## IG PETROCHEMICALS LIMITED

SECT/1042

11<sup>th</sup> November, 2016

#### **BSE Limited**

Scrip Code: 500199

Corporate Relationship Department 1<sup>st</sup> Floor, P J Towers Dalal Street Mumbai - 400 001

#### The National Stock Exchange of India Ltd.

Exchange Plaza Bandra Kurla Complex Bandra (East) Mumbai–400 051 Scrip Code: IGPL

Dear Sir,

#### Sub : Investor Presentation - Regulation 46

Pursuant to Regulation 46 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 we enclose herewith the Investor Presentation of the Company for the  $2^{nd}$  quarter and half year ended 30.09.2016.

Kindly take the same on your record.

Thanking you.

Yours faithfully, For I G Petrochemicals Limited

ir. R. Ling Sudhir R Singh

**Company Secretary** 

Encl : as above

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## IG Petrochemicals Ltd

Investor Presentation – Q2 & H1 FY17

## Safe Harbor



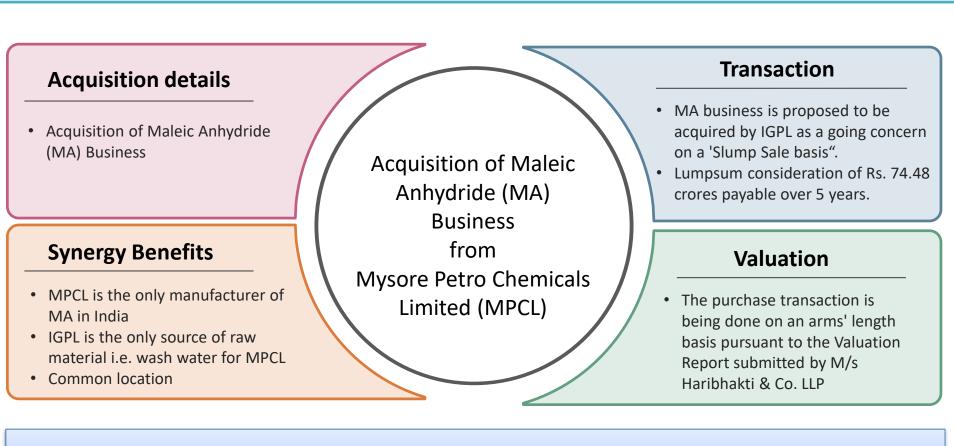
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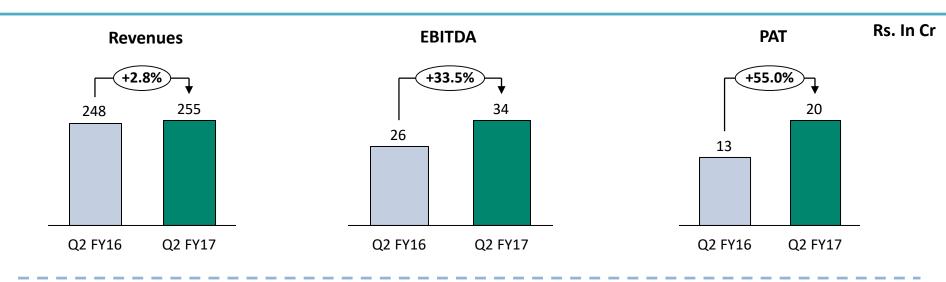
## Acquisition of Maleic Anhydride Business



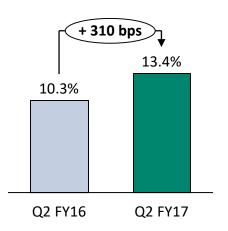
The effective date of the proposed acquisition is 1<sup>st</sup> April, 2017, subject to approval from shareholders of both the companies.

## Q2 FY17 Performance Highlights

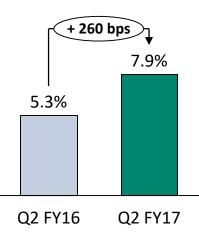




EBITDA (%)

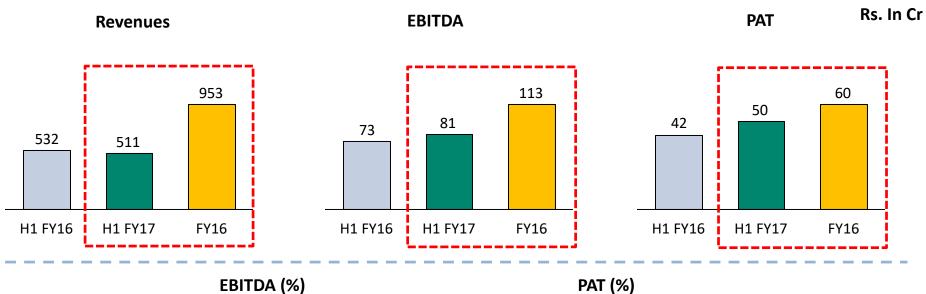


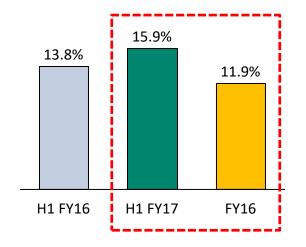
PAT (%)



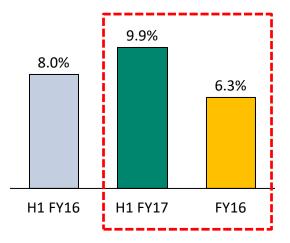
## H1 FY17 Performance Highlights





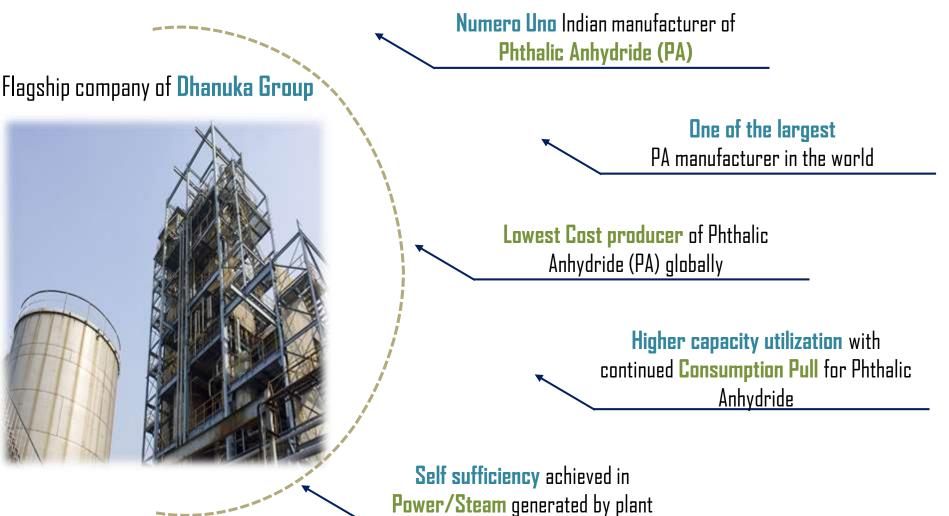






#### **Company Overview**





## **Focused Management**



#### Mr. M M Dhanuka: Chairman

- ✓ Chemical Engineer from BITS, Pilani with 40 years of experience in the industry
- True Entrepreneur with responsibility for day to day affairs and made a turnaround in business through his far sightedness and effective decision making

#### Mr. J K Saboo: Executive Director

- ✓ B.Com., LL.B with over 40 years of experience
- ✓ Currently in charge of the overall activities at Taloja and is associated with the Company since 1992

#### Mr. S N Maheshwari: President (Fin. & A/c)

- ✓ C.A with over 35 years of experience
- ✓ Currently is responsible for financial, accounts and taxation matters

#### Mr. Nikunj Dhanuka: Managing Director & CEO

✓ Over two decades of experience in the industry, instrumental in restructuring the business activities and in charge of the overall affairs of the company

#### Mr. R Chandrasekaran: CFO

- ✓ C.A. and CS with over 30 years of experience
- ✓ Responsible for all the financial related activities and is associated with the company since 1999

#### Mr. G V R Reddy: President (Technical)

- ✓ M.Sc. Engg (Electrical & Instrumentation) and has around 35 years experience
- ✓ Currently he is in-charge of the Plant at Taloja



## Phthalic Anhydride



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

PA is a versatile intermediate in organic chemistry

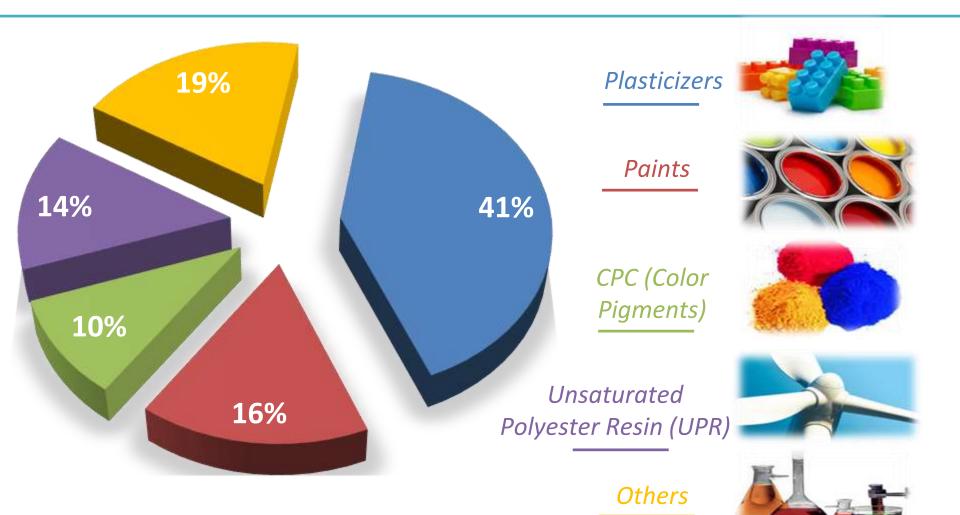
PA is used as an intermediate for the production of Plasticizers, Unsaturated Polyster durables to non **Resins, Alkyd Resins** & Polyols

PA is used in a variety of application in both consumer consumer durables

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

#### End User Industries

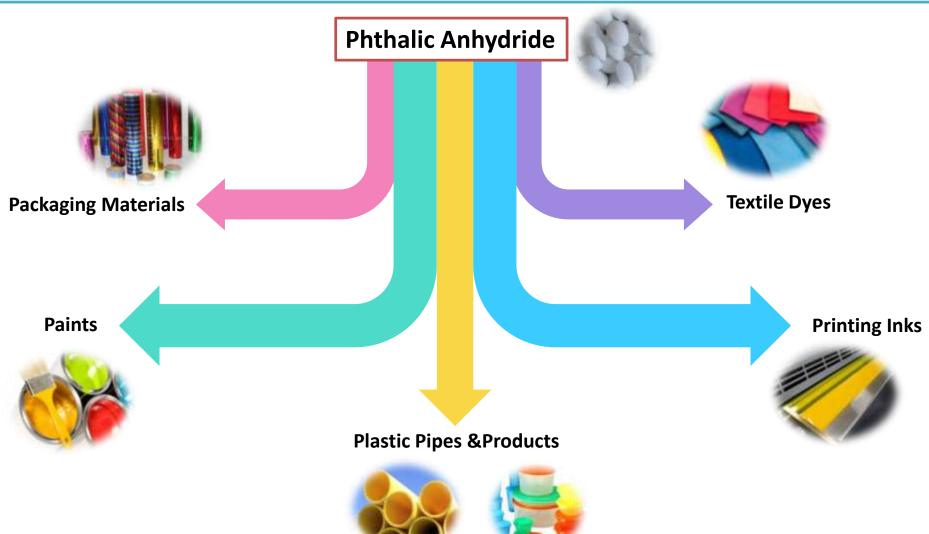




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## Phthalic Anhydride (PA) : Varied Applications





## **Manufacturing Facilities**





*3 units at Single Location Proximity to India's Chemical Hub* 



Located at MIDC, Taloja in Raigad District, Maharashtra



50 kms. away from Jawaharlal Nehru Port Trust (JNPT), Nhavasheva, Mumbai, Maharashtra

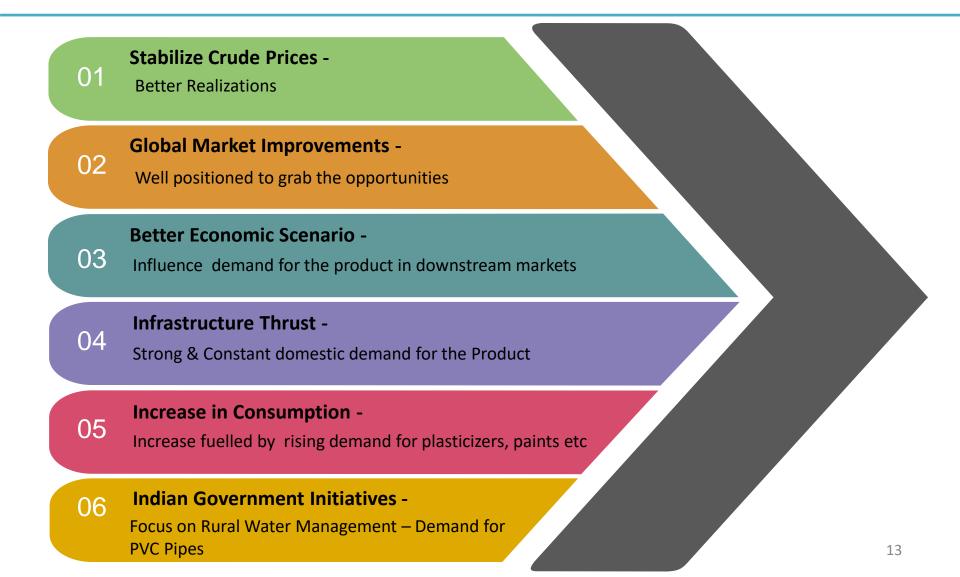
#### **Key Customers**





## Consumption Pull for Phthalic Anhydride...





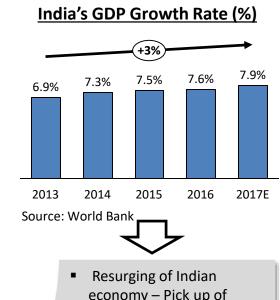
## Consumption Pull for Phthalic Anhydride...



#### Global PA Consumption - ~5.5mn tones UPR 20% Plasticizer 55% Asia-Pacific consumption is ~ + 50% Demand in this region is

- expected to grow at 6.41% CAGR till 2019
- India is 3<sup>rd</sup> Largest consumer of Plasticizer expected to be fastest growing market

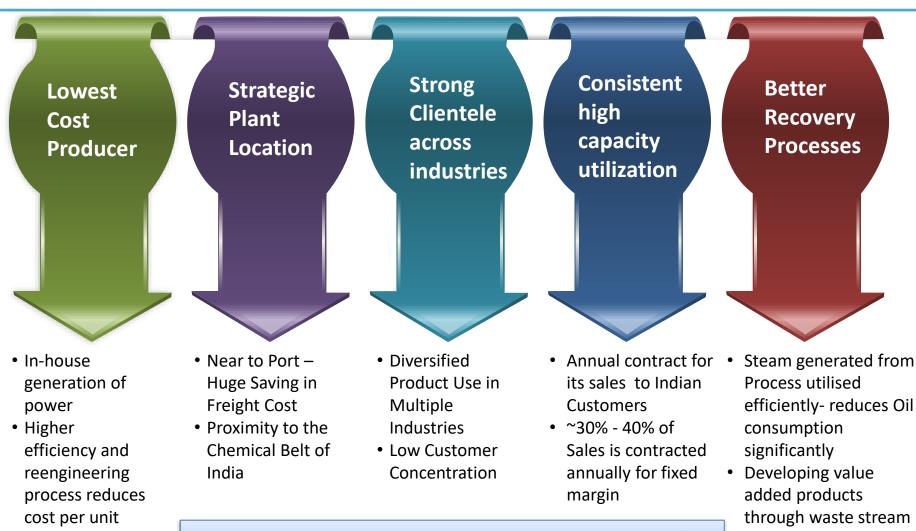
#### Indian PA industry is expected to grow at ~7% - ~8% annually



- economy Pick up of demand across sectors & industries
- PA has wide application from paints to pipes -Higher demand from the entire spectrum of end users of PA

## **Key Competitive Advantages**





#### **Enhancing Sales & Leading to a Better Margin Profile**



#### Profit & Loss Statement

Particulars (Rs. In Crs)	Q2 FY17	Q2 FY16	Y-o-Y	H1 FY17	H1 FY16	Y-o-Y	FY16
Revenue from Operations	253.74	246.44		507.63	528.79		947.60
Other operating Income	1.24	1.55		2.89	3.13		5.24
Total Revenue	254.98	247.99	3%	510.52	531.92	-4%	952.84
Cost of Material Consumed	180.78	197.93		364.10	417.28		750.55
Changes in Inventories	12.29	(2.70)		6.52	(14.40)		(16.47)
Total Raw Materials	193.08	195.23		370.62	402.88		734.08
Employee Expenses	9.61	7.23		19.20	14.51		29.76
Other Expenses	18.11	19.92		39.79	41.23		75.64
EBITDA	34.19	25.61	33%	80.90	73.30	10%	113.36
EBITDA %	<b>13.41%</b>	10.33%		15.85%	13.78%		11.90%
Other Income	0.61	0.76		1.47	1.54		3.57
Depreciation	4.35	4.36		8.61	8.60		17.54
EBIT	30.45	22.01	38%	73.76	66.24	11%	99.39
EBIT (%)	11.94%	8.88%		14.45%	12.45%		10.43%
Finance Cost	4.70	5.40		9.76	12.39		22.67
Profit before Tax	25.75	16.61	55%	64.00	53.84	19%	76.72
Тах	5.50	3.54		13.66	11.49		16.35
Profit after Tax	20.26	13.07	55%	50.34	42.35	19%	60.36
PAT %	7.94%	5.27%		<b>9.86%</b>	7.96%		6.34%
EPS	6.58	4.24		16.34	13.75		19.60

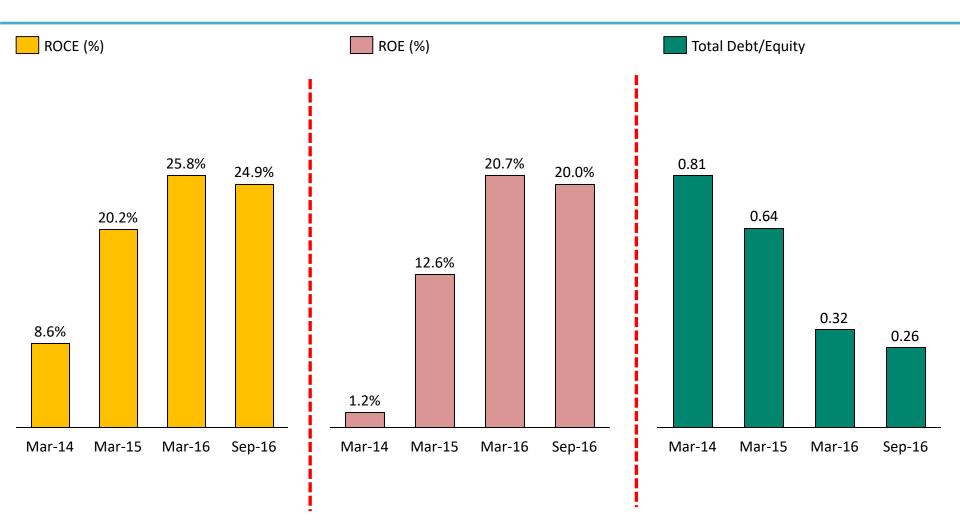
## **Balance Sheet**



Particulars (Rs. Crs)	Sep-16	Mar-16	Particulars (Rs. Crs)	Sep-16	Mar-16
Shareholder's Fund	342.10	291.76	Non-current assets	350.47	348.37
Share capital	30.80	30.80	Tangible Assets	313.51	322.19
Reserves & Surplus	311.30	260.96	Intangible Assets	0.03	0.04
Non-current liabilities	80.87	94.00	Capital Work in Progress	9.40	4.41
Long term borrowings	79.05	92.18	Non-Current Investments	4.36	0.33
Long term Provision	1.82	1.82	Long Term Loans & Advances	23.17	21.40
Current liabilities	170.29	192.90	Current assets	242.79	230.29
Short term borrowings	9.01	0.31	Inventories	73.07	89.56
Trade payables	119.13	154.25	Trade receivables	143.84	108.81
Other current liabilities	35.72	29.76	Cash and bank balances	12.17	16.88
Short term Provision	6.43	8.58	Short Term Loan & Advances	13.71	15.04
Total Liabilities	593.26	578.66	Total Assets	593.26	578.66

#### Improved Performance – Ratios







#### For further information, please contact

**Company**:

**Investor Relations Advisors :** 

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