



# IG PETROCHEMICALS LIMITED

Investor Presentation – November 2023

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## Q2 & H1 FY24 Highlights

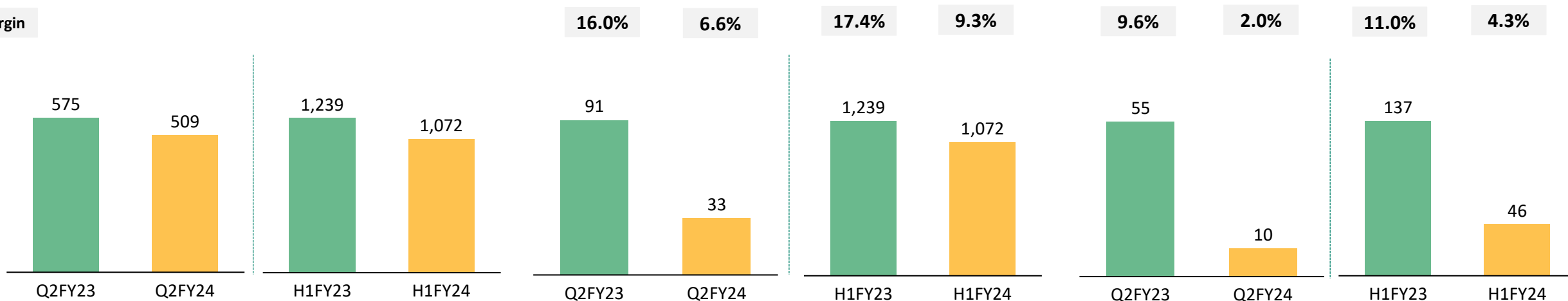
# Q2 & H1FY24 Performance Highlights

## Revenue^ (Rs. Crs)

## EBITDA (Rs. Crs)

## PAT (Rs. Crs)

Margin

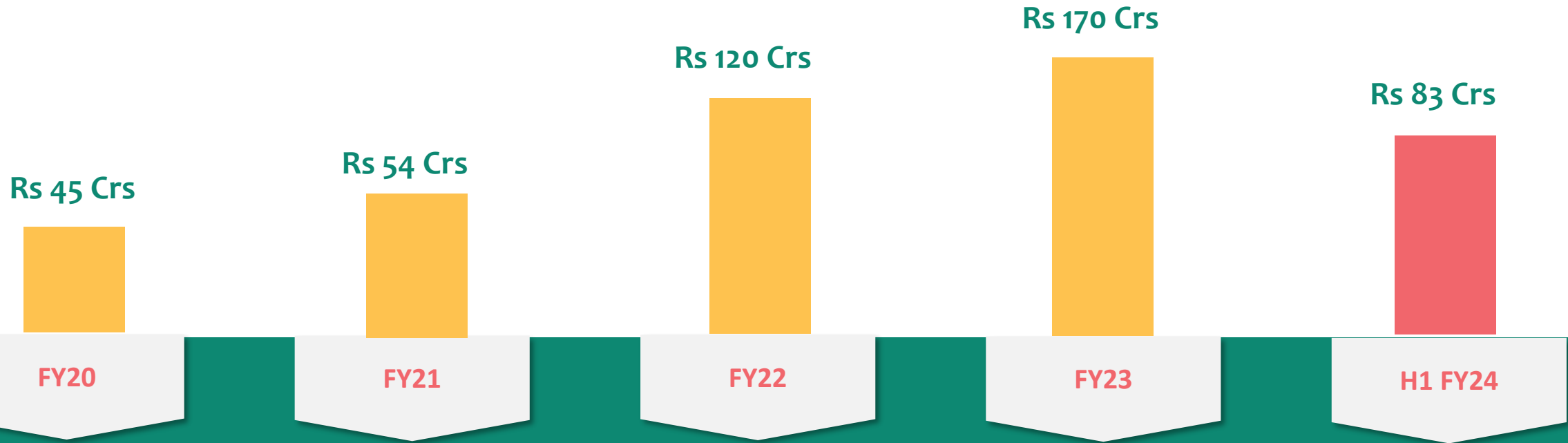


### Key Highlights

- The total revenue for the quarter stood at Rs 509 Crs, driven by the steady demand for phthalic anhydride
- Sluggish volumes from select end-user markets impacted the overall business performance for the quarter
- Revenue contribution from Non-Phthalic business stood Rs. 39 Crs for quarter
- Revenue from Export market contributed nearly ~11% for Q2FY24
- Brownfield Expansion of Phthalic Anhydride (PA-5 unit) is on track and production is expected to commence before March 2024
- Evaluating to add other downstream derivative product of PAN, like wide range of advance Plasticizers

# 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)	Q2 FY24	Q2 FY23	Y-o-Y	H1 FY24	H1 FY23	Q-o-Q
<b>Total Revenue<sup>^</sup></b>	<b>509.1</b>	<b>574.8</b>	<b>-11.4%</b>	<b>1,071.7</b>	<b>1,239.2</b>	<b>-13.5%</b>
Raw Material	412.1	419.1		843.5	898.3	
Employee Expenses	18.9	20.4		41.4	40.7	
Other Expenses	44.8	44.2		87.0	84.8	
<b>EBITDA</b>	<b>33.26</b>	<b>91.07</b>	<b>-63.5%</b>	<b>99.8</b>	<b>215.3</b>	<b>-53.6%</b>
<b>EBITDA Margin (%)</b>	<b>6.5%</b>	<b>15.8%</b>		<b>9.3%</b>	<b>17.4%</b>	
Depreciation	12.7	11.6		24.9	23.5	
<b>EBIT</b>	<b>20.6</b>	<b>79.5</b>	<b>-74.1%</b>	<b>74.9</b>	<b>191.8</b>	<b>-60.9%</b>
<b>EBIT Margin (%)</b>	<b>4.0%</b>	<b>13.8%</b>		<b>7.0%</b>	<b>15.5%</b>	
Finance Cost	6.6	4.7		12.7	8.3	
Exceptional Items	0.0	0.0		0.0	0.0	
<b>Profit Before Tax</b>	<b>14.0</b>	<b>74.8</b>	<b>-81.3%</b>	<b>62.2</b>	<b>183.5</b>	<b>-66.1%</b>
Tax	3.9	19.4		16.4	46.8	
<b>Profit After Tax</b>	<b>10.1</b>	<b>55.4</b>	<b>-81.8%</b>	<b>45.7</b>	<b>136.7</b>	<b>-66.5%</b>
<b>PAT Margin (%)</b>	<b>2.0%</b>	<b>9.6%</b>		<b>4.3%</b>	<b>11.0%</b>	
<b>EPS (in Rs.)</b>	<b>3.3</b>	<b>17.9</b>		<b>14.8</b>	<b>44.4</b>	

# Balance Sheet

Particulars (Rs. Crs)	Sep- 23	Mar- 23
<b>Equity</b>		
Equity Share Capital	30.8	30.8
Other Equity	1,214.8	1,199.8
<b>Total Equity</b>	<b>1,245.6</b>	<b>1,230.6</b>
<b>Non-Current Liabilities</b>		
<b>Financial Liabilities</b>		
<b>Borrowings</b>	<b>216.3</b>	<b>169.2</b>
Lease Liabilities	3.3	3.9
Other Liabilities	0.0	0.0
Provisions	5.0	4.6
Deferred Tax Liabilities (Net)	88.0	85.3
<b>Total Non-Current Liabilities</b>	<b>312.6</b>	<b>263.1</b>
<b>Current Liabilities</b>		
<b>Financial Liabilities</b>		
Borrowings	116.7	43.0
Trade Payables	329.3	370.9
Other Financial Liabilities	45.8	24.9
Other Current Liabilities	4.60	14.8
Provisions	1.0	0.9
Lease Liabilities	1.2	1.2
<b>Total Current Liabilities</b>	<b>498.6</b>	<b>455.7</b>
<b>Total Equity and Liabilities</b>	<b>2,056.8</b>	<b>1,949.4</b>

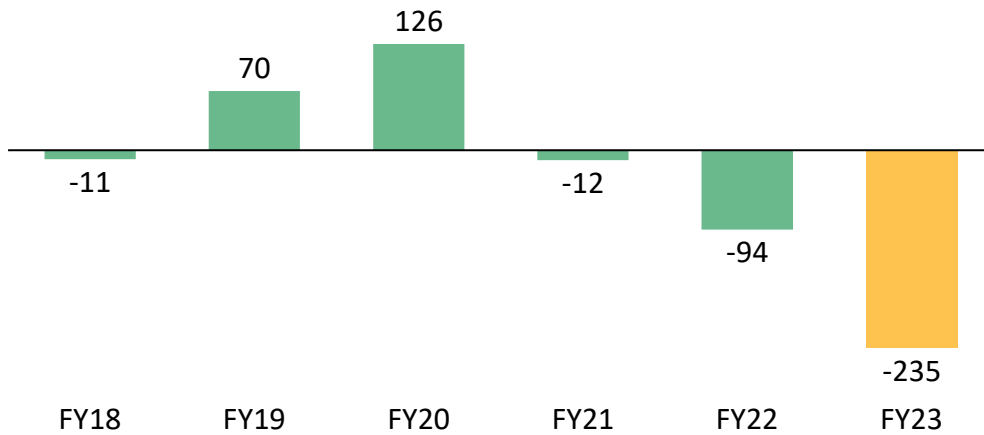
Particulars (Rs. Crs)	Sep- 23	Mar- 23
<b>Non-Current assets</b>		
Property, Plant and Equipment	695.9	709.7
Capital Work-In-Progress	296.1	232.3
Goodwill	2.0	2.0
Other Intangible Assets	0.7	0.3
Right use of assets	4.1	4.7
Investment Property	0.5	0.5
<b>Financial Assets</b>		
Investments	177.6	162.2
Loans	1.1	1.2
Other Financial Assets	2.6	2.6
Non-Current Tax Assets	19.4	16.8
Other Non-Current Assets	12.4	19.4
<b>Total Non-Current Assets</b>	<b>1212.4</b>	<b>1,151.8</b>
<b>Current Assets</b>		
Inventories	245.8	164.9
<b>Financial Assets</b>		
Investments	105.6	106.5
Trade Receivables	276.9	324.5
Cash and Cash Equivalents	55.7	10.8
Bank Balances	110.8	167.4
Loans	0.9	0.9
Other Financial Assets	9.0	5.9
Other Current Assets	39.7	16.7
<b>Total Current Assets</b>	<b>844.4</b>	<b>797.6</b>
<b>Total Assets</b>	<b>2,056.8</b>	<b>1,949.4</b>

# Cash Flow Statement

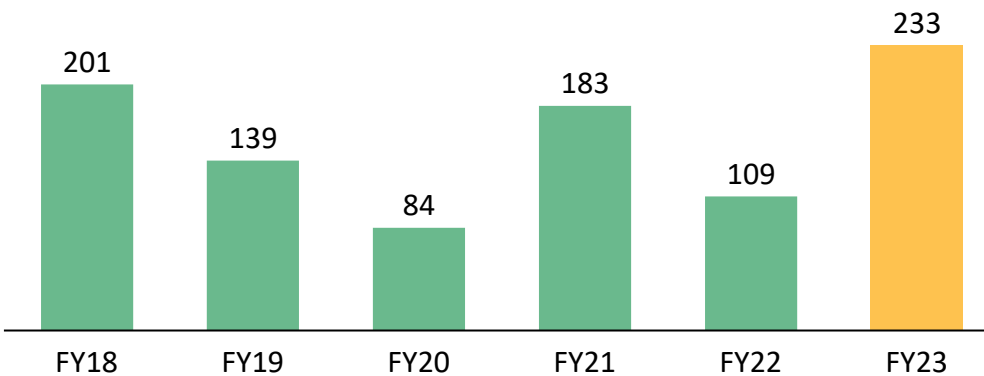
Particulars (Rs. Crs)	Sep- 23	Sep- 22
<b>Net Profit Before Tax</b>	<b>62.2</b>	<b>183.5</b>
Adjustments for: Non-Cash Items / Other Investment or Financial Items	21.0	13.2
<b>Operating profit before working capital changes</b>	<b>83.2</b>	<b>196.7</b>
Changes in working capital	28.0	37.0
<b>Cash generated from Operations</b>	<b>111.2</b>	<b>233.6</b>
Direct taxes paid (net of refund)	16.3	39.5
<b>Net Cash from Operating Activities</b>	<b>94.9</b>	<b>194.2</b>
<b>Net Cash from Investing Activities</b>	<b>-127.8</b>	<b>-171.4</b>
<b>Net Cash from Financing Activities</b>	<b>65.9</b>	<b>-4.3</b>
<b>Net Decrease in Cash and Cash equivalents</b>	<b>33.0</b>	<b>18.4</b>
Add: Cash & Cash equivalents at the beginning of the period	4.4	-0.5
<b>Cash &amp; Cash equivalents at the end of the period</b>	<b>37.4</b>	<b>18.0</b>

# Strong Operating Cash Flow

Net Debt\* (Rs in Crs)



Net Cash Flow Operating Activities (Rs in Crs)



Net Cash Company since last 3 years

Robust Operating Cash Flow

# Aerial view of PA-5 Construction under progress



**Total project cost is Rs 350 crs, spent till September 2023 total cost of Rs 300 crs.**



# 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

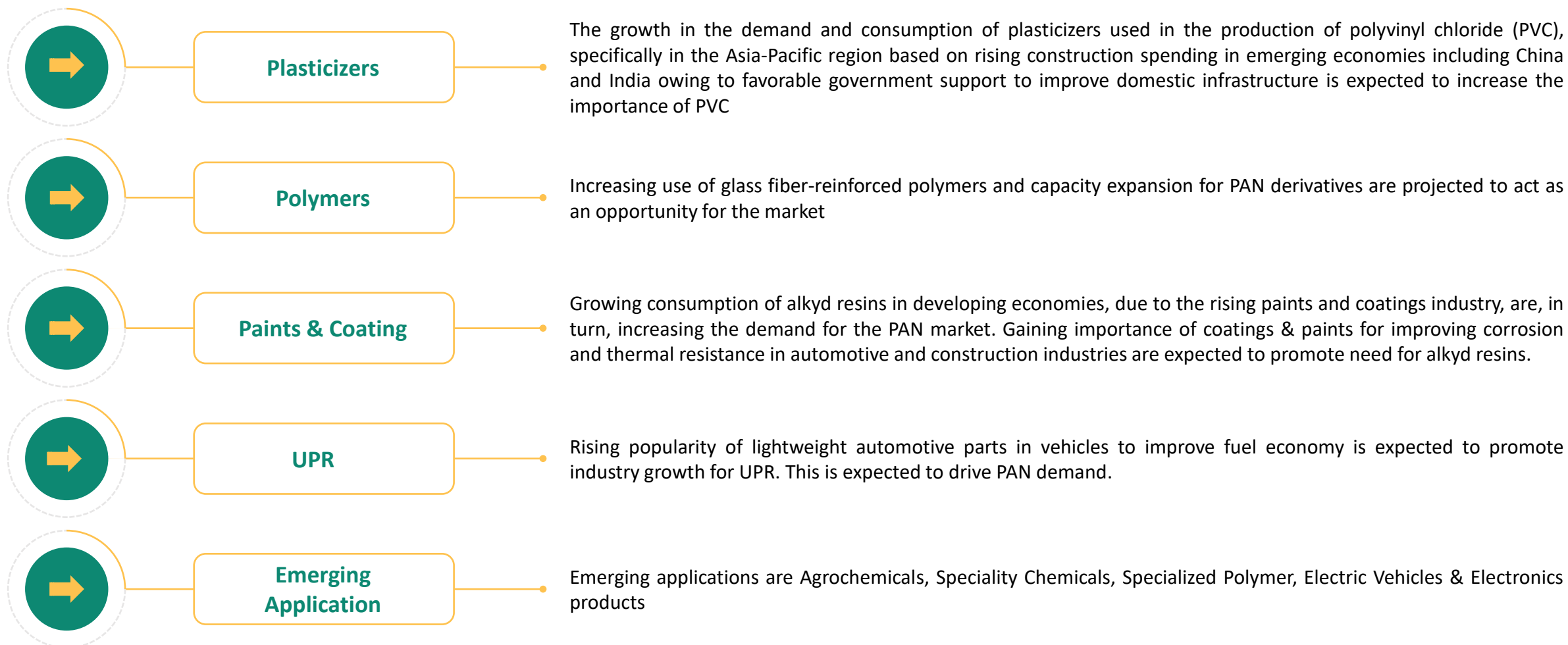
> 50% Domestic Market Share of  
PAN\*

PAN\* Capacity **2.22 Lakh MTPA**

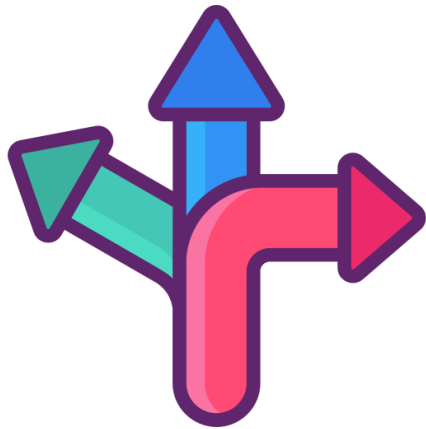
ISO Certified  
9001:2015  
14001:2015

# 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

Benzoic Acid

Downstream  
Speciality  
Derivatives

Maleic Anhydride

Diethyl Phthalate  
(DEP – Advance Plasticizers)

Biofuels such as  
compressed biogas,  
ethanol etc.

## 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



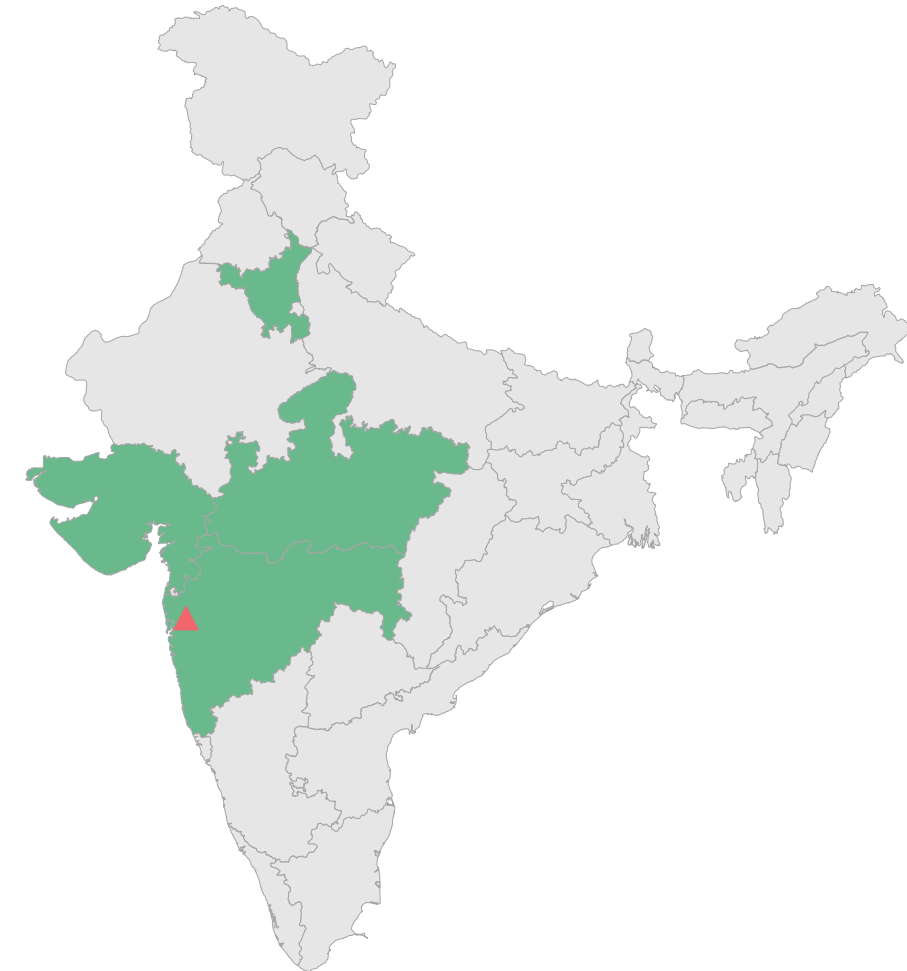
The Company has a distinct sourcing and selling advantage due to its strategic location in the **Western Chemical Belt of India**



**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



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

100% energy requirements met through captive power plants

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

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

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

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



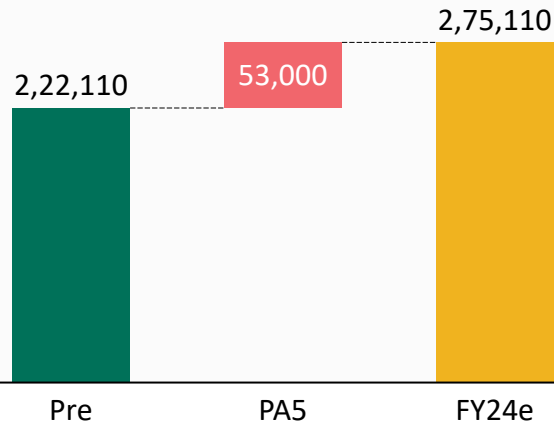
Personal Care

~9%  
Export  
Business

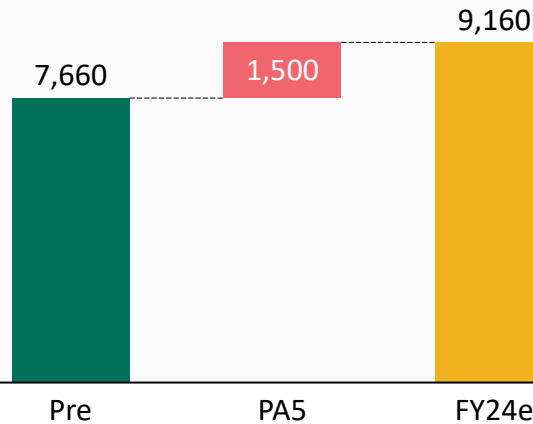
# High Focus on Capacity Expansion

## Capacity Post PA 5 Expansion (MTPA)

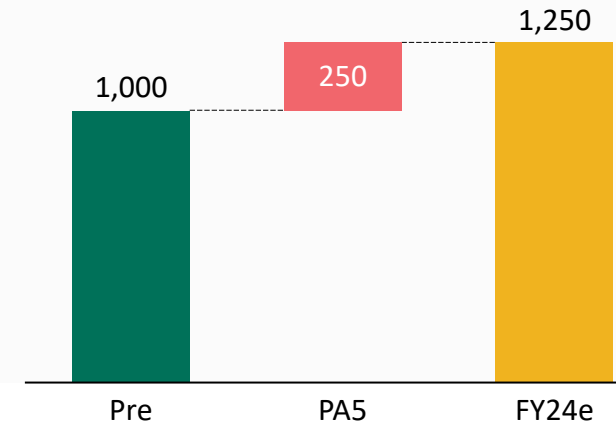
### Phthalic Anhydride



### Maleic Anhydride



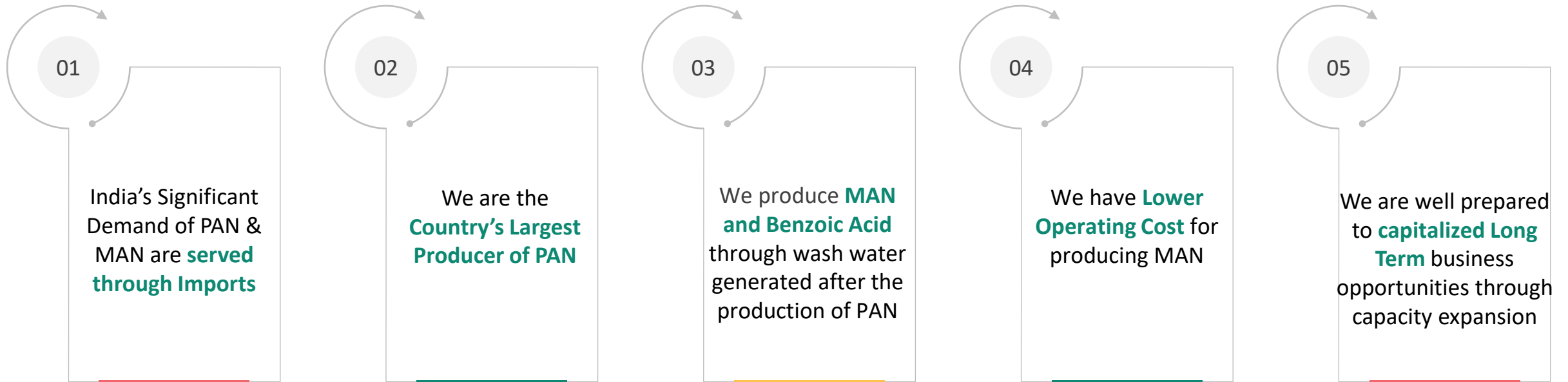
### Benzoic Acid



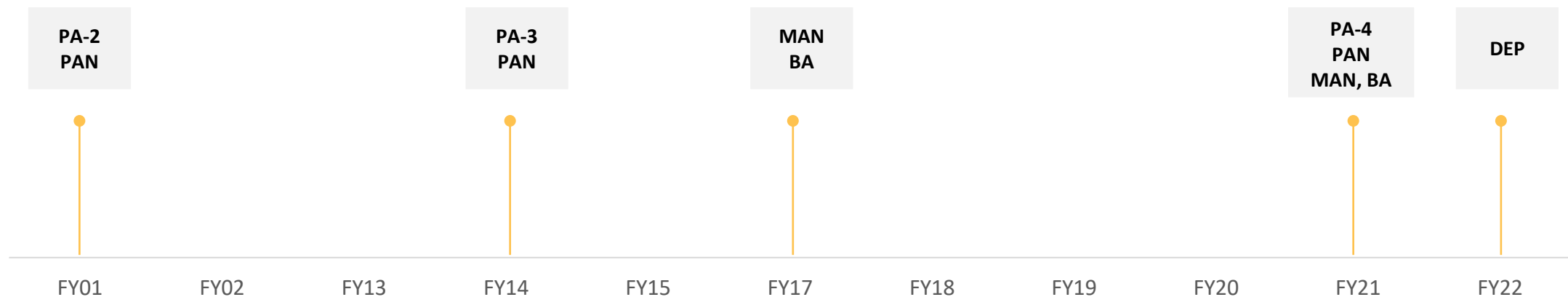
### PA 5 Plant (Brownfield Expansion)

- Project Cost : ~Rs. 350 Crs
- 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



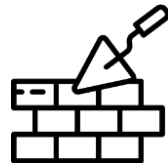
Lubricants



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

# 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 Taloja Manufacturers Association, Taloja. 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 Taloja.



**Shyam Sundar Dhanuka Saraswati Vidya Mandir**  
 ADD: RUKMANI VIHAR, VRINDAVAN A Futuristic School Under The Aegis of Vidya Bharati CO-ED / NEP 2020 / CBSE PATTERN

Saga of proven excellence continues....

SHORTLY OPENING

Limited Seats  
 Classes commencing from 3 April  
 Wifi Class Rooms with World Class amenities  
 Smart Class Rooms With Interactive Panels  
 AC Class Rooms & Transportation  
 Smart Class Rooms With Interactive Panels

Manager : Padmnabh Goswami

Registration Open for Nursery to 5th 20 Feb 2023 Onwards

Contact for Registration: sdsvm2023@gmail.com +91 8057028859



**TATA STRIVE** Right Skills Bright Future

**Trying to get a Job ?**  
 Get skilled from Tata STRIVE

Business Development Executive (BFSI)	Field Technician AC	Assistant Electrician
Duration : 6 Weeks	Duration : 15 Weeks	Duration : 15 Weeks
On Job Training : NA	On Job Training : 4 Weeks	On Job Training : 1 Week
Eligibility : Graduate (Any Stream)	Eligibility : 10th Pass	Eligibility : 10th Pass

**COMING SOON**

**IGPL** I G PETROCHEMICALS LIMITED

**TATA STRIVE** Right Skills Bright Future

**Skill Development Centre**

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

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.

# 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 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 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, Diploma in Integrated Coastal Zone Management. Been a Professor at CEPT University in the Faculty of Planning and Public Policy. He was Director (Environment) and Chief Technical Adviser to Govt of Gujarat.



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

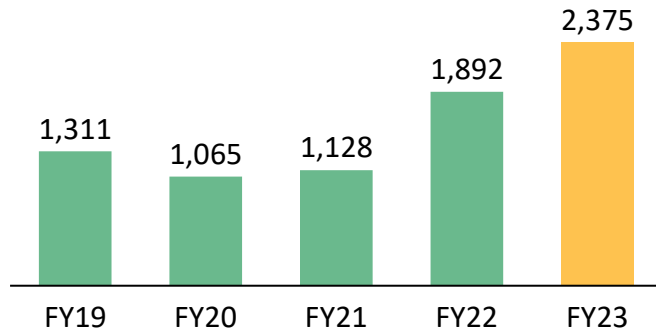
**Background :** MA, Ph. D in Management studies from JBIMS. She was Vice President at Adfactors Group and headed FICCI West as the Sr. Director and was Secretary to Indian Merchants' Chamber



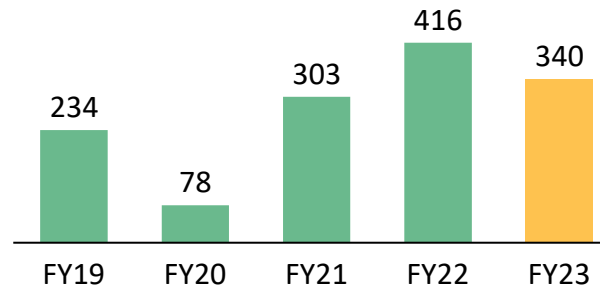
# Financial Highlights

# Financial Trends

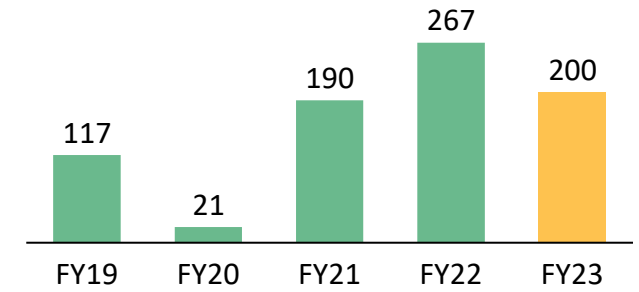
Total Revenue ^ (Rs. Crs)



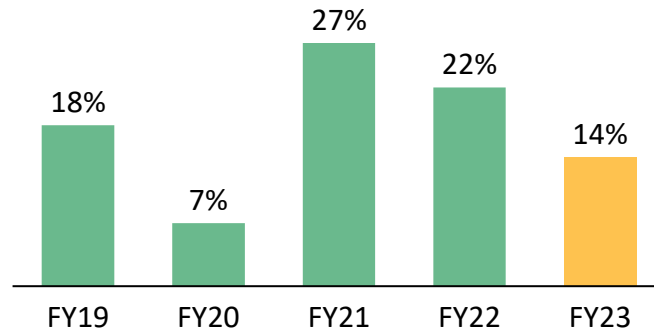
EBITDA ^ (Rs. Crs)



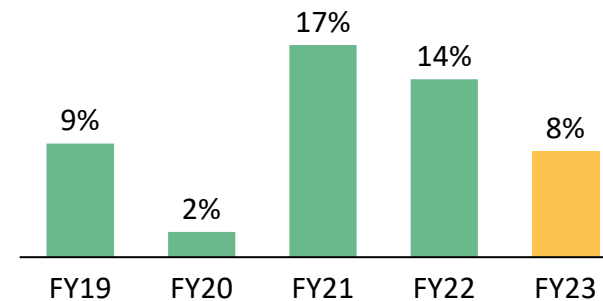
PAT (Rs. Crs)



EBITDA Margin (%)



PAT Margin (%)



# 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

Targeting ~30% Diversification into Non-PAN Business by FY26

Phthalic Anhydride

Non-PAN &  
Downstream Derivative Business



**Thank  
You**

For further information, please contact



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

**SGA** Strategic Growth Advisors

**Strategic Growth Advisors Pvt. Ltd.**

CIN - U74140MH2010PTC204285

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