



I G Petrochemicals Limited

Investor Presentation – February 2021



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Company Overview

Company Overview



India's Largest Phthalic Anhydride (PAN) manufacturer and 2nd largest in the world

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

Plants are situated at Taloja and are engineered & designed with modern technologies. Steam generated from the production process is used for Company's captive power requirements

We are a Zero Discharge Company

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

ISO 9001:2015 for quality management system
ISO 14001:2015 for environment certification from Bureau Veritas

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

Manufactures Benzoic Acid (BA) as a by-product

We are now entering into downstream product Advance Plasticizers

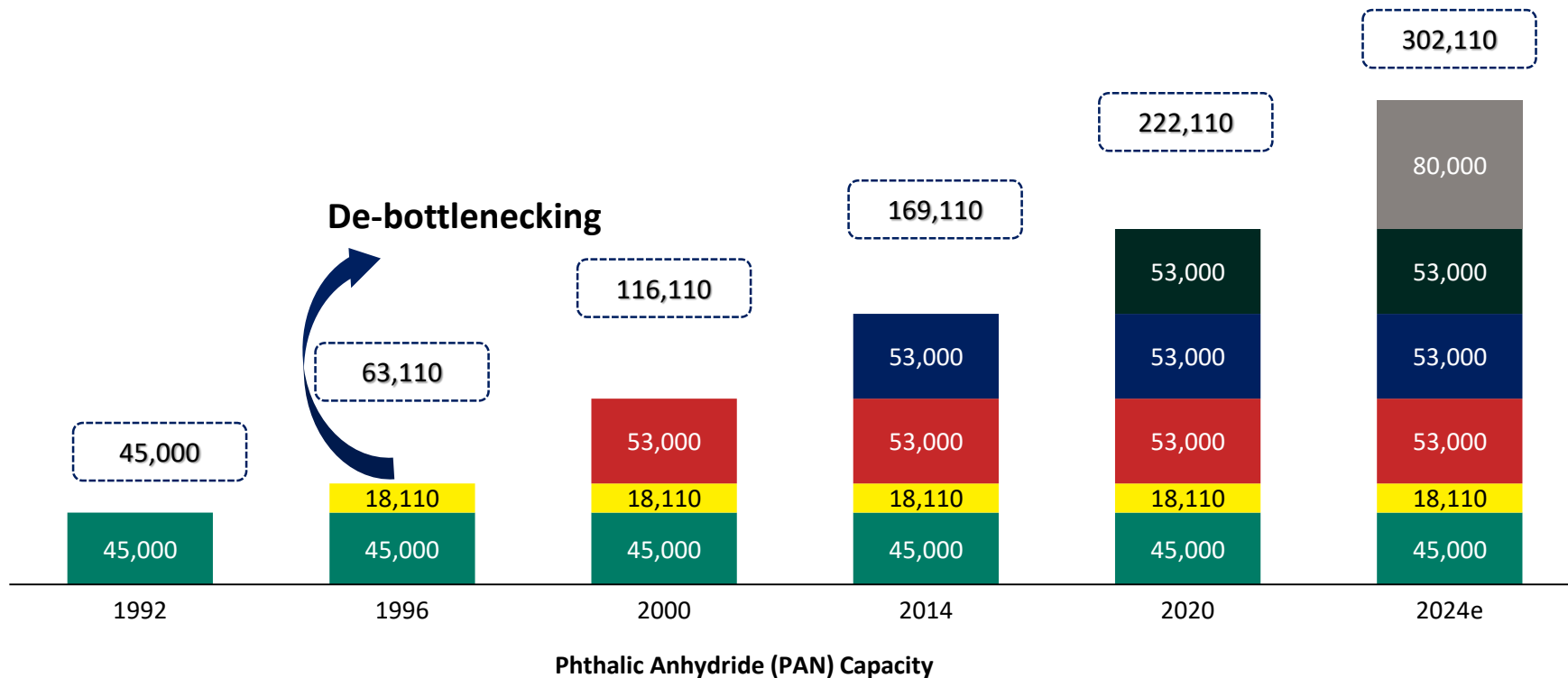


VISION

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



Manufacturing Capacity



Plants are engineered with **German Technologies** and are designed on the low energy-based processes

Company also undertook **significant process enhancement initiatives** through capacity expansion

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

Greenfield Expansion



Proposed expansion of Phthalic Anhydride (PAN) & its Derivatives Plants

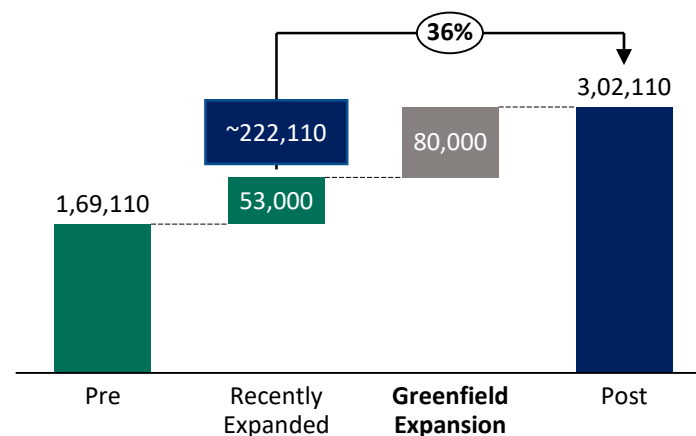
Greenfield Capacity Addition

of PAN up to **80,000 MTPA**
& its Derivatives Products in Gujarat

Rationale

The demand for Phthalic Anhydride 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

Total PAN Capacities Post Expansion (MTPA)



Details

- Period : **~3 Years**
- Investment required: **~600 Crores**
- Mode of Financing: **Internal accruals & Borrowings**



Key Strengths



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

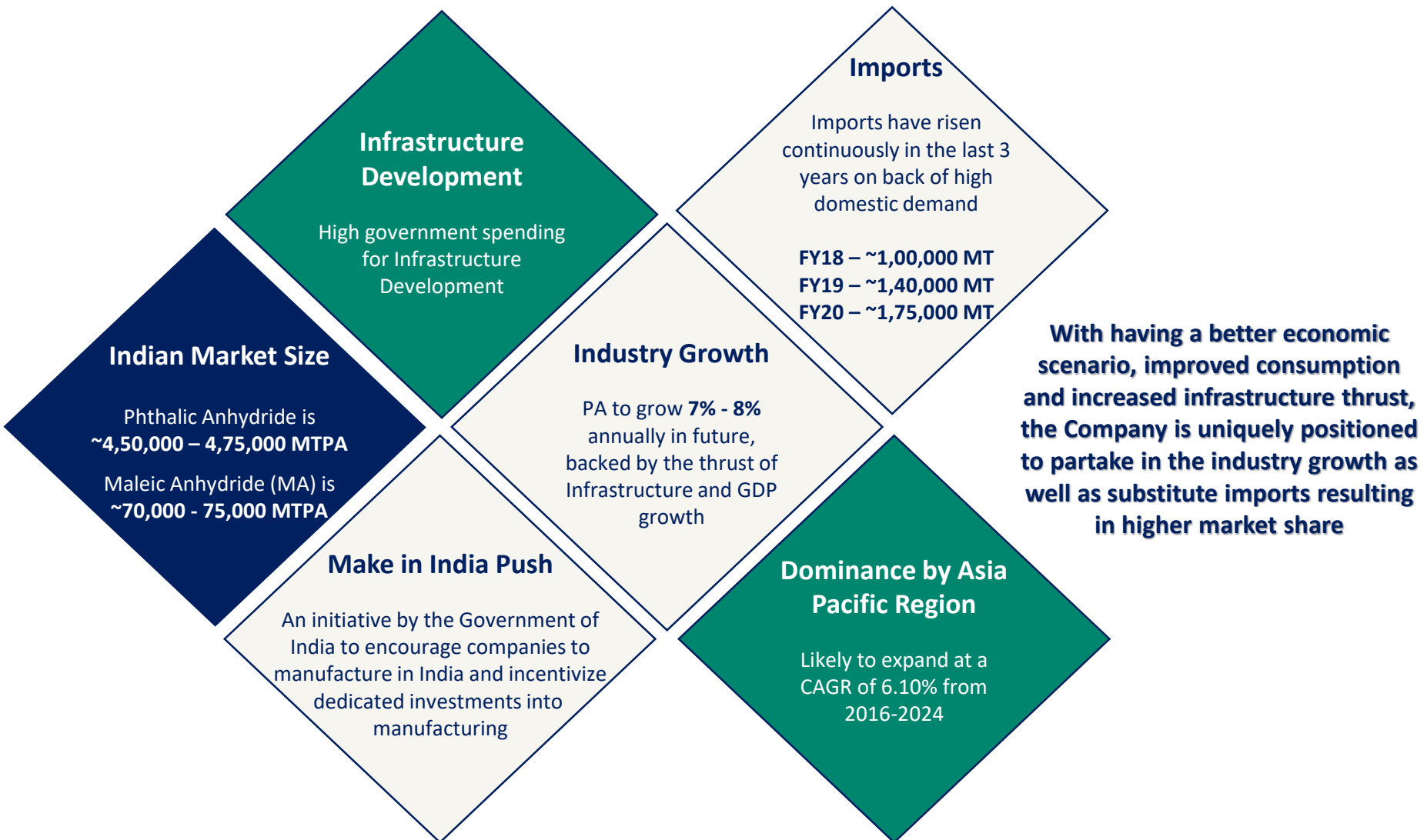
Plant being near to Port – Huge
Saving in Freight Cost along
with Proximity to the Chemical
Belt of India

Unique Position

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



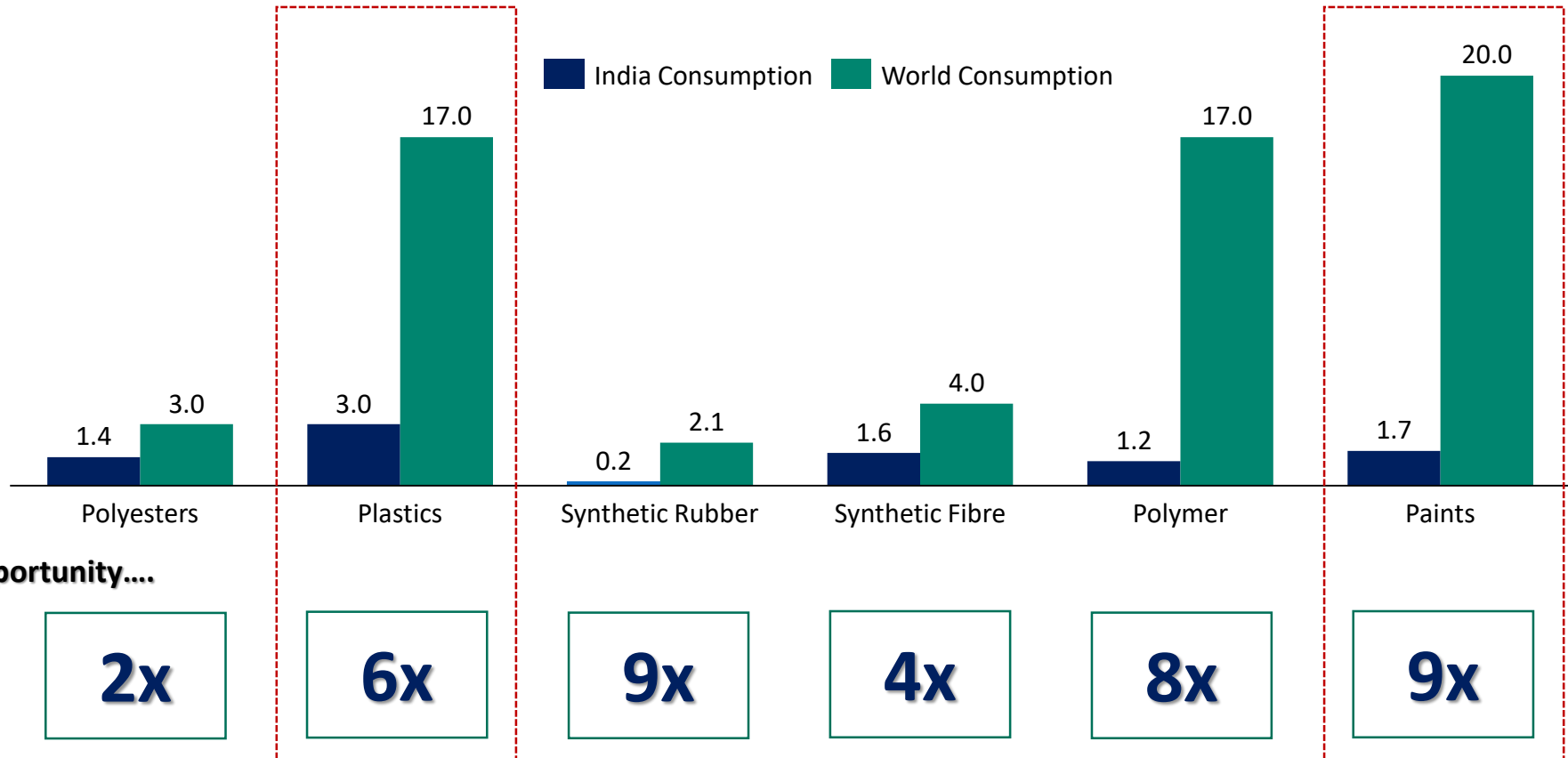
Industry Overview



Huge Domestic Opportunity



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



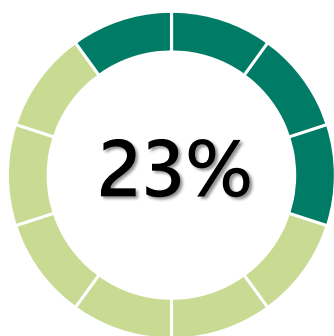
End User Industry expected to grow by 12% - 13% CAGR for next 3-5 years

End User Industry & Application of PAN



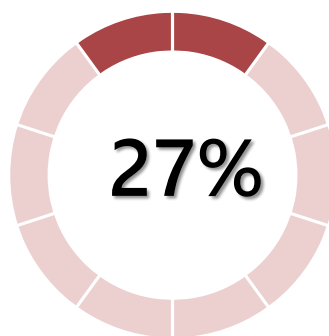
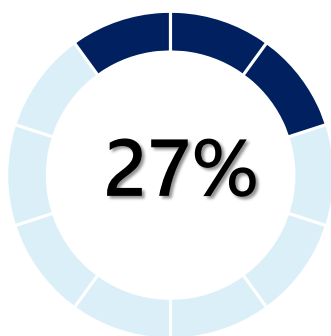
PLASTICIZERS

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

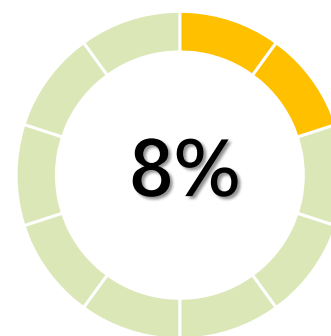
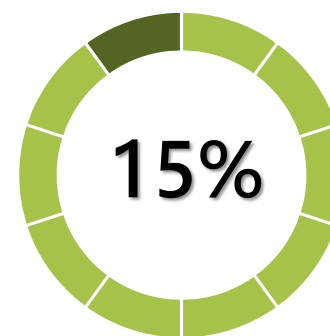


ALKYD RESINS & PAINTS

Used in manufacturing of paints and coatings



SPECIALITY & OTHERS



CPC PIGMENTS

Used for making inks & photovoltaic cells

UNSATURATED POLYESTER RESIN

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

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



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 ~70,000 -75,000 MTPA

All MA required in India is completely imported except the one made by IGPL

Capacity of Maleic Anhydride has been increased 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.



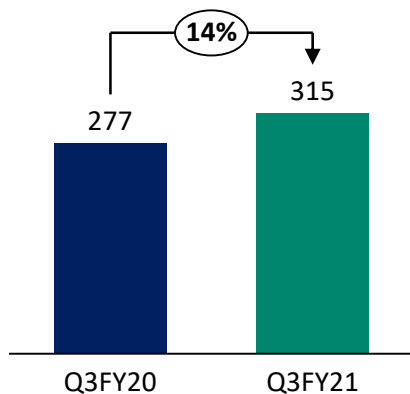
Quarterly Highlights

Financial Highlights – Q3 FY21 (Y-o-Y)

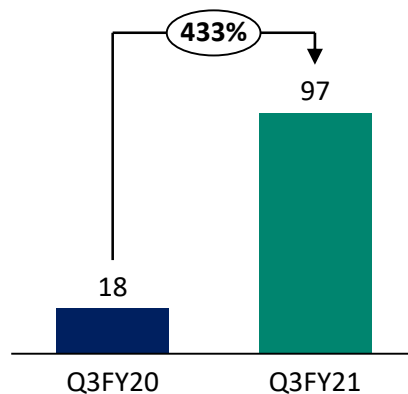


Rs. Crores

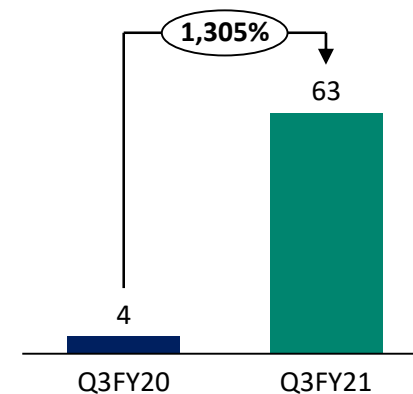
Revenue[^]



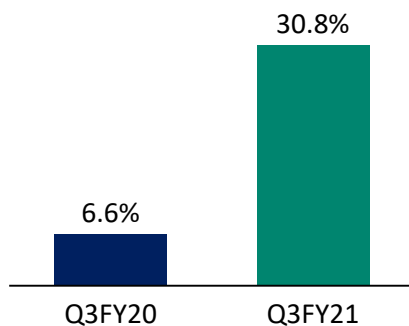
EBITDA[^]



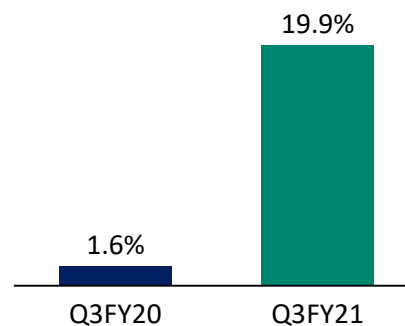
PAT



EBITDA Margin[^] (%)



PAT Margin (%)



[^] Includes Other Income

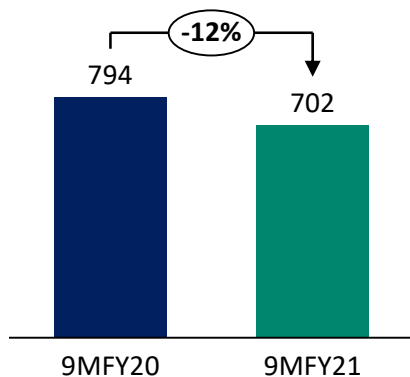
* On Consolidated Basis

Financial Highlights – 9M FY21 (Y-o-Y)

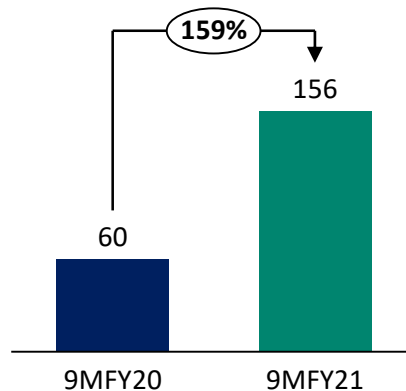


Rs. Crores

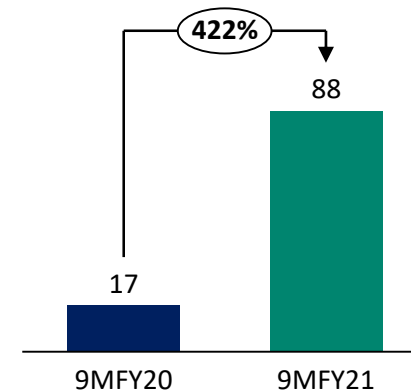
Revenue^



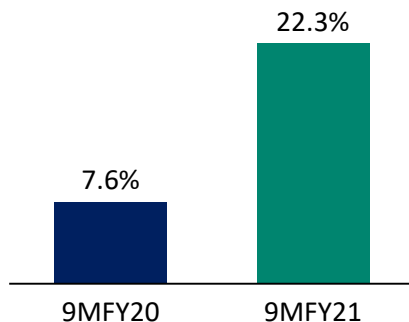
EBITDA^



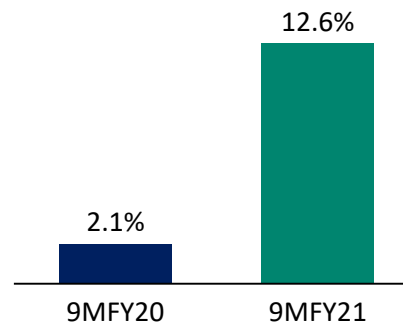
PAT



EBITDA Margin^ (%)



PAT Margin (%)



^ Includes Other Income

* On Consolidated Basis

Profit & Loss Statement



Particulars (Rs. Crores)*	Q3FY21	Q3FY20	Y-o-Y	9MFY21	9MFY20	Y-o-Y	FY20
Total Revenue ^	315.5	276.6	14%	701.6	794.4	-12%	1,064.8
Total Raw Material	171.9	217.4		426.5	602.7		817.2
Employee Expenses	15.4	15.4		45.2	43.9		60.2
Other Expenses	31.1	25.6		73.8	87.7		109.4
EBITDA^	97.1	18.2	433%	156.2	60.2	160%	78.1
EBITDA Margin (%)	30.8%	6.6%		22.3%	7.6%		7.3%
Depreciation	7.7	7.3		23.6	22.5		29.9
EBIT	89.3	10.9	721%	132.6	37.7	252%	48.2
EBIT Margin (%)	28.3%	3.9%		18.9%	4.8%		4.5%
Finance Cost	5.0	4.1		13.3	11.8		16.0
Exceptional Items	0.0	0.0		-0.6	0.0		0.3
Profit before Tax	84.3	6.8	1142%	118.7	25.9	358%	31.9
Tax	21.4	2.3		30.4	9.0		11.0
Profit After Tax	62.9	4.5	1305%	88.3	16.9	422%	20.9
PAT Margin (%)	19.9%	1.6%		12.6%	2.1%		2.0%
EPS	20.41	1.45		28.66	5.49		6.78



Capacity Expansions & Strategies

Capacity Expansions & Strategies



PA 4 Plant

- Project Cost : Rs 370 Crores
- PAN Capacity of 53,000 MTPA
- Capacity commissioned in December, 2020
- Funded by Loan (ECB) of Rs 125 Crores and Internal accruals



Advance Plasticizers

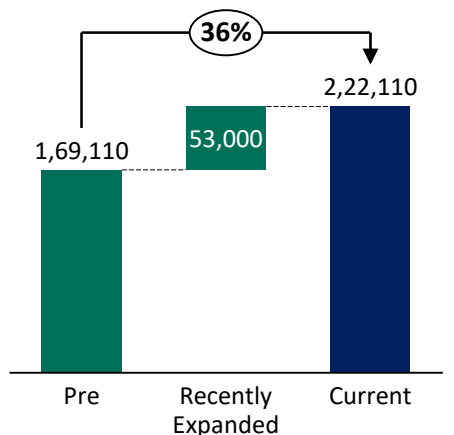
- Project Cost : Rs 30 Crores
- Capacity of 8,400 MTPA
- Capacity to be commissioned by April, 2021
- Funded by internal Accruals



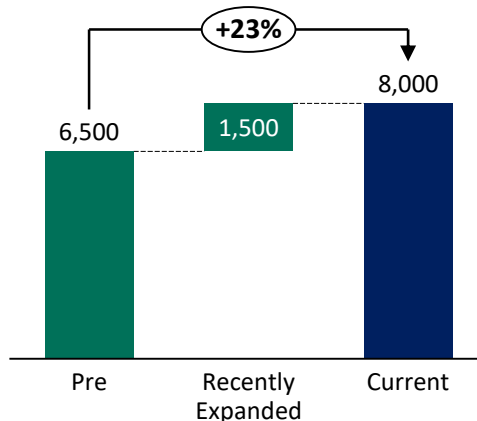
Greenfield Expansion

- Project Cost : ~Rs 600 Crores
- Expected to be commissioned in ~3 years
- PAN Capacity of 80,000 MTPA & other Derivative Products in Gujarat
- Mode of Financing: Internal accruals & Borrowings

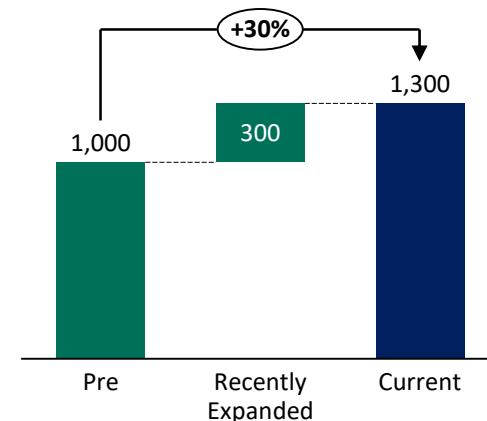
Existing Capacities Post PA 4 Plant Expansion (MTPA)



Phthalic Anhydride



Maleic Anhydride



Benzoic Acid

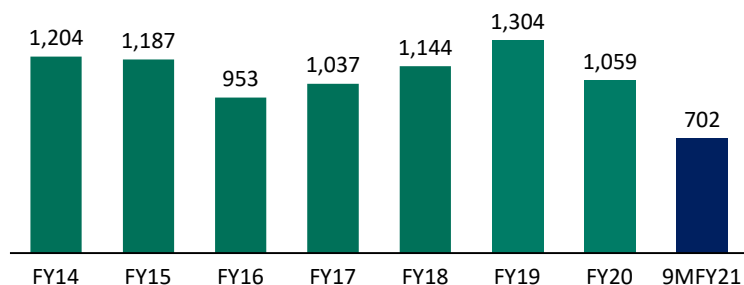


Financial Highlights

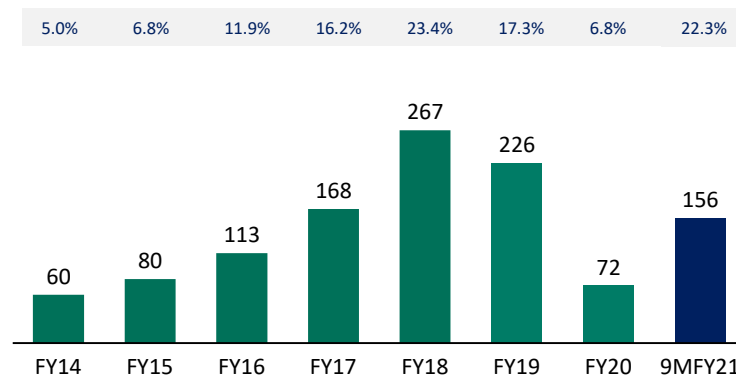
Financial Highlights



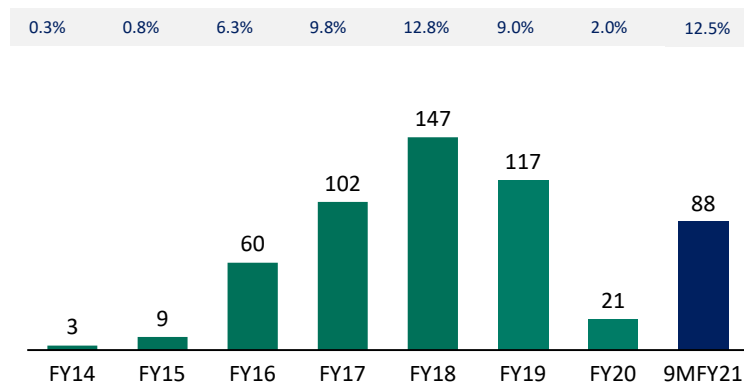
Revenue^ (Rs. Crores)



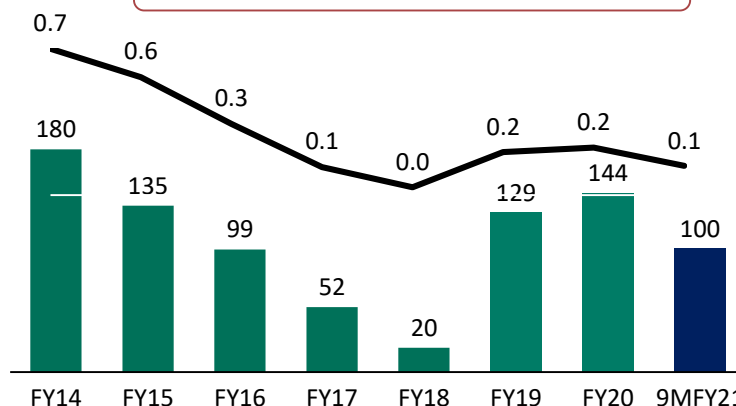
EBITDA^ (Rs. Crores) and Margin %



PAT (Rs. Crores) and Margin %



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



^ Includes Other Income

* IGPL has fully prepaid balance Rupee Term Loan amount of Rs. 16 crores on 1st January, 2021 and Net Debt stands at 84 crs

For further information, please contact

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