

IG Petrochemicals Limited

Investor Release: 22nd May 2019, Mumbai

IG Petrochemicals Limited, the largest Indian manufacturer of Phthalic Anhydride (PAN) has declared its Audited Financial Results for the quarter and full year ended 31st March, 2019

Highlights of FY19

- **Total Revenue** increased by 14% to Rs. 1,311 crores compared to Rs. 1,148 crores for FY18
- **Volumes:**
 - ✓ PAN stands at 1,57,889 metric tonnes compared to 1,53,728 metric tonnes for FY18
 - ✓ MA stands at 4,547 metric tonnes compared to 3,390 metric tonnes for FY18
- **EBITDA** for FY19 stood at Rs. 234 crores; EBITDA Margins at 17.8%
- **Profit after Tax** stands at Rs. 116 crores; PAT Margins at 8.9%

Highlights of Q4 FY19

- **Total Revenue** remained flat at Rs. 315 crores as against Rs. 314 crores in Q4 FY18
- **Volumes:**
 - ✓ PAN stands at 41,617 metric tonnes compared to 38,770 metric tonnes for Q4FY18
 - ✓ MA stands at 1,251 metric tonnes compared to 704 metric tonnes for Q4 FY18
- **EBITDA** for Q4 FY19 stood at Rs. 39 crores; EBITDA Margins at 12.3%
- **Profit after Tax** stands at Rs. 18 crores; PAT Margins at 5.8%

During the second half of FY19, there has been a significant rise in prices of OX due to volatility in the crude prices, increase in PX prices led by higher demand (Co-product of OX) and geopolitical issues in global market. However, prices of PAN remained range bound which impacted the overall EBITDA Margins and profitability of the Company. Recently we have witnessed sharp decline in PX prices which will also translate into improvement in overall margins going ahead.

Commenting on the results and performance, Mr. Nikunj Dhanuka, Managing Director & CEO said:

“Although the overall business environment has seen a significant change during the financial year 2019, the company has delivered a healthy performance on the back of our sustained efforts to improve operational efficiencies within the company.

The applications of PAN are increasing rapidly and we are extremely confident that the demand for the product is going to grow manifolds in the years to come. As we are the largest and the most cost effective producer of PAN in India, we are well placed to capture the growing demand in the future. With higher capacity of PAN coming on-stream, along with our efforts of improving operating efficiencies we are confident of delivering better performance in the years to come

Expansion Project Status

- We have progressed well on our brownfield expansion of PAN 4 plant which will add 53,000 MTPA to our existing capacities. Post this expansion, we will be 3rd largest manufacturer of Phthalic Anhydride globally with a capacity of 222,110 MTPA. We will also have the largest capacity in the world at a single location. We expect to commence the production from PA4 by December 2019.*
- Expansion into Advance Plasticisers (~8,400 Tonnes) to come on stream by FY 2020, which will lead to overall 8% diversification from the existing product mix, 4 % by way of Plasticizers and 4% by way of MA and BA.*

About I G Petrochemicals Limited

I G Petrochemicals Limited is the largest manufacturer of Phthalic Anhydride (PA) in India. It is one of the Lowest Cost producer of Phthalic Anhydride globally. PA is a downstream product of Orthoxylene (OX) a basic Petrochemical. PA is a versatile intermediate in organic chemistry. PA is used as an intermediate for the production of Plasticizers, Unsaturated Polyester Resins, Alkyd Resins & Polyols. PA is used in a variety of application in both consumer durables to non consumer durables. Applications for PA are increasing rapidly, driven by new Research & Innovation. The company has 3 manufacturing facilities at a single location at Taloja in Maharashtra.

Safe Harbor Statement

Statements in this document relating to future status, events, or circumstances, including but not limited to statements about plans and objectives, the progress and results of research and development, potential project characteristics, project potential and target dates for project related issues are forward-looking statements based on estimates and the anticipated effects of future events on current and developing circumstances. Such statements are subject to numerous risks and uncertainties and are not necessarily predictive of future results. Actual results may differ materially from those anticipated in the forward-looking statements. The company assumes no obligation to update forward-looking statements to reflect actual results changed assumptions or other factors.

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