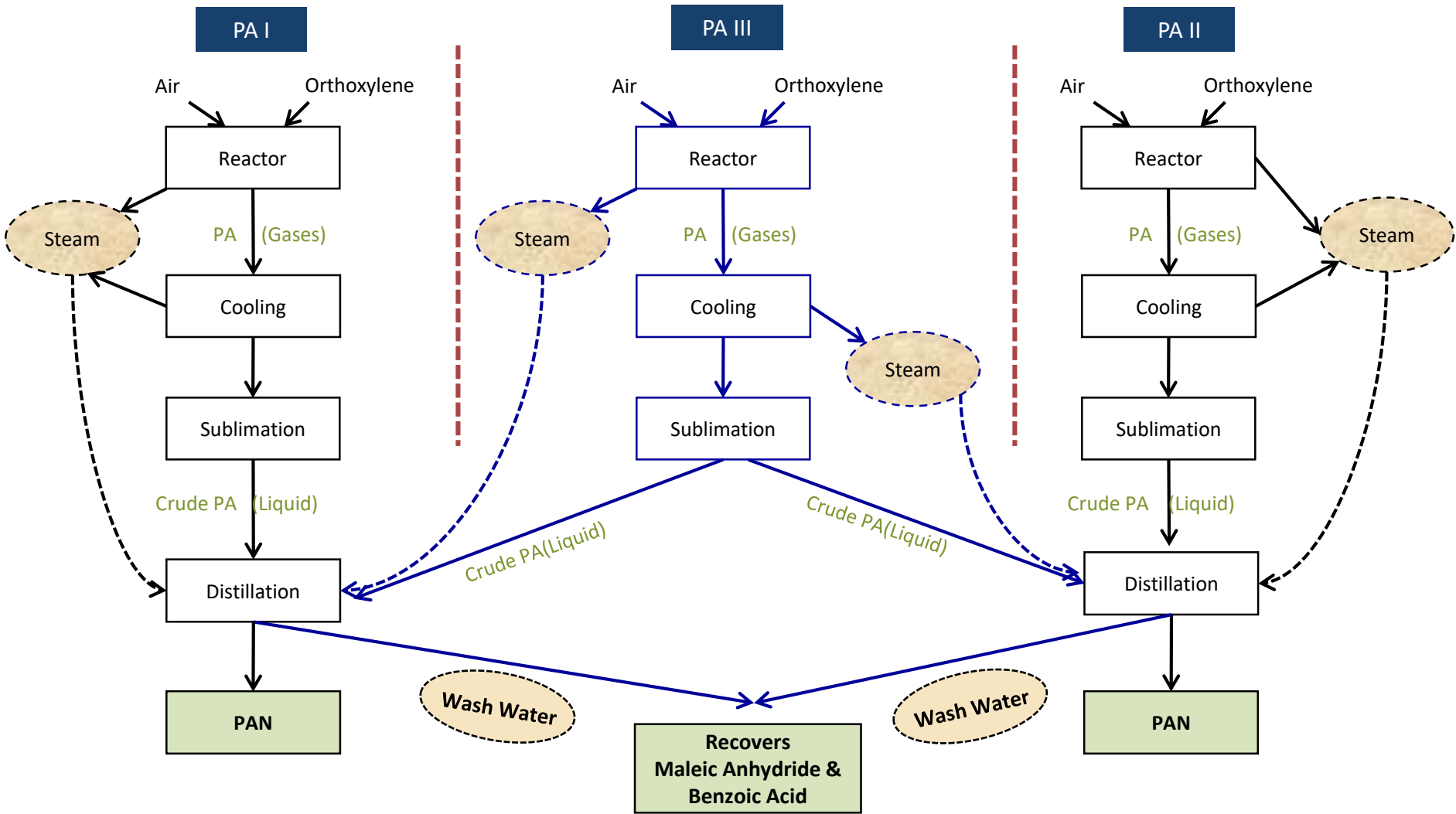
OTHERS



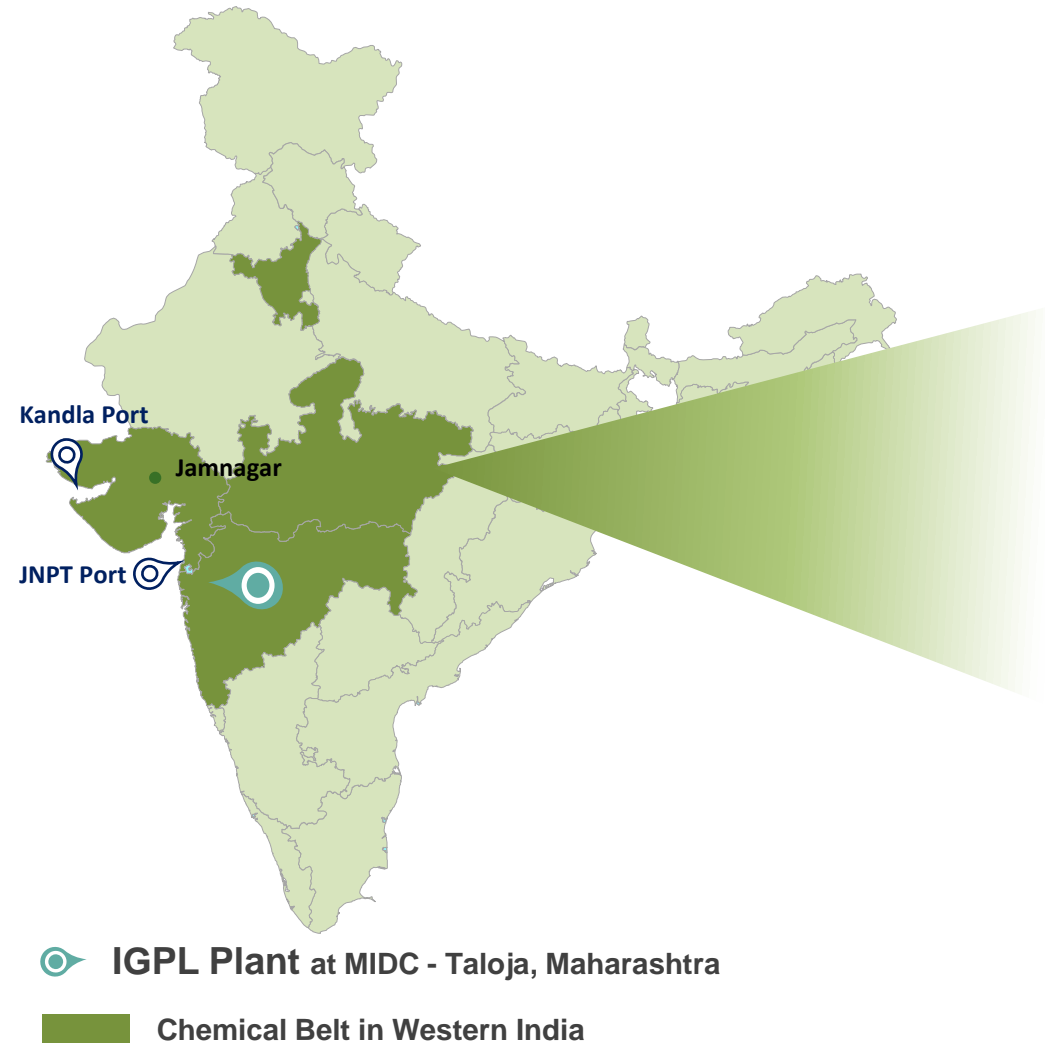
PAN is a downstream product of Orthoxylene (OX) a basic Petrochemical. It is a versatile intermediate in organic chemistry

Applications for PA are increasing rapidly, driven by new Research & Innovation

Production Process



Strategically Located Plant...



- ❖ Located at MIDC, **Taloja in Raigad District, Maharashtra**
- ❖ Proximity to Jawaharlal Nehru Port Trust (JNPT), Nhava Sheva, Mumbai, Maharashtra - Enjoys the **advantage of being near ports for exports**
- ❖ Proximity to **India's Chemical Hub** where majority of downstream industries are located including procurement of Raw Material
- ❖ Completely **Integrated Manufacturing Facility** at a Single Location
- ❖ Majority of domestic sales is within **Western India**

...with State-of-the-Art Technology

Maleic Anhydride



India's only manufacturer of Maleic Anhydride; made through wash water which gets derived through manufacturing of PAN

Indian Market Size for Maleic Anhydride (MA) is ~55,000 MTPA

The raw material used is N-butane (gas derivative) which is not available in India. All MA required in India is completely imported except the one made by IGPL

IGPL's Capacity of MA is 6,500 MTPA
Post expansion, Capacity will increase to 8,000 MTPA

END USER INDUSTRY

- Spandex (Elastics)
- Unsaturated Polyester Resins (UPR)
- Lubricating Oil Additives
- Personal Care Products
- Maleic anhydride is also a precursor to compounds used for water treatment detergents, insecticides and fungicides.

A faded background image of an industrial facility with tall chimneys and complex piping, set against a hazy landscape with mountains.Three solid-colored squares: a dark blue square at the top left, a green square to its right, and a yellow square below the blue one.A thin yellow horizontal bar spanning the width of the slide.

Key Strengths & Strategies

A thin yellow horizontal bar spanning the width of the slide.

Capacity Expansions & Strategies



PA 4 Plant

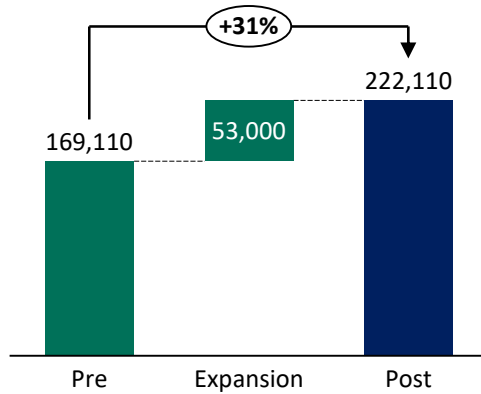
Project Cost : Rs 320 Crores
Loan : Rs 125 Crores (ECB)
Capacity to be commissioned by Dec' 2019



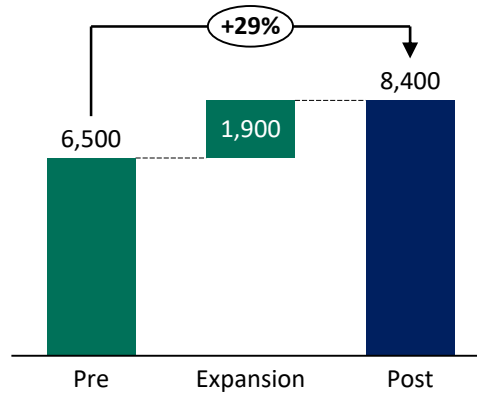
Advance Plasticizers

Project Cost : Rs 20 Crores
Capacity of 8,000 MTPA
Capacity to be commissioned by Mar' 2020

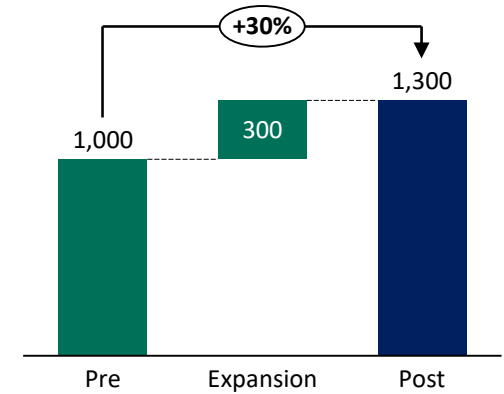
Total Capacities Post Expansion (MTPA)



Phthalic Anhydride



Maleic Anhydride



Benzoic Acid

Key Competitive Strengths



Capacity Utilized

High Capacity Utilization with Annual contract for its sales to Indian Customers

Recovery Process

Steam generated from Processes are utilized efficiently

Strong Clientele

Diversified Product Use in Multiple Industries
Low Customer Concentration

Low Cost Producer

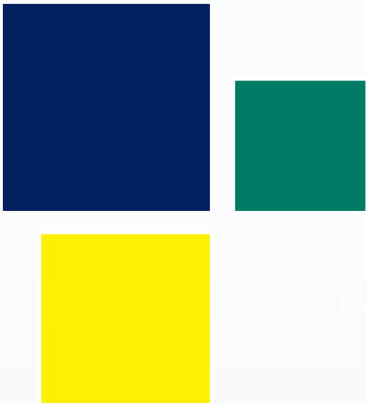
One of the Lowest Cost of production of Phthalic Anhydride due to Manufacturing Efficiencies

Strategic Location

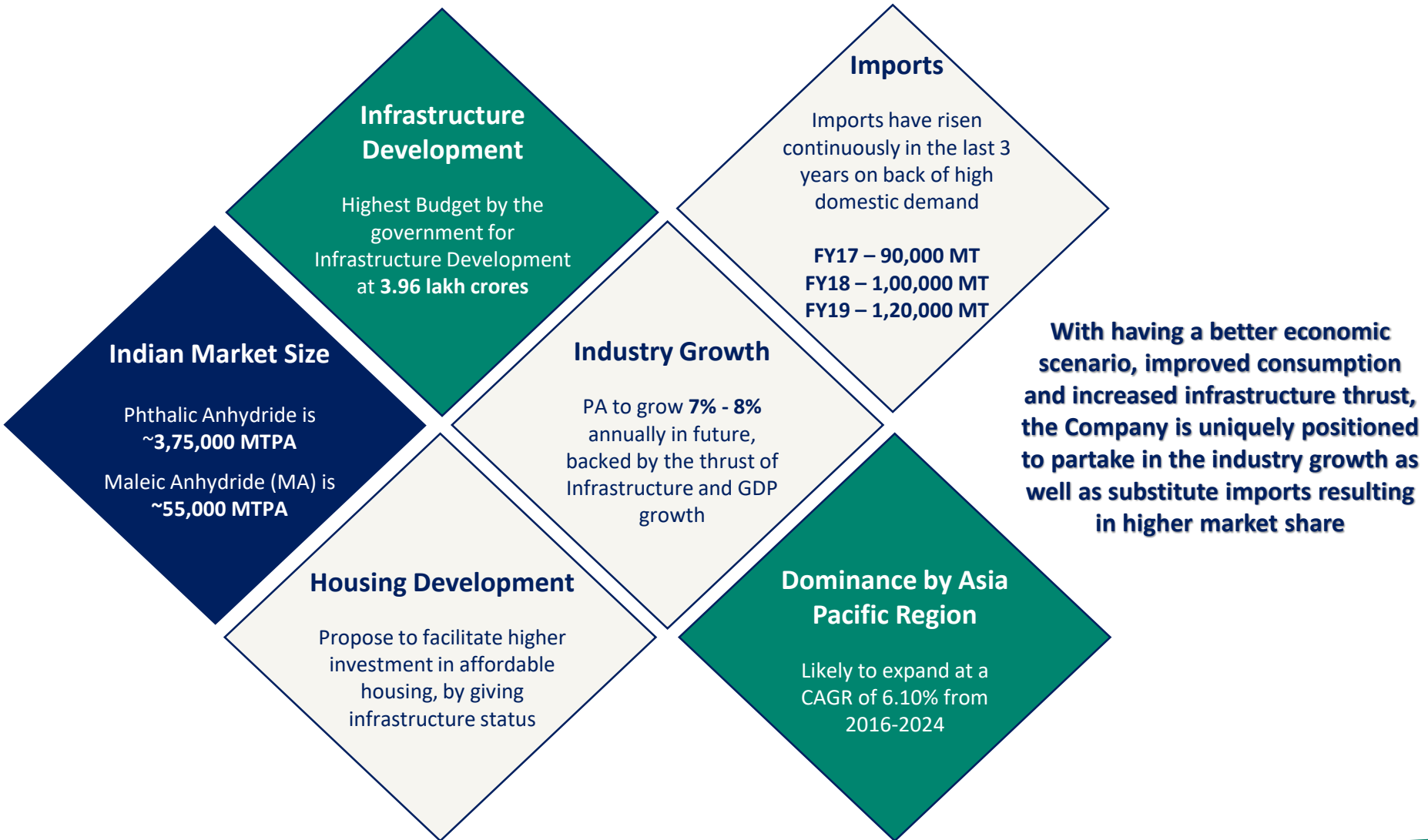
Plant being near to Port – Huge Saving in Freight Cost along with Proximity to the Chemical Belt of India

Unique Position

Market Leader having over ~50% of the share in India

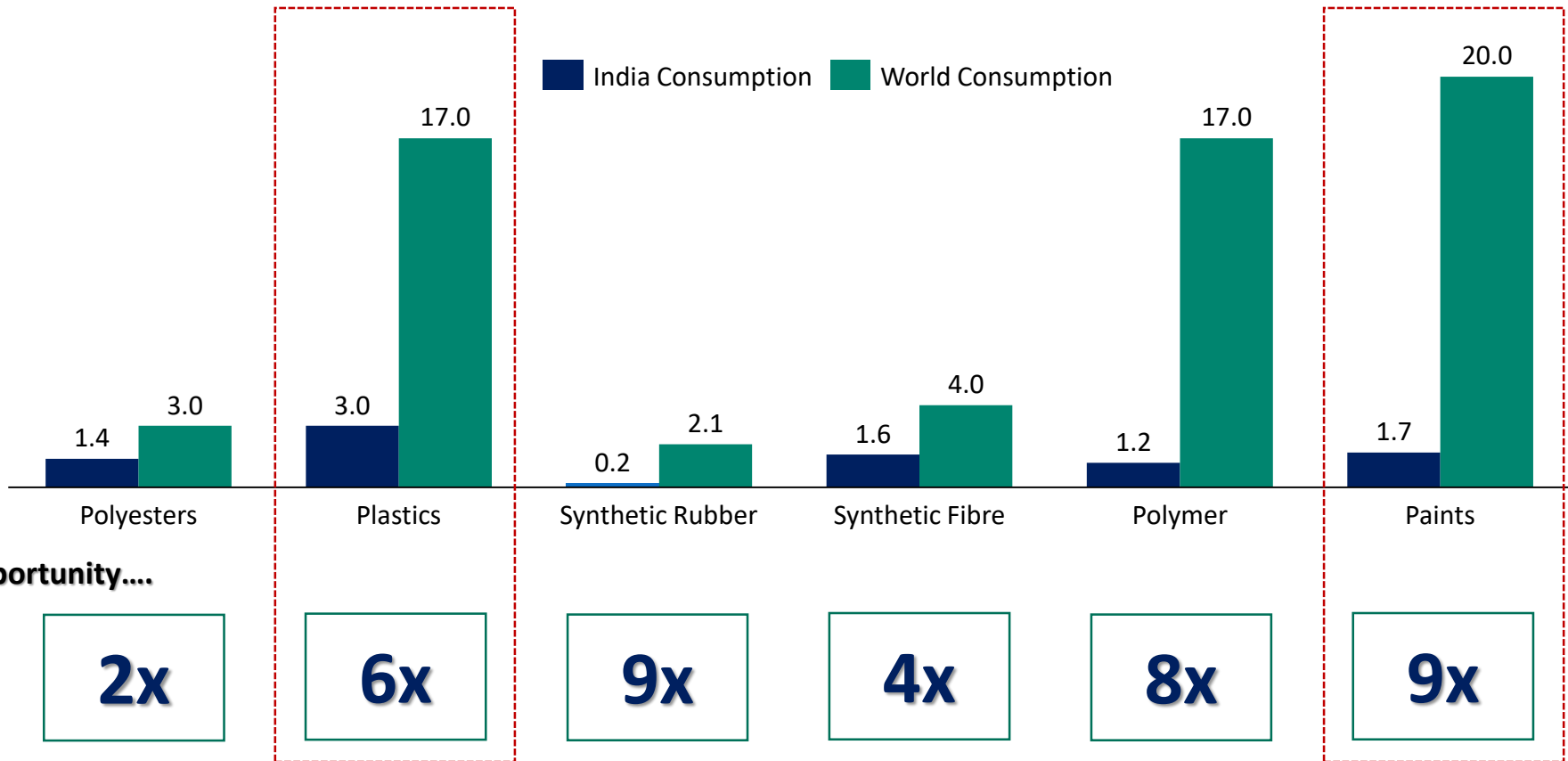
A faded background image of an industrial facility, likely a refinery or chemical plant, with various structures, pipes, and storage tanks. In the distance, there are mountains under a hazy sky.

Industry Overview

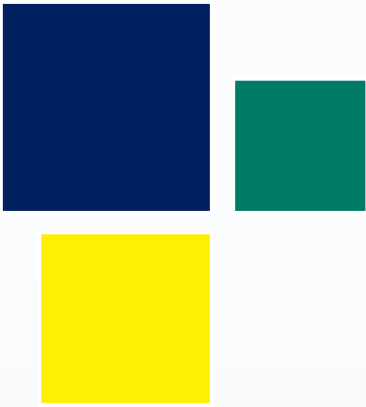


Huge Domestic Opportunity

Low per capita consumption of End User Industry of PAN in India



End User Industry expected to grow by 12% - 13% CAGR for next 3-5 years

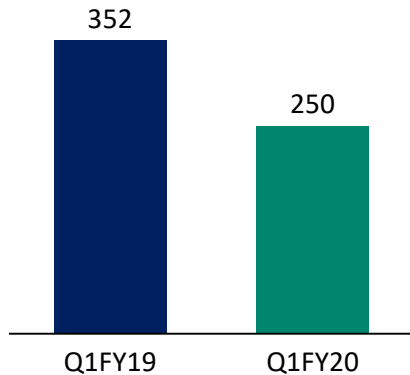


Financial Highlights - Q1 FY20

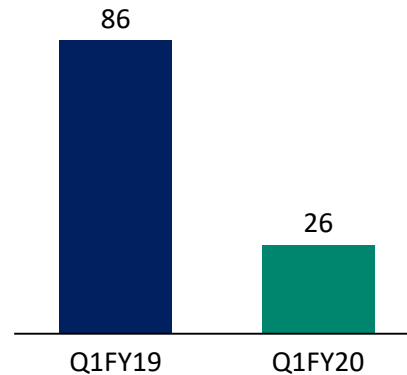
Financial Highlights – Q1 FY20



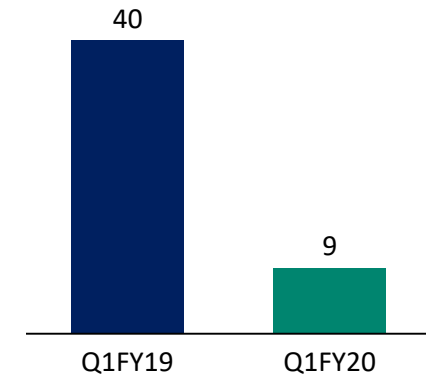
Revenue[^]



EBITDA[^]

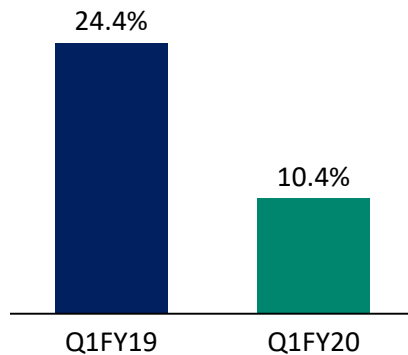


PAT

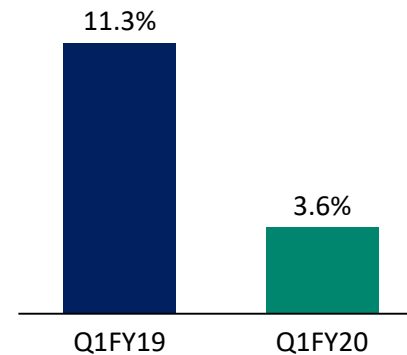


Rs. Crores

EBITDA[^] (%)



PAT (%)



The Financial Results have been prepared in accordance with the Indian Accounting Standards (Ind AS)

[^] Includes Other Income * On Standalone Basis

Profit & Loss Statement – Q1 FY20



Particulars (Rs. Crores)*	Q1 FY20	Q1 FY19
Revenue from Operations^	250	352
Total Raw Material	178	226
Employee Expenses	14	16
Other Expenses	32	24
EBITDA^	26	86
EBITDA Margin (%)	10.4%	24.4%
Depreciation	8	6
EBIT	18	80
EBIT Margin (%)	7.4%	22.7%
Finance Cost	4	3
Exceptional Items	-	10
Profit before Tax	14	68
Tax	5	28
Profit After Tax	9	40
PAT Margin (%)	3.6%	11.4%
EPS	2.95	13.60

Production and sales were impacted for the quarter ended 30th June 2019 due to planned shut down and maintenance

^ Includes Other Income

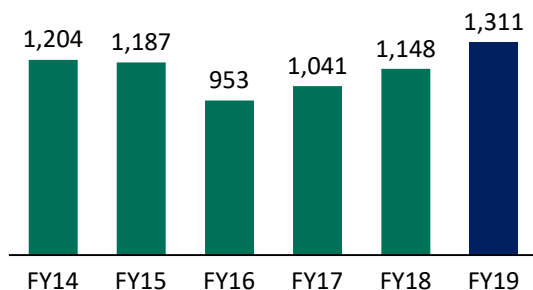
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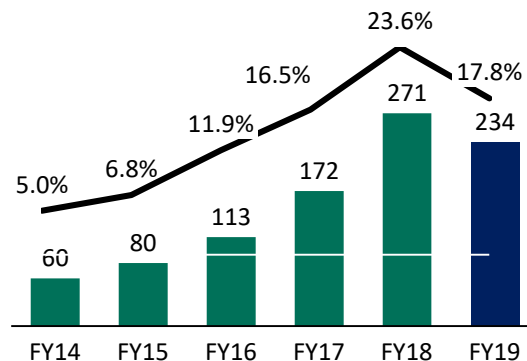
Financial Highlights



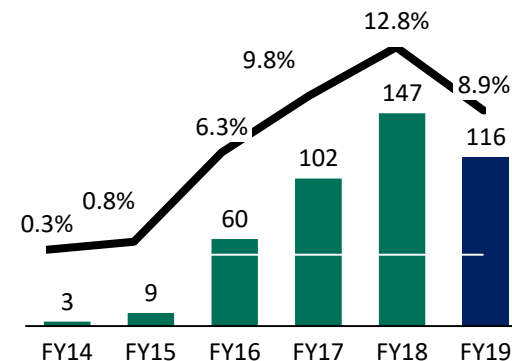
Revenue^ (Rs. Crores)



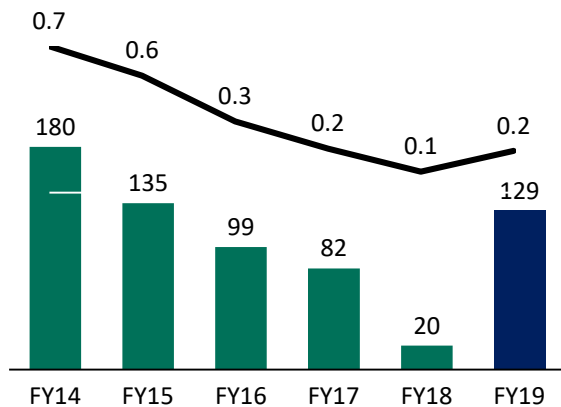
EBITDA^ (Rs. Crores) and Margin %



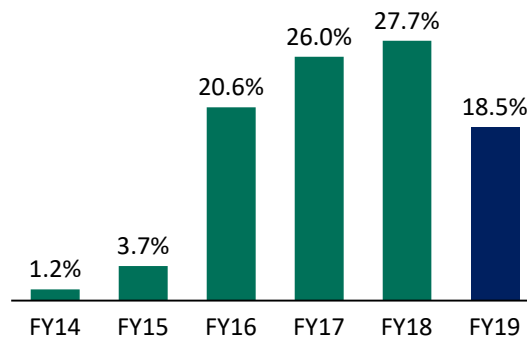
PAT (Rs. Crores) and Margin %



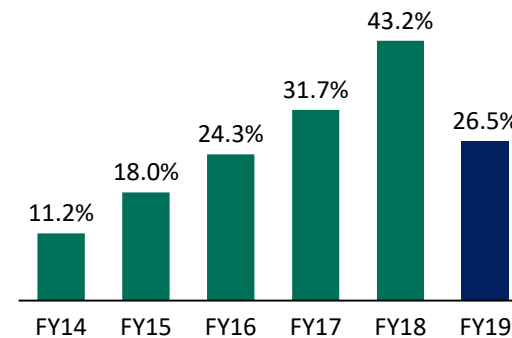
Net Debt (Rs. Crores) & Net Debt / Equity



ROE %



ROCE %



^ Includes Other Income

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