



# IG PETROCHEMICALS LIMITED

24<sup>th</sup> May, 2019

SECT/1042

<b>BSE Limited</b> Corporate Relationship Department 1 <sup>st</sup> Floor, P J Towers Dalal Street Mumbai - 400 001 <b><u>Scrip Code: 500199</u></b>	<b>The National Stock Exchange of India Ltd.</b> Exchange Plaza Bandra Kurla Complex Bandra (East) Mumbai – 400 051 <b><u>Scrip Code: IGPL</u></b>
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Dear Sir,

**Sub: Investor Presentation – Regulation 30**

Pursuant to Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we enclose herewith an Investor Presentation on the audited financial results of the Company for the quarter and year ended 31<sup>st</sup> March, 2019.

Kindly take the same on your record.

Thanking you,

Yours faithfully,  
For I G Petrochemicals Limited

  
Sudhir R Singh  
Company Secretary

Encl: As Above



# IG Petrochemicals Limited

Investor Presentation - May 2019



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# Company Overview



India's Largest Phthalic Anhydride (PAN) manufacturer and among the top five in the world

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

PAN is a versatile intermediate in organic chemistry for production of Plasticizers, Unsaturated Polyester Resins, Alkyd Resins, Paints & CPC Pigments

Plants are engineered with modern technologies and are designed on the low energy based processes. Steam generated from the production process used for Company's captive power requirements

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

ISO 9001:2008 for quality management system  
ISO 14001:2004 for environment certification from Bureau Veritas

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

IGPL also manufactures Benzoic Acid (BA) as a by product



## VISION

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





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## **Business Overview**

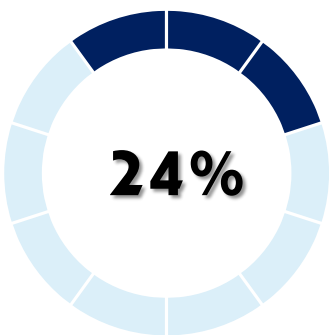
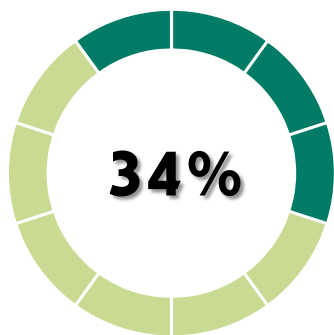
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# End User Industry & Application of PAN



## 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

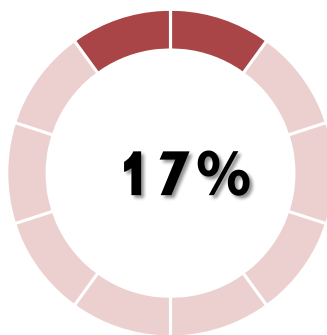


## CPC PIGMENTS

Used for making inks & photovoltaic cells

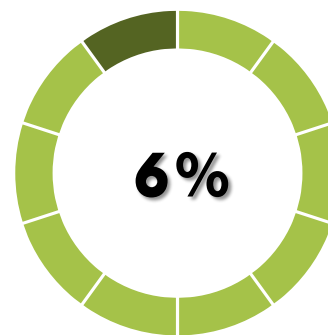
## ALKYD RESINS

Used in manufacturing of paints and coatings

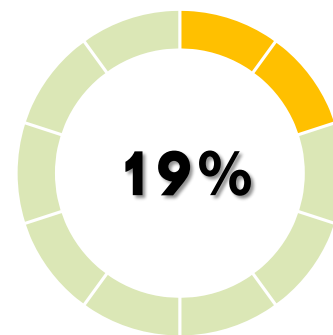


## UNSATURATED POLYESTER RESIN

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



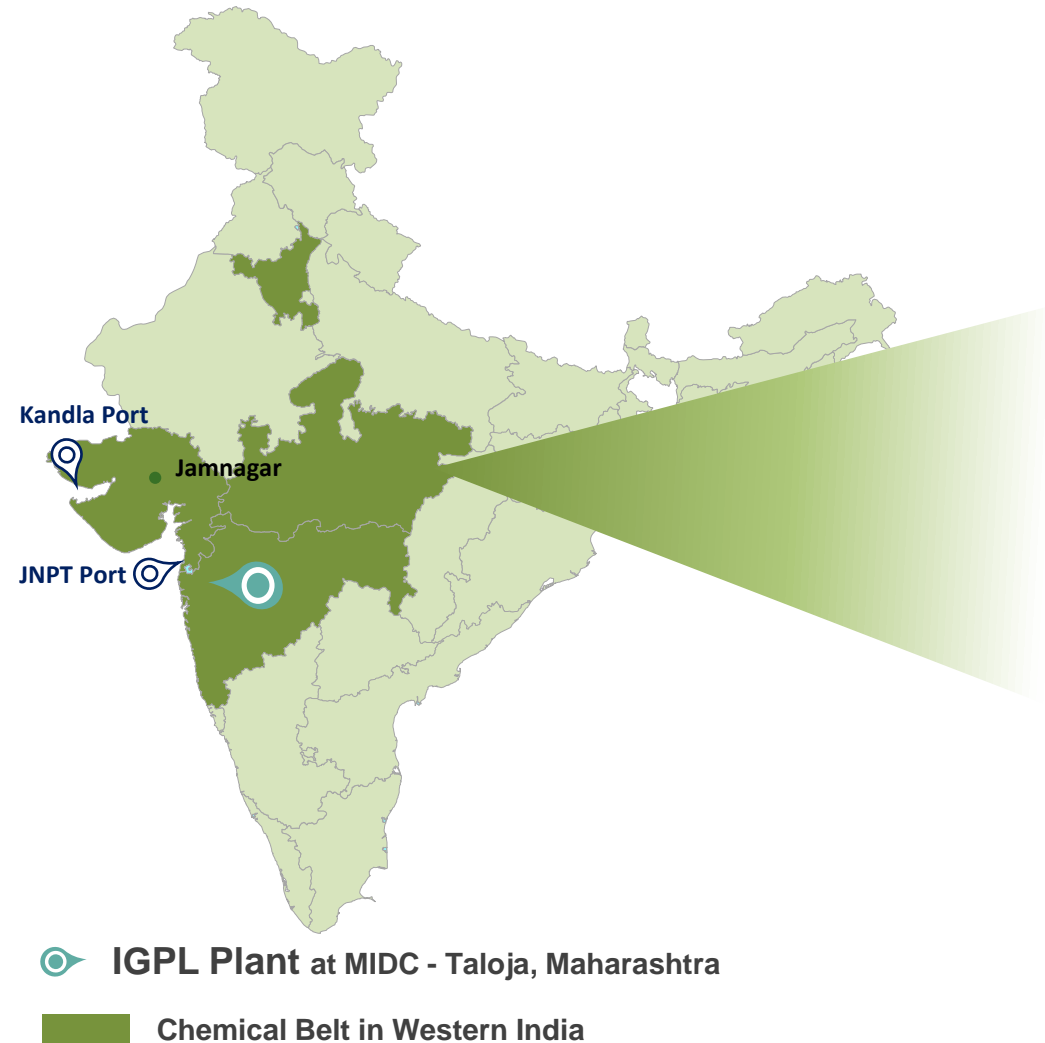
## OTHERS



*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*

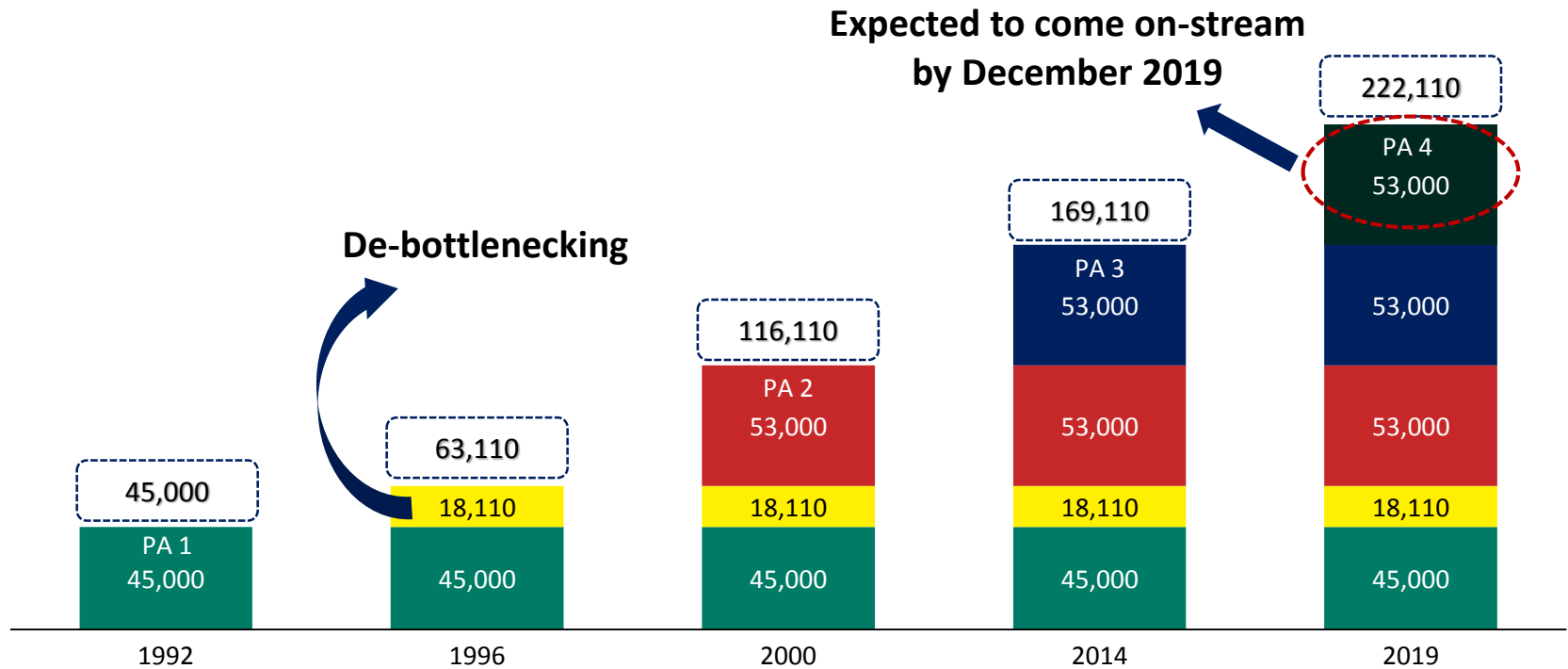
# Strategically Located Plant...



- ❖ Located at MIDC, **Taloja in Raigad District, Maharashtra**
- ❖ Proximity to Jawaharlal Nehru Port Trust (JNPT), Nhava Sheva, Mumbai, Maharashtra - Enjoys the **advantage of being near ports for exports**
- ❖ Proximity to **India's Chemical Hub** where majority of downstream industries are located including procurement of Raw Material
- ❖ Completely **Integrated Manufacturing Facility** at a Single Location
- ❖ Majority of domestic sales is within **Western India**

...with State-of-the-Art Technology

# 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



# 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 ~55,000 MTPA

The raw material used is N-butene (gas derivative) which is not available in India. All MA required in India is completely imported except the one made by IGPL

IGPL's Capacity of MA is 6,500 MTPA  
Post expansion, Capacities will increase 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.

A faded background image of an industrial facility with tall chimneys and complex piping, set against a hazy landscape with mountains.

## **Key Strengths & Strategies**

# Capacity Expansions & Strategies

## PA 4 Plant

Project Cost : Rs 320 Crore

Loan : Rs 125 Crore (ECB)

Capacity to be commissioned by Dec' 2019



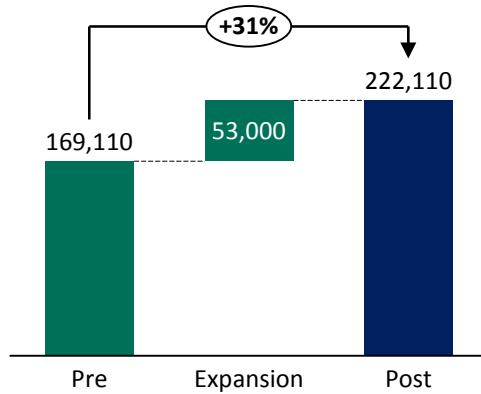
## Advance Plasticizers

Project Cost : Rs 20 Crore

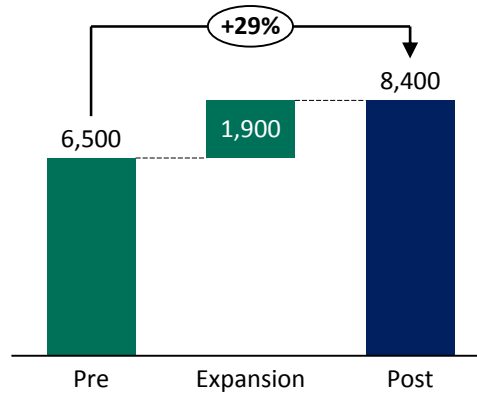
Capacity of 8,000 MTPA

Capacity to be commissioned by Mar' 2020

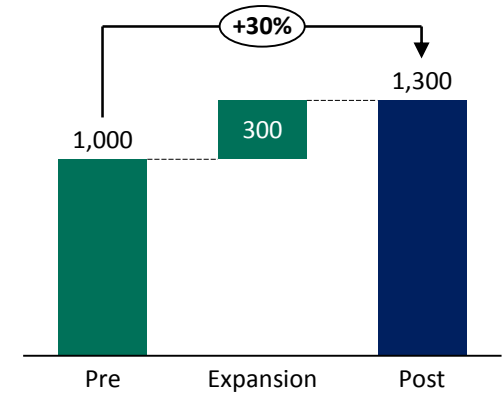
### Total Capacities Post Expansion (MTPA)



**Phthalic Anhydride**



**Maleic Anhydride**



**Benzoic Acid**

# 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

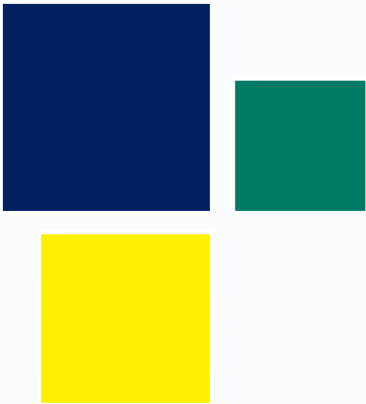
One of the Lowest Cost of production of Phthalic Anhydride due to Manufacturing Efficiencies

## 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

A faded background image of an industrial facility, likely a refinery or chemical plant, with various structures, pipes, and two tall distillation columns. The facility is set against a backdrop of hazy mountains under a light sky.

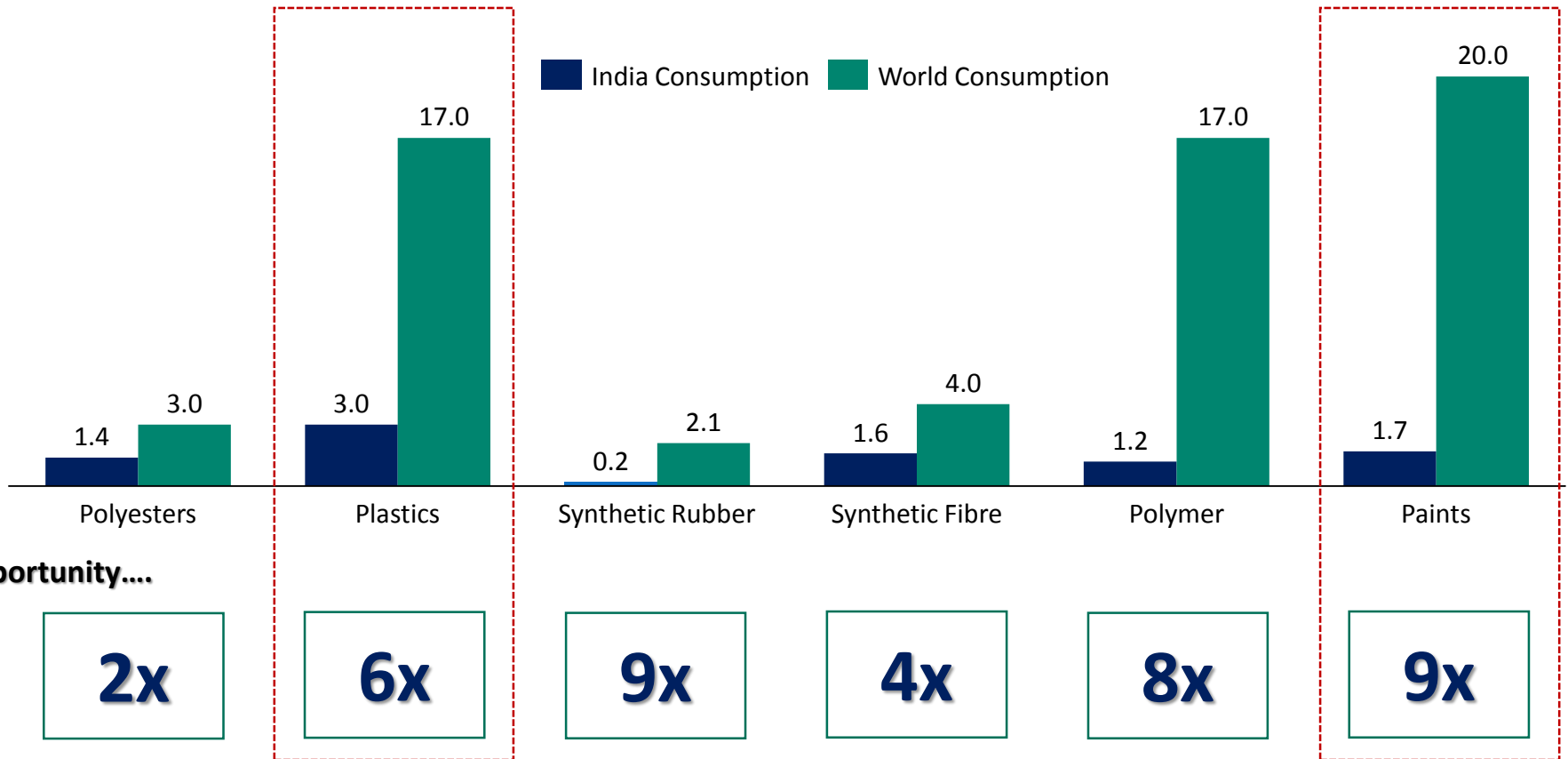
## Industry Overview



# 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



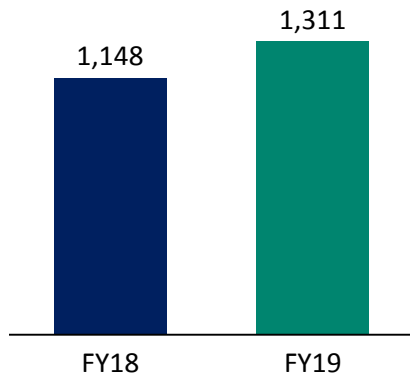
## **Financial Highlights - Q4 & FY19**



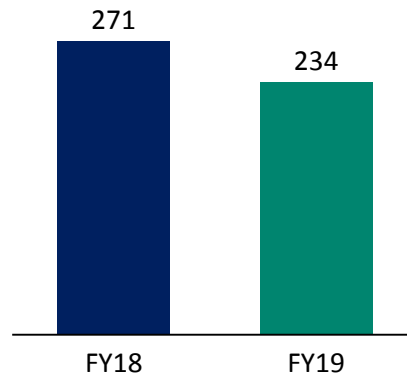
# Financial Highlights – FY19



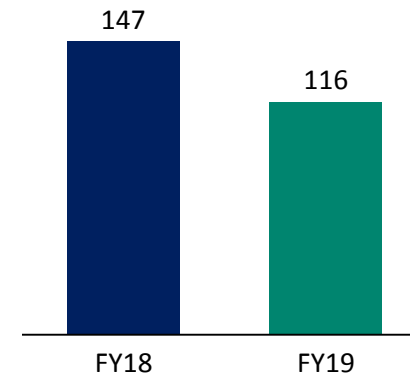
## Revenue<sup>^</sup>



## EBITDA<sup>^</sup>

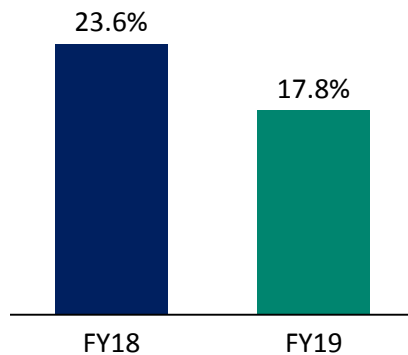


## PAT

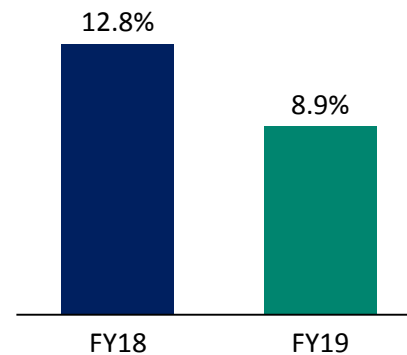


Rs. Crores

## EBITDA<sup>^</sup> (%)



## PAT (%)



The Financial Results for FY19 have been prepared in accordance with the Indian Accounting Standards (Ind AS)

<sup>^</sup> Includes Other Income

# Profit & Loss Statement – Q4 & FY19



Particulars (Rs. Crores)*	Q4 FY19	Q4 FY18	FY19	FY18
<b>Revenue from Operations^</b>	<b>315</b>	<b>314</b>	<b>1,311</b>	<b>1,148</b>
Total Raw Material	238	208	913	728
Employee Expenses	15	16	62	56
Other Expenses	23	25	103	94
<b>EBITDA^</b>	<b>39</b>	<b>65</b>	<b>234</b>	<b>271</b>
<b>EBITDA Margin (%)</b>	<b>12.3%</b>	<b>20.7%</b>	<b>17.8%</b>	<b>23.6%</b>
Depreciation	7	7	26	26
<b>EBIT</b>	<b>32</b>	<b>58</b>	<b>207</b>	<b>246</b>
<b>EBIT Margin (%)</b>	<b>10.1%</b>	<b>18.5%</b>	<b>15.8%</b>	<b>21.4%</b>
Finance Cost	2	3	11	15
Exceptional Items	0	0	10	0
<b>Profit before Tax</b>	<b>29</b>	<b>55</b>	<b>186</b>	<b>231</b>
Tax	11	22	70	84
<b>Profit After Tax</b>	<b>18</b>	<b>33</b>	<b>116</b>	<b>147</b>
<b>PAT Margin (%)</b>	<b>5.8%</b>	<b>10.6%</b>	<b>8.9%</b>	<b>12.8%</b>
EPS	5.91	10.84	37.82	47.58

^ Includes Other Income

The Financial Results for Q4 & FY19 have been prepared in accordance with the Indian Accounting Standards (Ind AS)

\* On Standalone Basis

# Balance Sheet



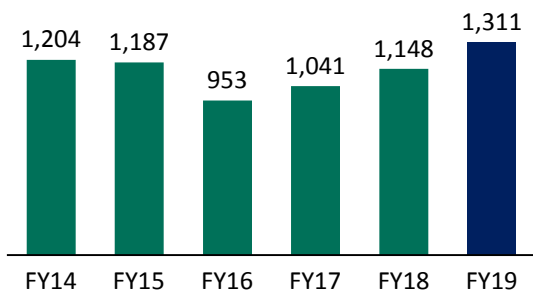
Particulars (Rs. Crores)	Mar – 19	Mar - 18
<b>Equity</b>		
Equity Share Capital	31	31
Other Equity	598	497
<b>Total Equity</b>	<b>629</b>	<b>528</b>
<b>Non-Current Liabilities</b>		
<b>Financial Liabilities</b>		
Borrowings	110	29
Other Liabilities	24	38
Provisions	3	3
Deferred Tax Liabilities (Net)	56	37
<b>Total Non-Current Liabilities</b>	<b>192</b>	<b>107</b>
<b>Current Liabilities</b>		
<b>Financial Liabilities</b>		
Borrowings	33	0
Trade Payables	232	150
Other Financial Liabilities	29	37
Other Current Liabilities	5	4
Provisions	2	1
<b>Total Current Liabilities</b>	<b>301</b>	<b>193</b>
<b>Total Equity and Liabilities</b>	<b>1,122</b>	<b>827</b>

Particulars (Rs. Crores)	Mar – 19	Mar – 18
<b>Non-Current assets</b>		
Property, Plant and Equipment	387	401
Capital Work-In-Progress	216	26
Goodwill	2	2
Other Intangible Assets	1	0
Intangible Assets under development	0	1
<b>Financial Assets</b>		
Investments	43	49
Loans	1	1
Other Financial Assets	4	3
Non-Current Tax Assets	6	7
Other Non-Current Assets	18	24
<b>Total Non-Current Assets</b>	<b>679</b>	<b>513</b>
<b>Current Assets</b>		
Inventories	129	94
<b>Financial Assets</b>		
Investments	70	41
Trade Receivables	183	139
Cash and Cash Equivalents	8	5
Bank Balances	17	17
Loans	1	1
Other Financial Assets	15	1
Other Current Assets	21	18
<b>Total Current Assets</b>	<b>443</b>	<b>314</b>
<b>Total Assets</b>	<b>1,122</b>	<b>827</b>

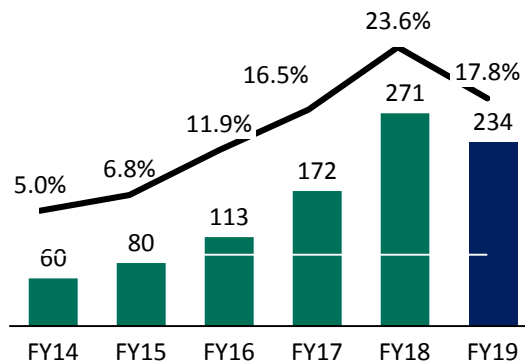
# Financial Highlights



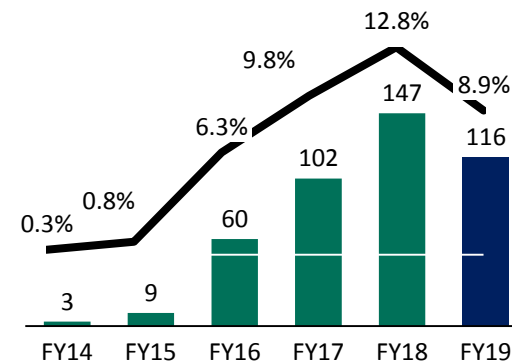
Revenue^ (Rs. Crores)



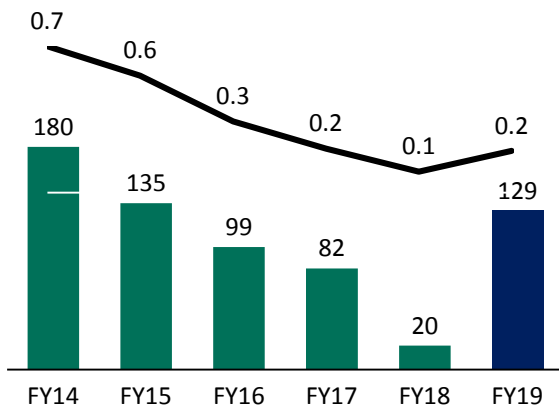
EBITDA^ (Rs. Crores) and Margin %



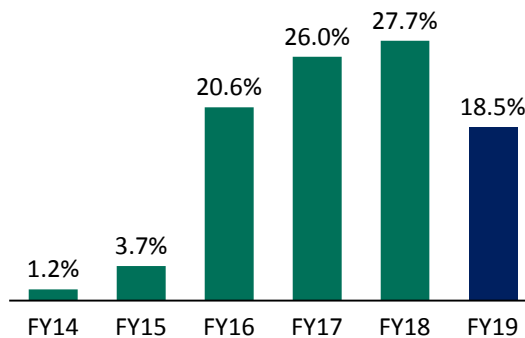
PAT (Rs. Crores) and Margin %



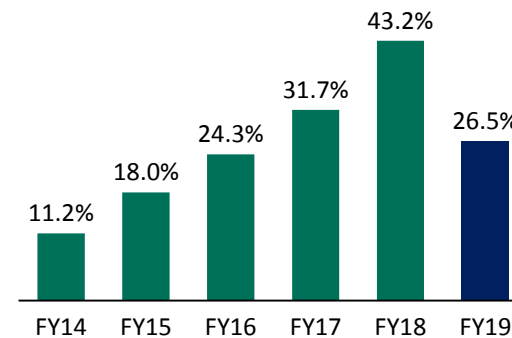
Net Debt (Rs. Crores) & Net Debt / Equity



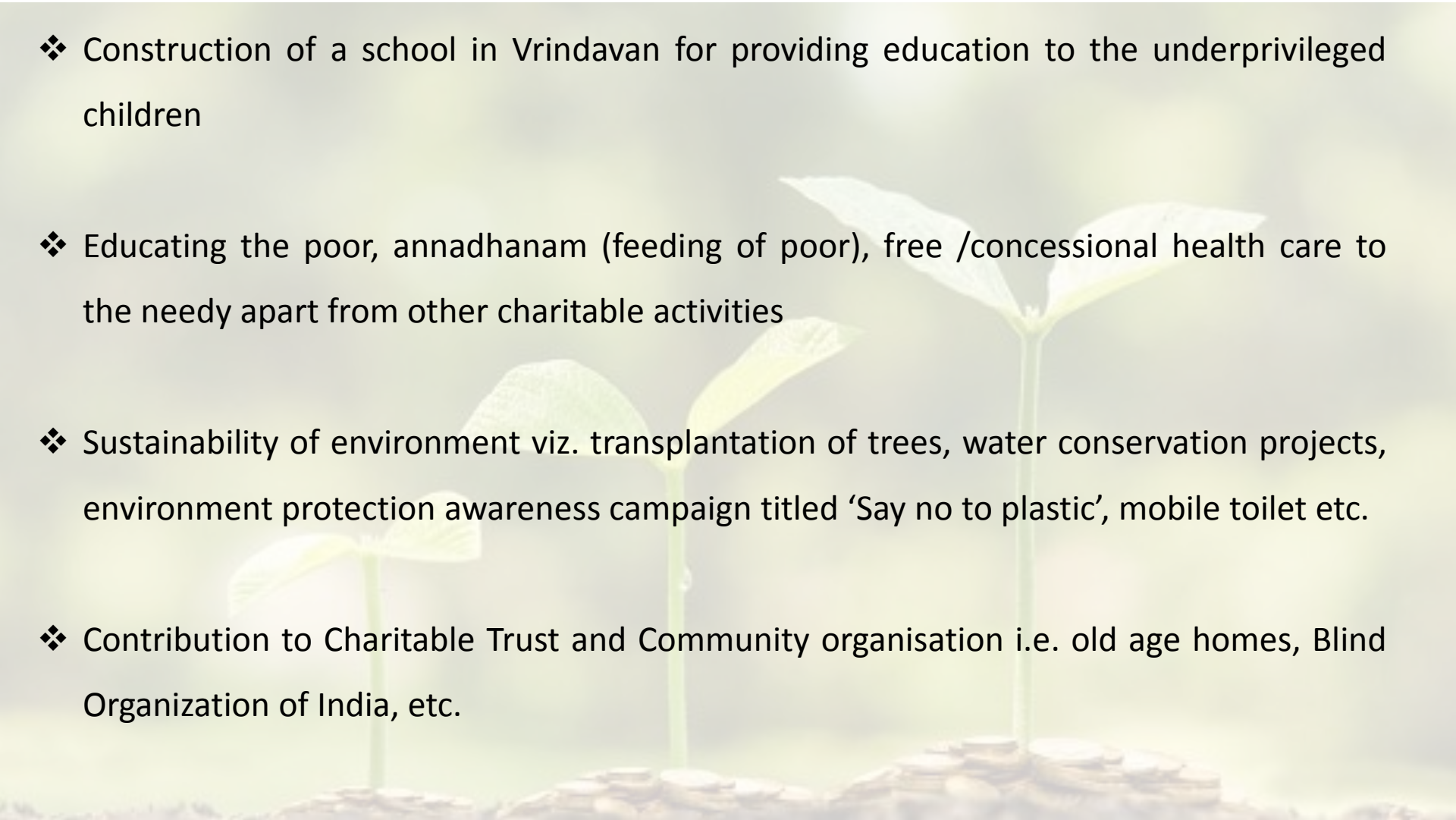
ROE %

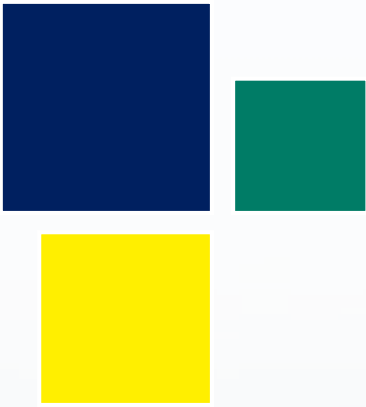


ROCE %



^ Includes Other Income

- ❖ Construction of a school in Vrindavan for providing education to the underprivileged children
  - ❖ Educating the poor, annadhanam (feeding of poor), free /concessional health care to the needy apart from other charitable activities
  - ❖ Sustainability of environment viz. transplantation of trees, water conservation projects, environment protection awareness campaign titled 'Say no to plastic', mobile toilet etc.
  - ❖ Contribution to Charitable Trust and Community organisation i.e. old age homes, Blind Organization of India, etc.
- 



## **Annexures**

# Journey So Far



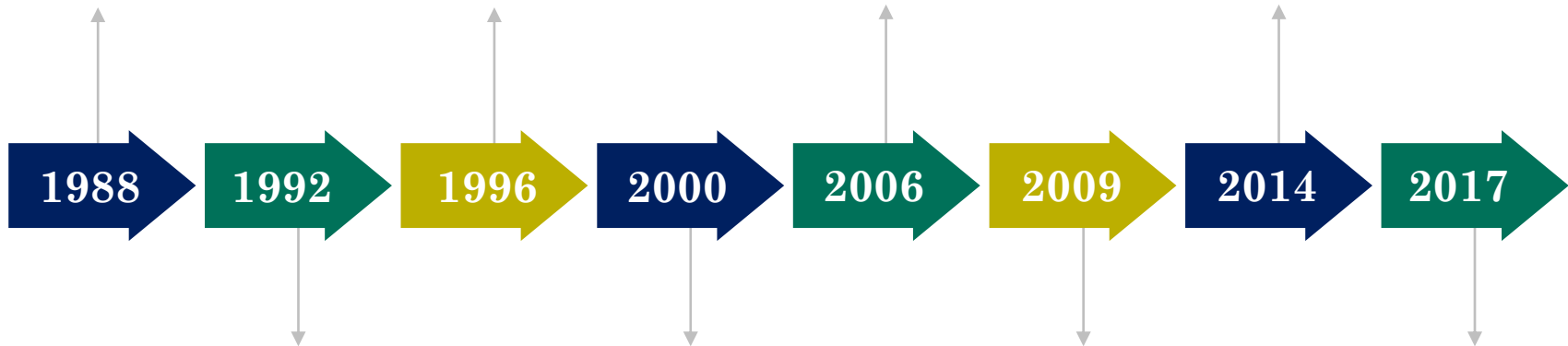
IGPL started as 100% EOU in technical collaboration with Lurgi GmbH, Germany\*

Debottlenecking of PA capacity by 18,110 MTPA

Listed on National Stock Exchange (NSE)

Brownfield expansion of PA 3 : 53,000 MTPA  
Revenues cross Rs. 1,000 crs.

**Cumulative Capacity of 1,69,110 MTPA**



Commenced commercial production with initial capacity of PA 1 : 45,000 MTPA

Listed on Bombay Stock Exchange (BSE)

Brownfield expansion of PA 2 : 53,000 MTPA

**Cumulative Capacity of 1,16,110 MTPA**

Converted from EOU to DTA

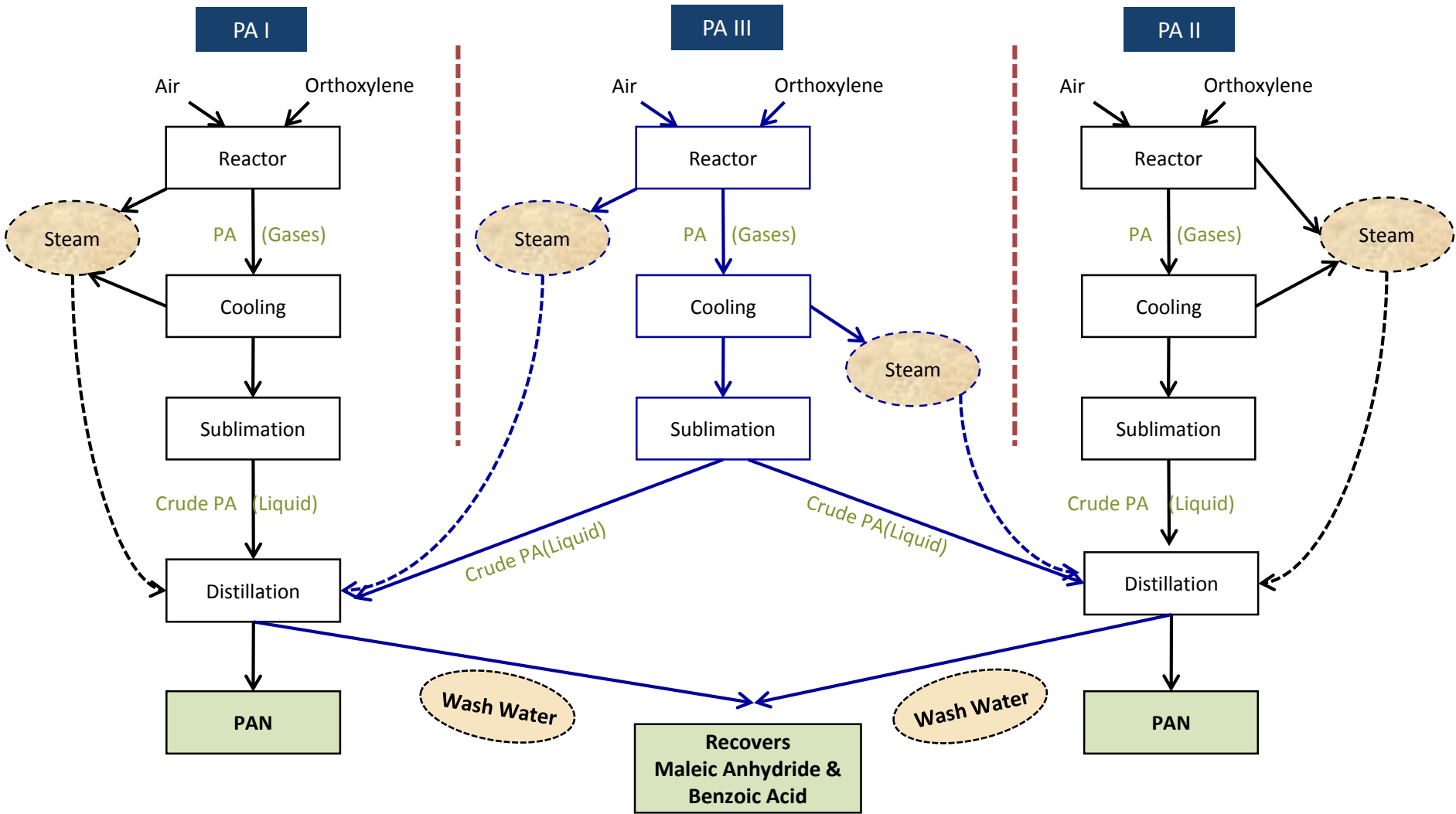
Acquired MA Plant from MPCL through Slump Sale PAT crosses Rs. 100 crs.

**TOTAL Installed Capacity**  
PA : 1,69,110 MTPA  
BA : 1,000 MTPA  
MA : 6,500 MTPA

\* For an initial period of 10 years

PA – Phthalic Anhydride; MA – Maleic Anhydride; BA – Benzoic Acid;  
MTPA – Metric Tonnes per annum; MPCL – Mysore Petro Chemicals Ltd.

# Production Process





For further information, please contact

**Company :**

**I G Petrochemicals Ltd**

CIN: L51496GA1988PLC000915

Ms. Vama Gala

[vgala@igpetro.com](mailto:vgala@igpetro.com)

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

**Investor Relations Advisors :**

**Strategic Growth Advisors Pvt. Ltd.**

CIN: U74140MH2010PTC204285

Mr. Deven Dhruva / Mr. Rohan Adhiya

[deven.dhruva@sgapl.net](mailto:deven.dhruva@sgapl.net) / [rohan.adhiya@sgapl.net](mailto:rohan.adhiya@sgapl.net)

+91 9833373300 / +91 9833219522

[www.sgapl.net](http://www.sgapl.net)