



IG PETROCHEMICALS LIMITED

Investor Presentation – August 2023

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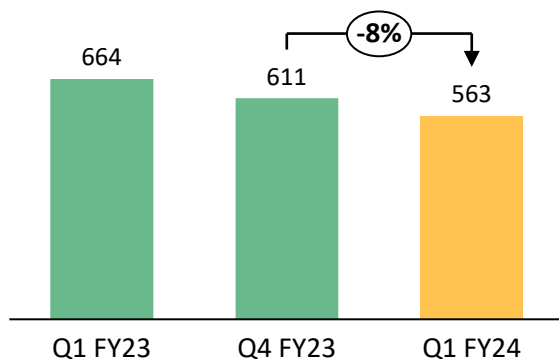
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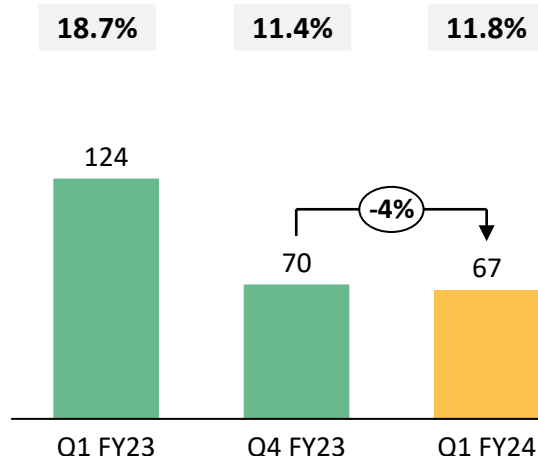
Q1 FY24 Highlights

Quarterly Performance Highlights

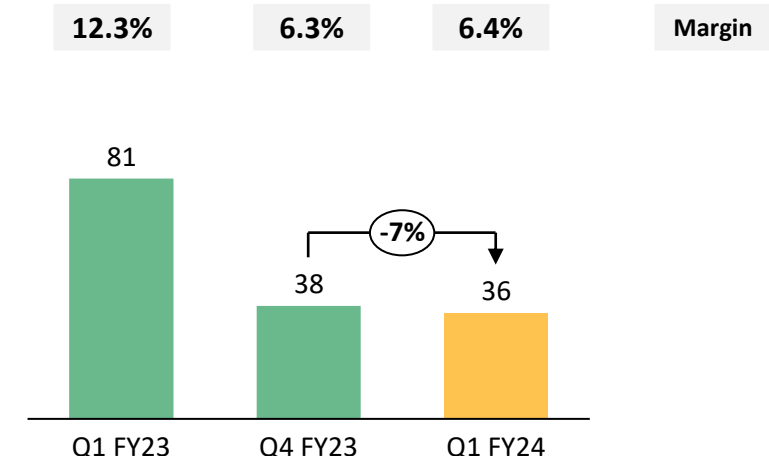
Revenue^ (Rs. Crs)



EBITDA (Rs. Crs)



PAT (Rs. Crs)



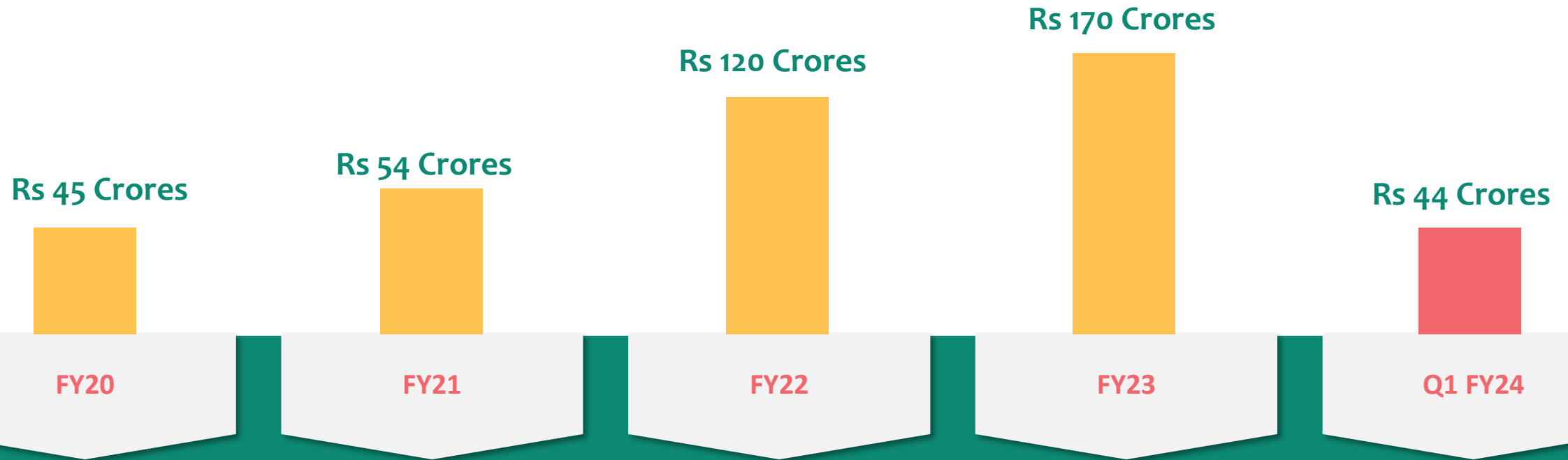
Margin

Key Highlights

- The total revenue for the quarter stood at Rs. 563 Crores, driven by the steady demand for phthalic anhydride
- Volume growth from a few end-user markets was sluggish and the same has been mirrored in the business performance
- Revenue contribution from Non-Phthalic business stood Rs. 44 Crores for quarter
- Revenue from Export market contributed nearly ~10% for Q1 FY24
- Brownfield Expansion of Phthalic Anhydride (PA-5 unit) is on track and production is expected to commence before March 2024

Contribution From Non – PAN* Business

Increasing share From Non- Phthalic Anhydride Business



*Non Phthalic Anhydride (PAN) Business includes - Maleic Anhydride (MAN), Benzoic Acid (BA), Diethyl Phthalate (DEP) & Others

DEP facility commercialized in November 2021

Profit & Loss Statement

Particulars (Rs. Crs)	Q1 FY24	Q1 FY23	Y-o-Y	Q4 FY23	Q-o-Q	FY23
Total Revenue[^]	562.7	664.4	-15.3%	610.9	-7.9%	2,374.6
Raw Material	431.4	479.3	-10.0%	475.4	-9.3%	1,781.7
Employee Expenses	22.5	20.3		21.1		81.7
Other Expenses	42.2	40.6		45.0		171.1
EBITDA	66.6	124.2	-46.4%	69.5	-4.2%	339.9
EBITDA Margin (%)	11.8%	18.7%		11.4%		14.3%
Depreciation	12.2	11.9		12.2		47.4
EBIT	54.3	112.3	-51.6%	57.3	-5.2%	292.5
EBIT Margin (%)	9.7%	16.9%		9.4%		12.3%
Finance Cost	6.1	3.6		6.5		23.9
Exceptional Items	0.0	0.0		0.0		0.0
Profit Before Tax	48.2	108.7	-55.7%	50.8	-5.1%	268.6
Tax	12.5	27.4		12.6		68.3
Profit After Tax	35.7	81.3	-56.1%	38.2	-6.7%	200.3
PAT Margin (%)	6.4%	12.3%		6.3%		8.4%
EPS (in Rs.)	11.58	26.40		12.41		65.05



Company Overview

India's Largest Phthalic Anhydride Manufacturer

Incorporated in 1988

World's **Largest PAN***
Manufacturer at Single Location

20+ End User Industries Served

Lowest Cost Producer of PAN*

India's only
Maleic Anhydride*
Manufacturer

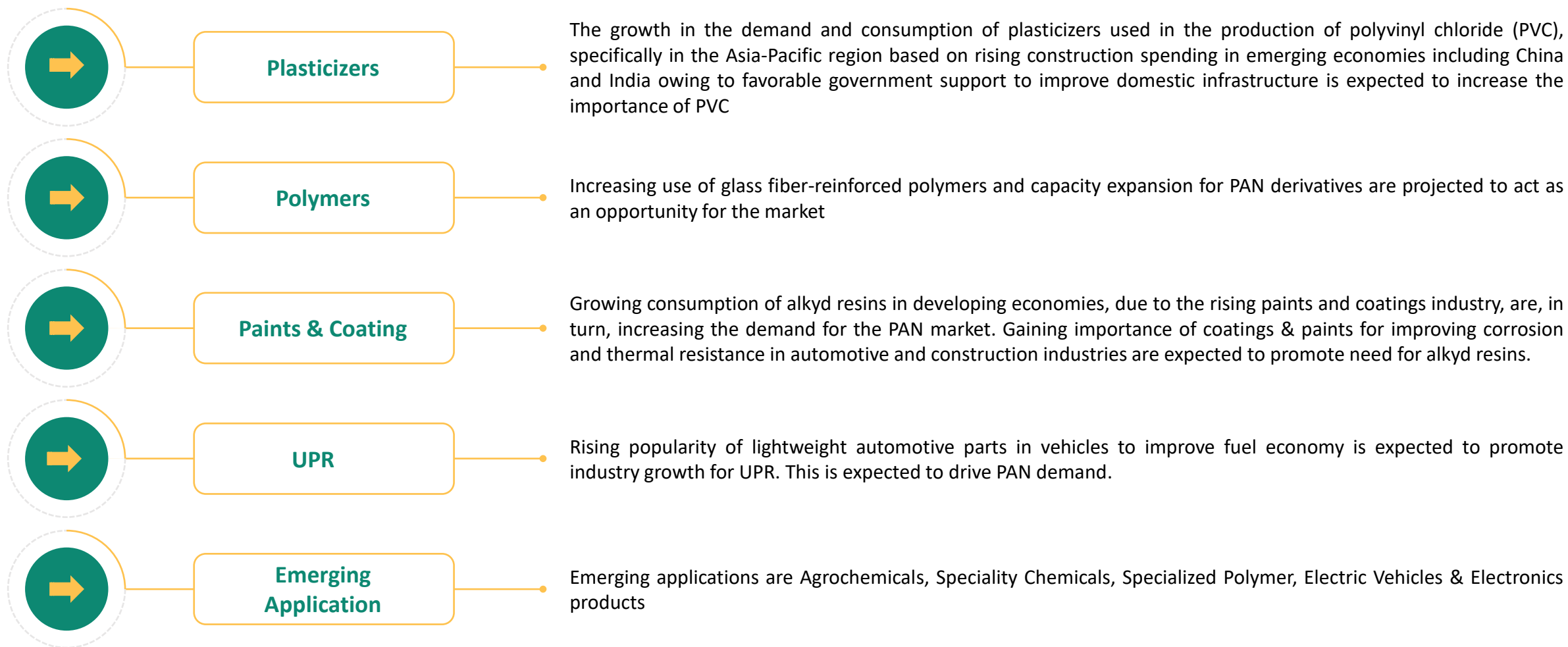
> 50% Domestic Market Share of
PAN*

PAN* Capacity **2.22 Lakh MTPA**

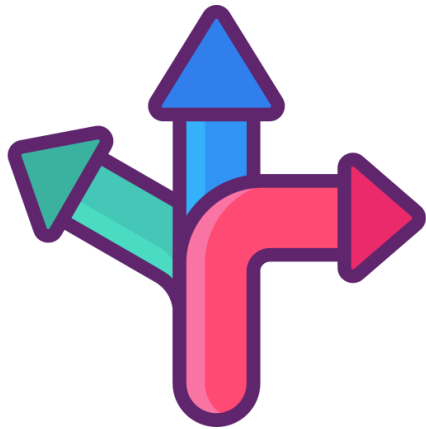
ISO Certified
9001:2015
14001:2015

Phthalic Anhydride Overview

PAN is a versatile intermediate in organic chemistry and a downstream product of a basic petrochemical, Orthoxylene (Ox). It is used as an intermediate to produce Plasticizers, Unsaturated Polyester Resins, and Alkyd Resins & Polyols. It finds application in both consumer durables to non-consumer durables. Its end users are paints, inks, coatings, boxes, containers and packaging films industries among others.

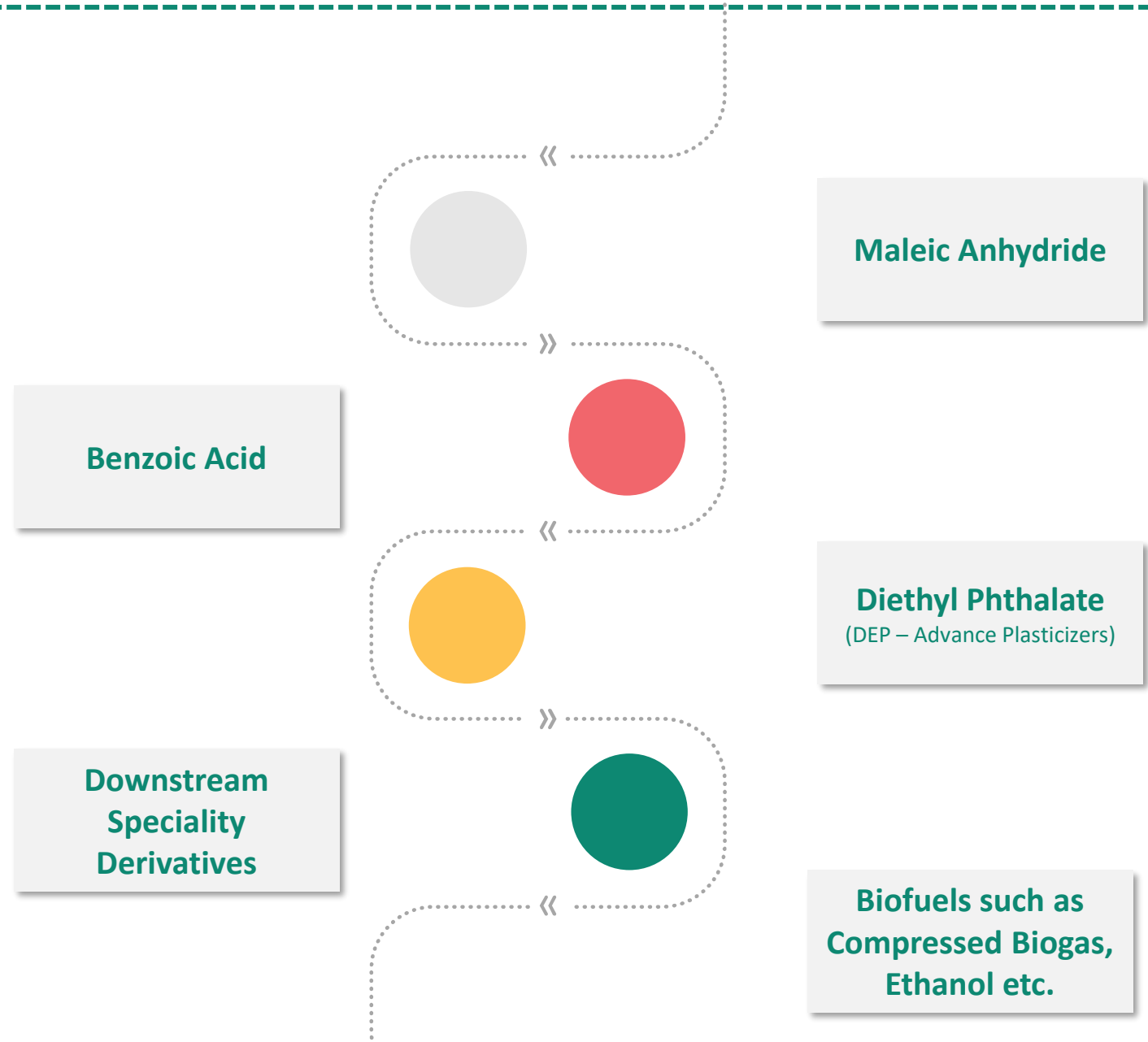


Diversification Into Non-Phthalic Anhydride Products



Current Capacity

- › Phthalic Anhydride – 2,22,110 MTPA
- › Maleic Anhydride – 7,660 MTPA
- › Benzoic Acid – 1,000 MTPA
- › Diethyl Phthalate – 8,400 MTPA



Proximity to Western Belt of India

VISION

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



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



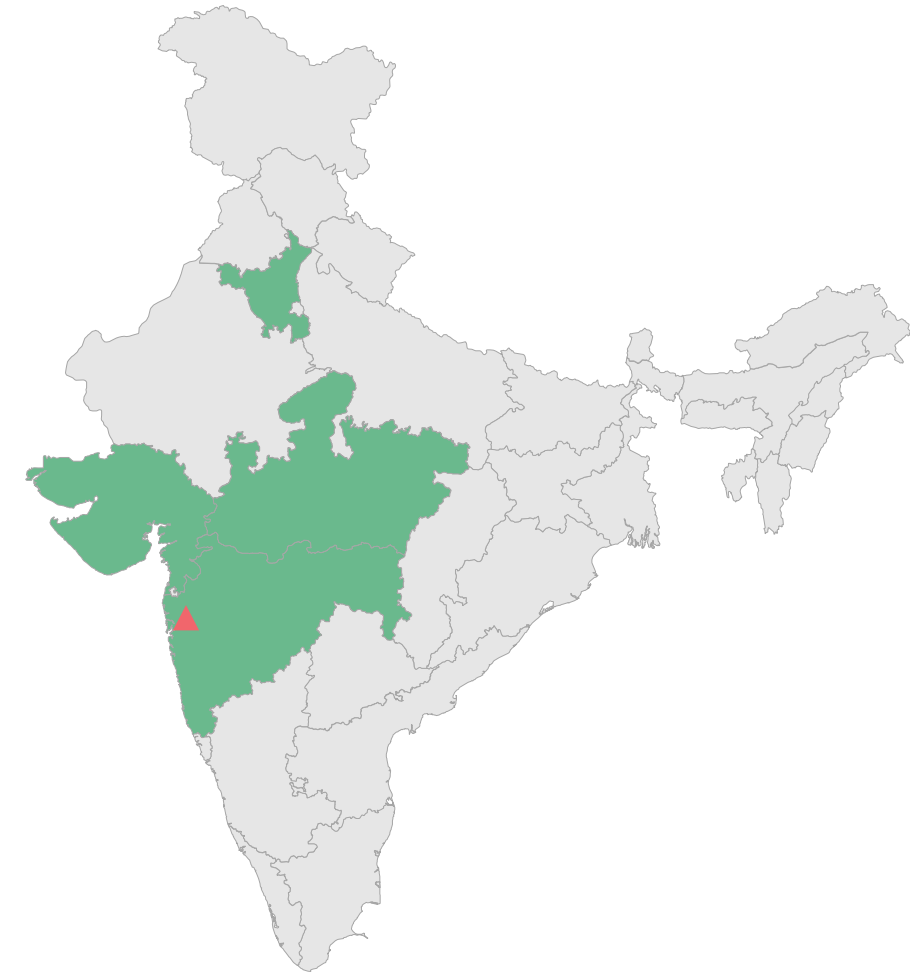
The Company has a distinct sourcing and selling advantage due to its strategic location in the **Western Chemical Belt of India**



A leading PAN manufacturer in India and the global market



The plants are well connected with **road & port facilities.**



▲ IGPL Plant at MIDC - Talaja, Maharashtra

■ Chemical Belt of Western India

State of the Art Manufacturing Facilities



World's **Largest PAN** Manufacturer at Single Location

Undertaken Significant Process Enhancement Initiatives along with capacity expansions and product diversification

Six-sigma quality control processes and ERP systems across the organization

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

New Effluent Treatment Plant (ETP) facility has enabled the Company to achieve a partial Zero Liquid Discharge

100% energy requirements met through captive power plants

Efforts are on to reach complete Zero Liquid Discharge status in the next few years

Diversified End-User Industry

Phthalic Anhydride



Plasticizers



Alkyd Resins & Paints



Unsaturated Polyester Resins



CPC Pigments

20+
End User
Industries

Maleic Anhydride



Lubricant Additive



Agro Chemicals



Plastics



Unsaturated Polyester Resins

120+
Clients

Benzoic Acid



Perfume



Insect Repellent



Speciality Chemicals

Advance Plasticizers (DEP)



Incense Stick



Perfume



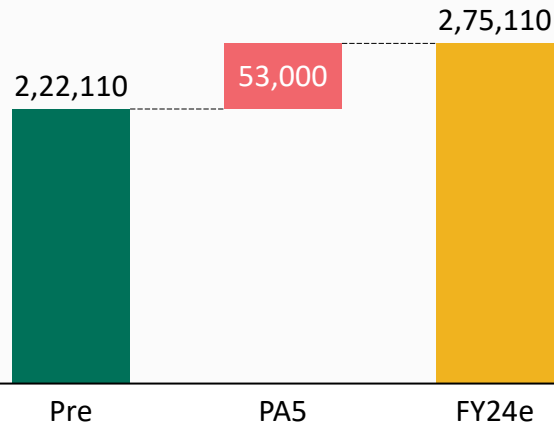
Personal Care

~8%
Export
Business

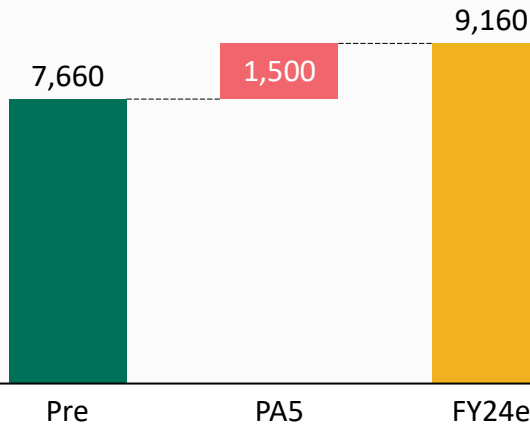
High Focus on Capacity Expansion

Capacity Post PA 5 Expansion (MTPA)

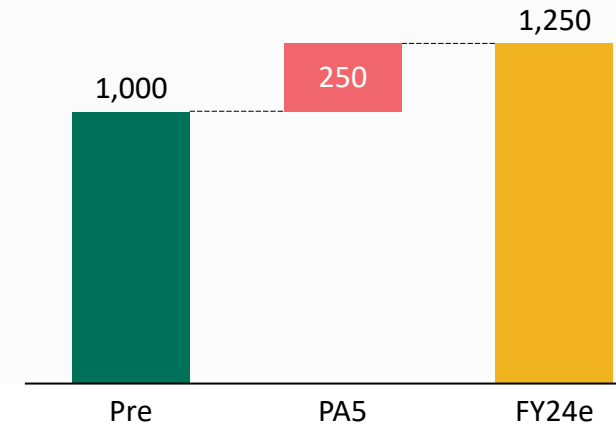
Phthalic Anhydride



Maleic Anhydride



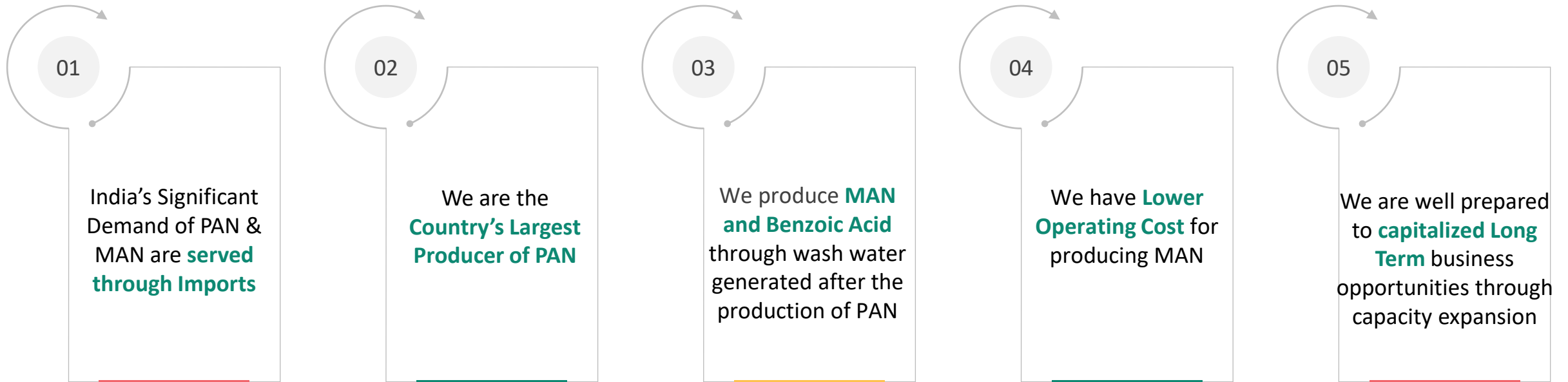
Benzoic Acid



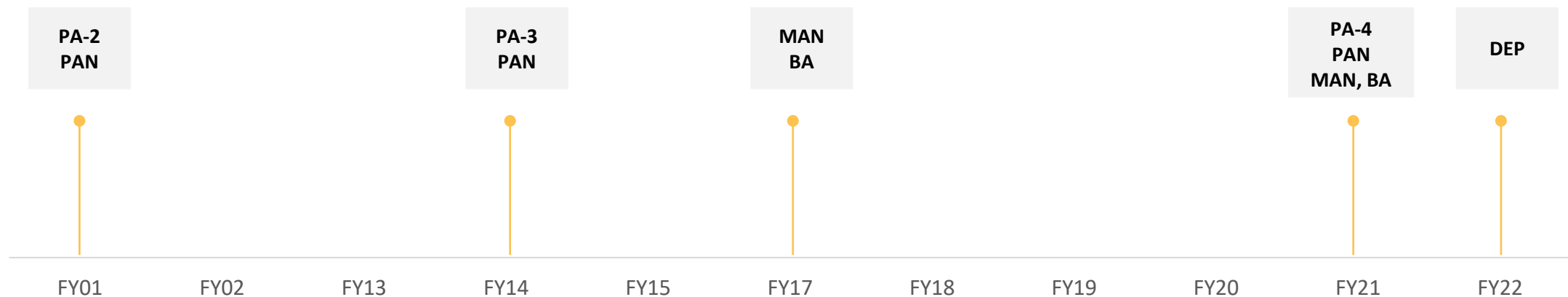
PA 5 Plant (Brownfield Expansion)

- Project Cost : ~Rs. 350 Crores
- Capacity PAN : 53,000 MTPA | MAN : 1,500 MTPA
- **PA 5 unit is expected to commence by March 2024**

Sustainable Business Model



Capacity Added Over The Last 2 Decades



Led by Healthy Demand



Paints & Resins



Plasticizers



Specialty Chemicals



Medical Device



Synthetic Leather



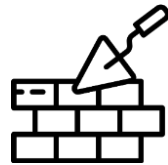
Lubricants



Building &
Construction



Cables & Wires



Construction



Packaging Films



Personal Care



Perfumes & Fragrance

Sustainable Growth

Infrastructure Development

Higher private and government spending on social and industrial infrastructure leading to Strong & Constant domestic demand for the Products

Make in India Push

Govt. Initiative to encourage companies to manufacture in India and incentivize dedicated investments into manufacturing

Increase in Consumption

Increase in consumption fueled by rising demand for plasticizers, paints etc

High Demand in Asia Pacific

Over 60% of global PAN consumption is in ASIA Pacific, which is anticipated to expand because of increased private and government spending.

All Major End User Industries Are Growing At Healthy Pace

ETP

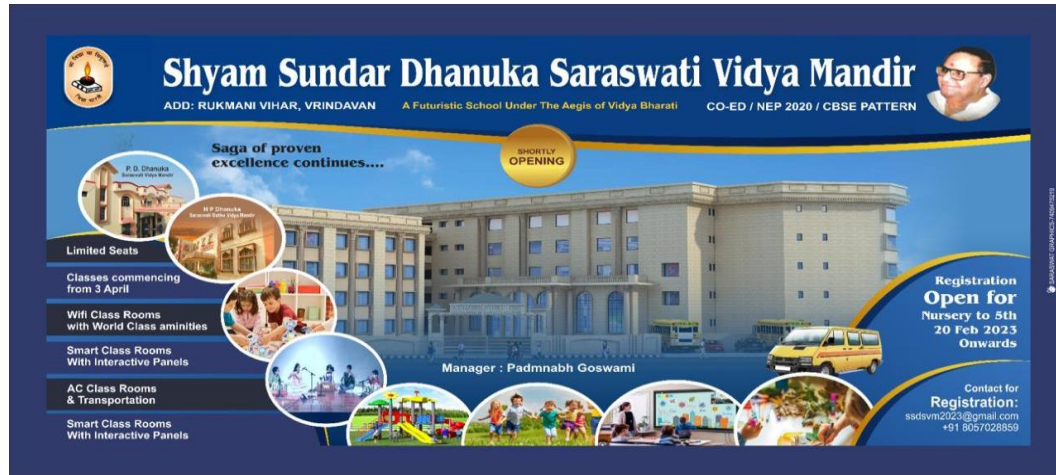
- A full-fledged Effluent Treatment Plant (ETP) to treat all types of effluent generated from manufacturing plants
- Segregated effluent streams like low COD streams & High COD/TDS streams
- A centrifuge and filter press to treat hazardous waste/sludge in a disposable manner



Various Initiatives For Sustainability of The Business

- | | |
|---|---|
| <ul style="list-style-type: none">• Preventing and controlling pollution• Maintaining an eco-friendly environment | <ul style="list-style-type: none">• Disposing of inevitable wastes in an environmentally friendly manner |
| <ul style="list-style-type: none">• Enhancing environmental awareness amongst all our staff, workmen, suppliers, visitors and other stakeholders | <ul style="list-style-type: none">• Various Initiatives for the conservation of key resources like water, energy, fuel |
| <ul style="list-style-type: none">• Setting up of solar power plant at our factory location | <ul style="list-style-type: none">• Recycle and reuse packing bags returned by our customers in consideration of monetary incentives offered to them |

CSR Initiatives



Association with Saraswati Shishu Mandir Trust for the **construction of School in Vrindavan** which was named after the Co-founder of the Company Late Shri Shyam Sunder Dhanuka. The school was completed during the year and started functioning in early 2023 for pre-primary and primary section. The school is fully operational.

Collaborated with Tata Community Initiatives Trust as implementation partner for setting up **skill development centre** at Talaja Manufacturers Association, Talaja. The Centre aims to provide an employment linked entry level skill training programs that would lead to gainful employment for underprivileged youth from in and around Talaja.



Collaborated with Saksham Foundation for the formation of self-help groups which would provide **training to women in developing skills** such as tailoring, food processing, amongst others. Apart from the above projects, the Company was **also engaged in/supported various initiatives relating to old age homes, blind organization, animal welfare, medical equipment/spectacles, renovation of fitness centre, etc.**



Right Skills
Bright Future



I G PETROCHEMICALS LIMITED

Trying to get a Job ?

Get skilled from Tata STRIVE



Business Development Executive (BFSI)

Duration : 6 Weeks

On Job Training : NA

Eligibility : Graduate (Any Stream)



Field Technician AC

Duration : 15 Weeks

On Job Training : 4 Weeks

Eligibility : 10th Pass



Assistant Electrician

Duration : 15 Weeks

On Job Training : 1 Week

Eligibility : 10th Pass

COMING SOON




Skill Development Centre

Talaja Manufacturers Association, P-21,
Talaja MIDC, Tal: Panvel, Dist: Raigad.
Contact : 9920 989 450, 9867 294 972,
1800-419-2112 (Toll Free) | www.tatastrive.com

Board of Directors



Shri M M Dhanuka
Non-executive Chairman

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



Shri Nikunj Dhanuka
Managing Director & CEO

Background : Associated with the Company since 1998. He has played an instrumental role in the growth of the Company and restructuring the business activities of the Company. He possesses over two decades of experience in the chemical industry and is well versed with operations and management, risk assessment and mitigation, business development and corporate strategy.



Shri J.K Saboo
Executive Director

Background : Commerce & Law Graduate and is associated with the Company since 1991. Has more than 41 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 Accountant and has more than 45 years of vast experience in audit and taxation



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

Background : B.E. (Hons) Chemical, M.E. (Chemical), Ph.D (Engineering), Diploma in Management and Diploma in Integrated Coastal Zone Management. He was a Professor at CEPT University in the Faculty of Planning and Public Policy. He was also a Director (Environment) and Chief Technical Advisor to the Government of Gujarat.



Dr. Vaijayanti Pandit
Non-executive and Independent

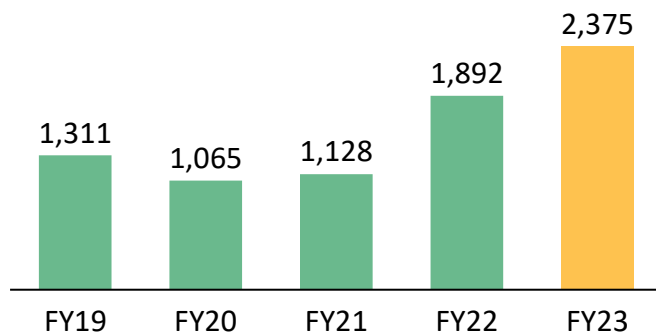
Background : MA, Ph. D in Management studies from JBIMS. She was Vice President at Adfactors Group and headed FICCI West as the Sr. Director and was Secretary to Indian Merchants' Chamber



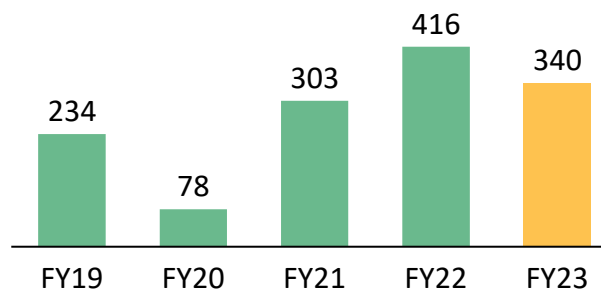
Financial Highlights

Financial Trends

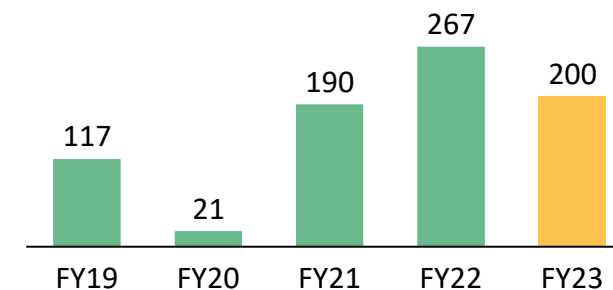
Total Revenue ^ (Rs. Crs)



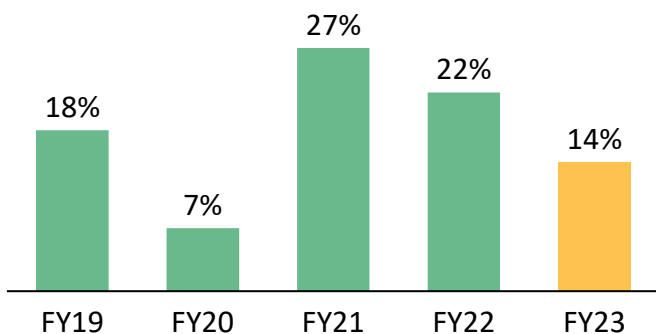
EBITDA ^ (Rs. Crs)



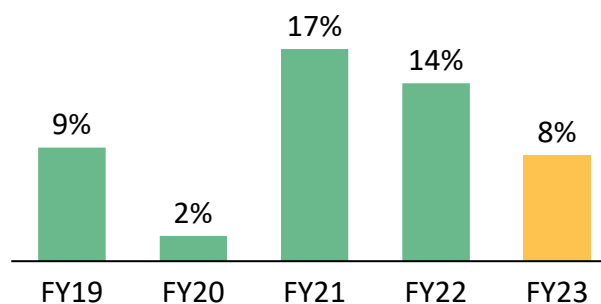
PAT (Rs. Crs)



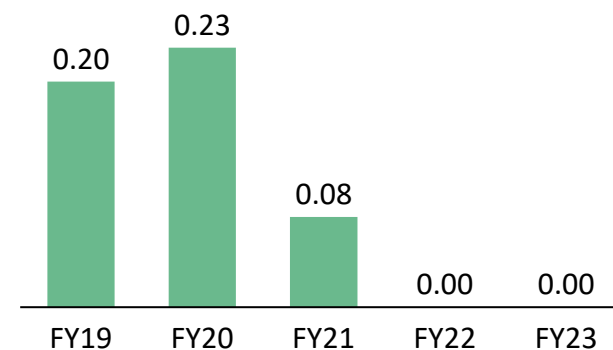
EBITDA Margin (%)



PAT Margin (%)



Net Debt/ Equity (x)



Way Forward

To Complete
Brownfield PA-5 Project

To ramp-up New Downstream Advance
Plasticizers (DEP) Capacity

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

Increase International Presence

Cater To Increasing Diverse End-user
Industries Of PAN

To set-up Downstream Derivatives plant of
PAN and evaluate opportunities in Green
Energy based Biofuels such as Compressed
Biogas, Ethanol and its derivatives etc.

Targeting ~30% Diversification into Non-PAN Business by FY25

Phthalic Anhydride

Non-PAN &
Downstream Derivative Business

Acquisition of I G Biofuels Limited (IGBL)

To Manufacture Bio-fuels

- The Company proposes to venture into bio-fuels such as Compressed Biogas, Ethanol and its derivatives etc.
- The Company plans to set up biomass/agro-products to CBG plants and further utilize the existing potential of CBG to maximize India's CBG potential

Company Background

- IGBL was incorporated in India as a Public Company limited by shares on 24th April, 2023 and is yet to commence business

Value Proposition

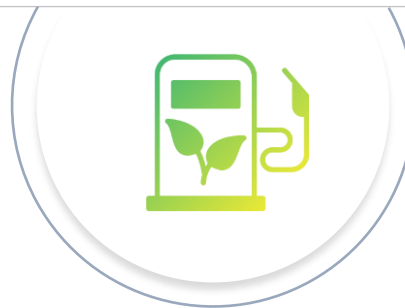
- Opportunity to become a strong player in the Indian Bio-fuel market
- Increase market share and profitability, thereby maximizing value for all stakeholders

Key Rationale for IGPL

- Long-term sustainable business opportunity
- To suffice demand–supply gap
- Derisk & Diversified client base
- Diversified product portfolio

Ethanol Blended Petrol Program (EBP)

- Govt. of India notified under EBP program, an indicative target of 20% blending of ethanol in petrol by 2030
- To nurture environmental–friendly fuel



Benefits of Bioethanol

- Part of Green Evolution
- Renewable, Non Toxic resource & Biodegradable
- Reduce Greenhouse gas emission
- Reduce Air Pollution
- Reduce dependence on imported crude oil



For further information, please contact



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