



# IG PETROCHEMICALS LIMITED

12<sup>th</sup> February, 2021

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 unaudited financial results of the Company for the quarter and nine months ended 31<sup>st</sup> December, 2020.

Kindly take the same on your record.

Thanking you,

Yours faithfully,  
For I G Petrochemicals Limited

Sudhir R Singh

Digitally signed by Sudhir R  
Singh  
Date: 2021.02.12 12:36:37  
+05'30'

Sudhir R Singh  
Company Secretary

Encl: As Above



# I G Petrochemicals Limited

Investor Presentation – February 2021

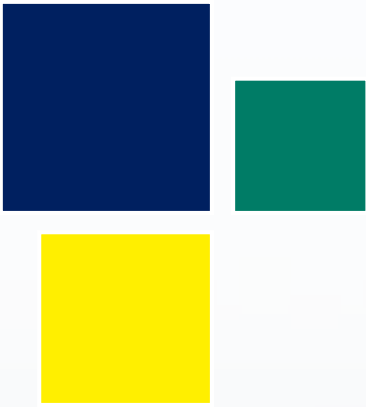


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A faded background image of an industrial facility, likely a refinery or chemical plant, with various structures, pipes, and storage tanks. In the distance, there are mountains under a hazy sky.

## **Company Overview**



# Company Overview



India's Largest Phthalic Anhydride (PAN) manufacturer and 2<sup>nd</sup> 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

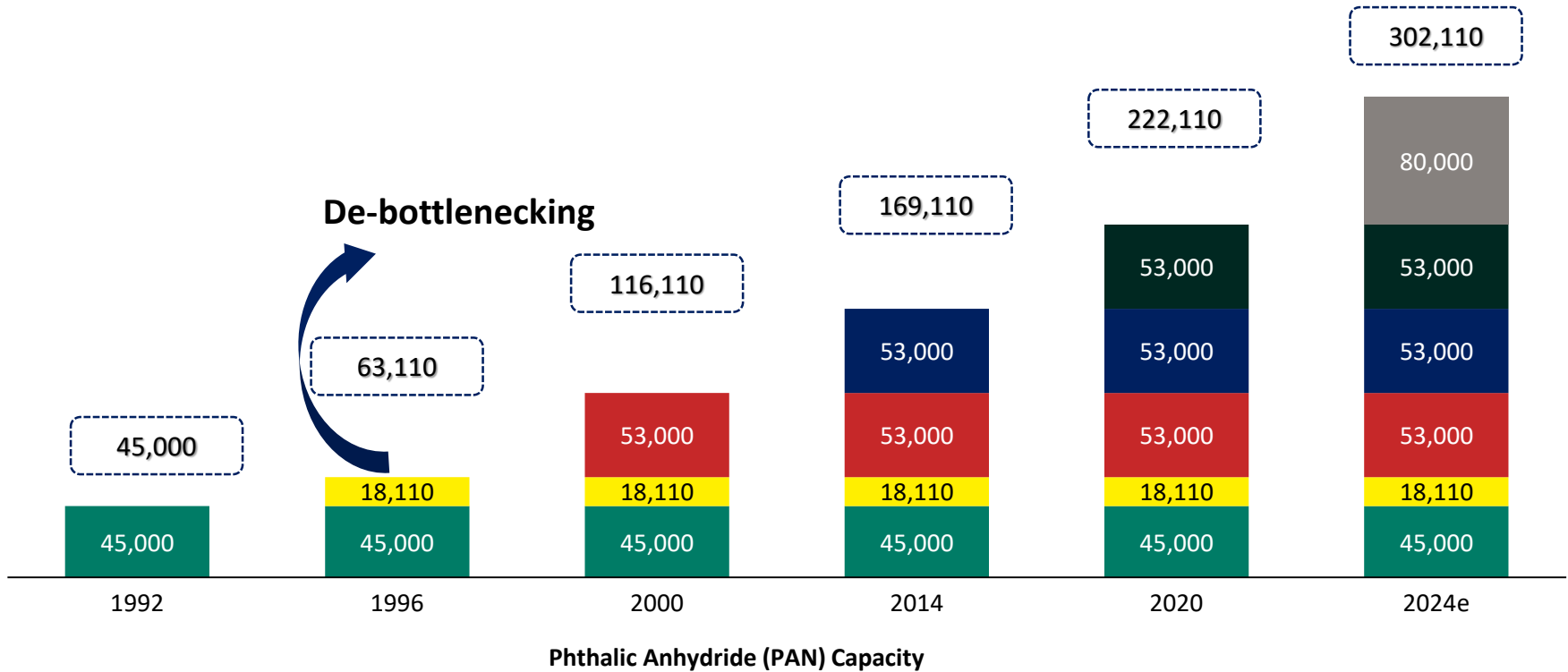


## VISION

“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

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

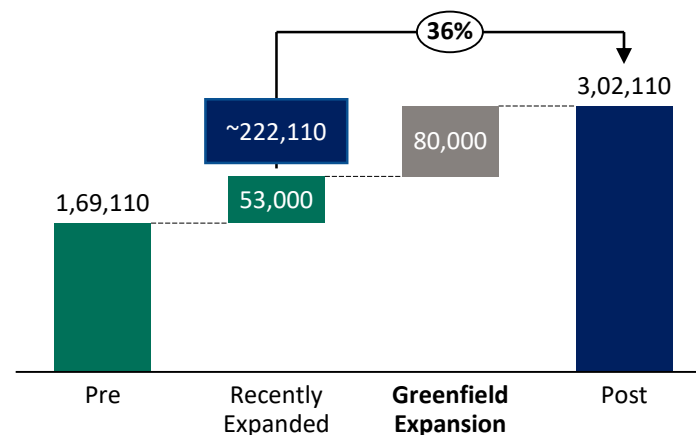
### Greenfield Capacity Addition

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

### Rationale

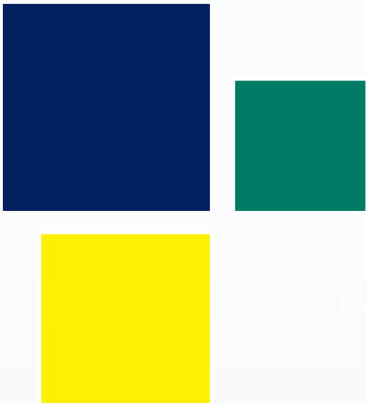
The demand for Phthalic Anhydride in domestic market is expected to increase due to Govt. focus on Infrastructure spending and demand growth in downstream products like Paints, Plasticizers, Polyvinyl chloride, Unsaturated polyester resins (UPR) etc., led by good GDP growth in India

### Total PAN Capacities Post Expansion (MTPA)



### Details

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

A faded background image of an industrial facility, likely a refinery or chemical plant, with various structures, pipes, and storage tanks. In the distance, there are mountains under a hazy sky. A thick yellow horizontal bar is positioned above the text, and a dark green diagonal bar is at the bottom of the slide.

## 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

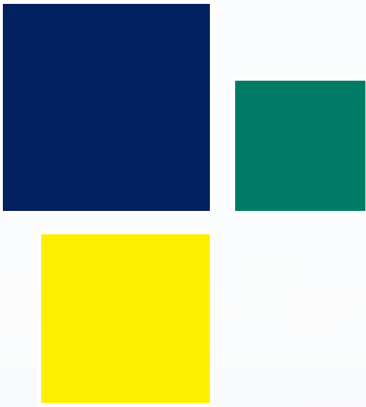
One of the Lowest Cost of production of Phthalic Anhydride due to Manufacturing Efficiencies

## Strategic Location

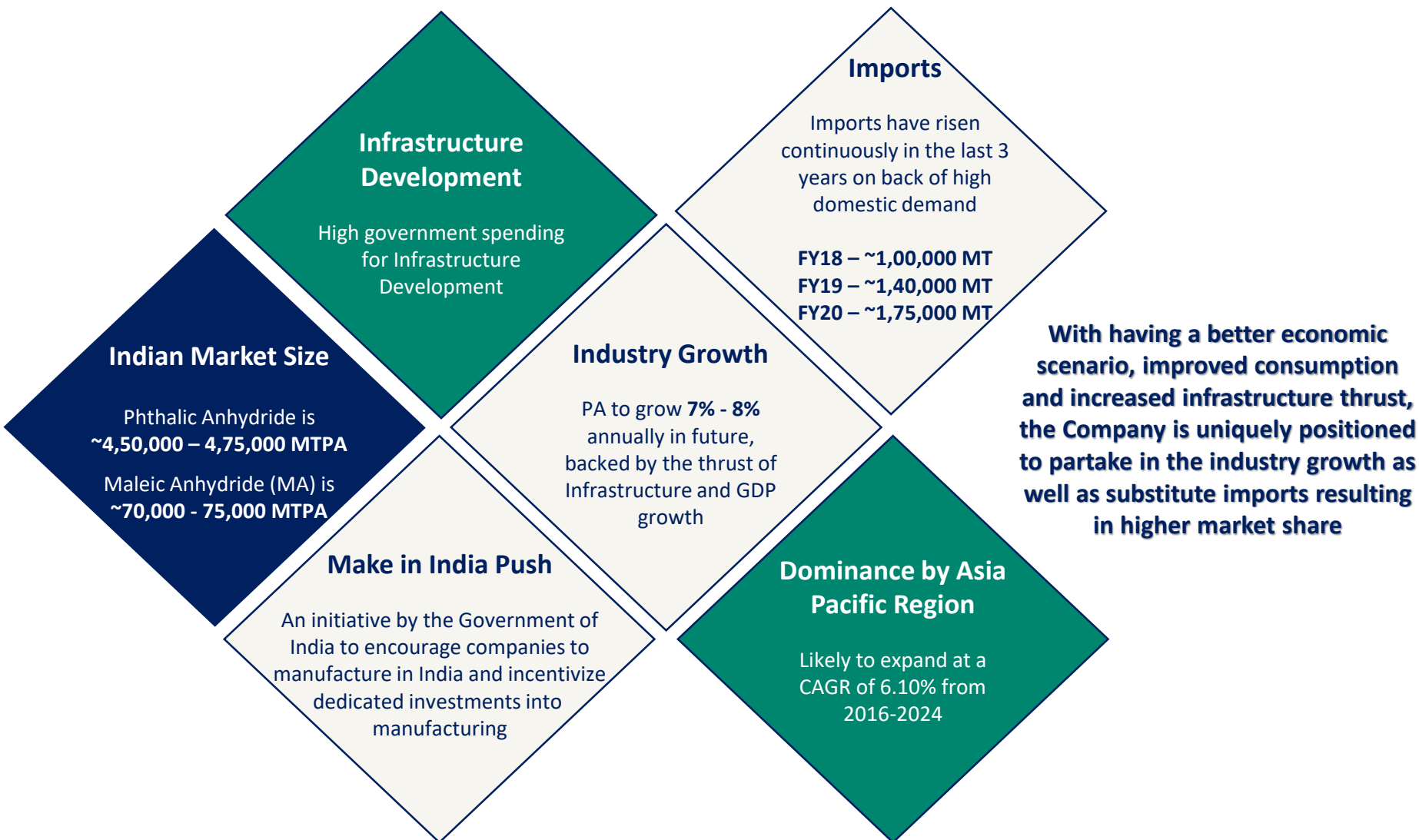
Plant being near to Port – Huge Saving in Freight Cost along with Proximity to the Chemical Belt of India

## Unique Position

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

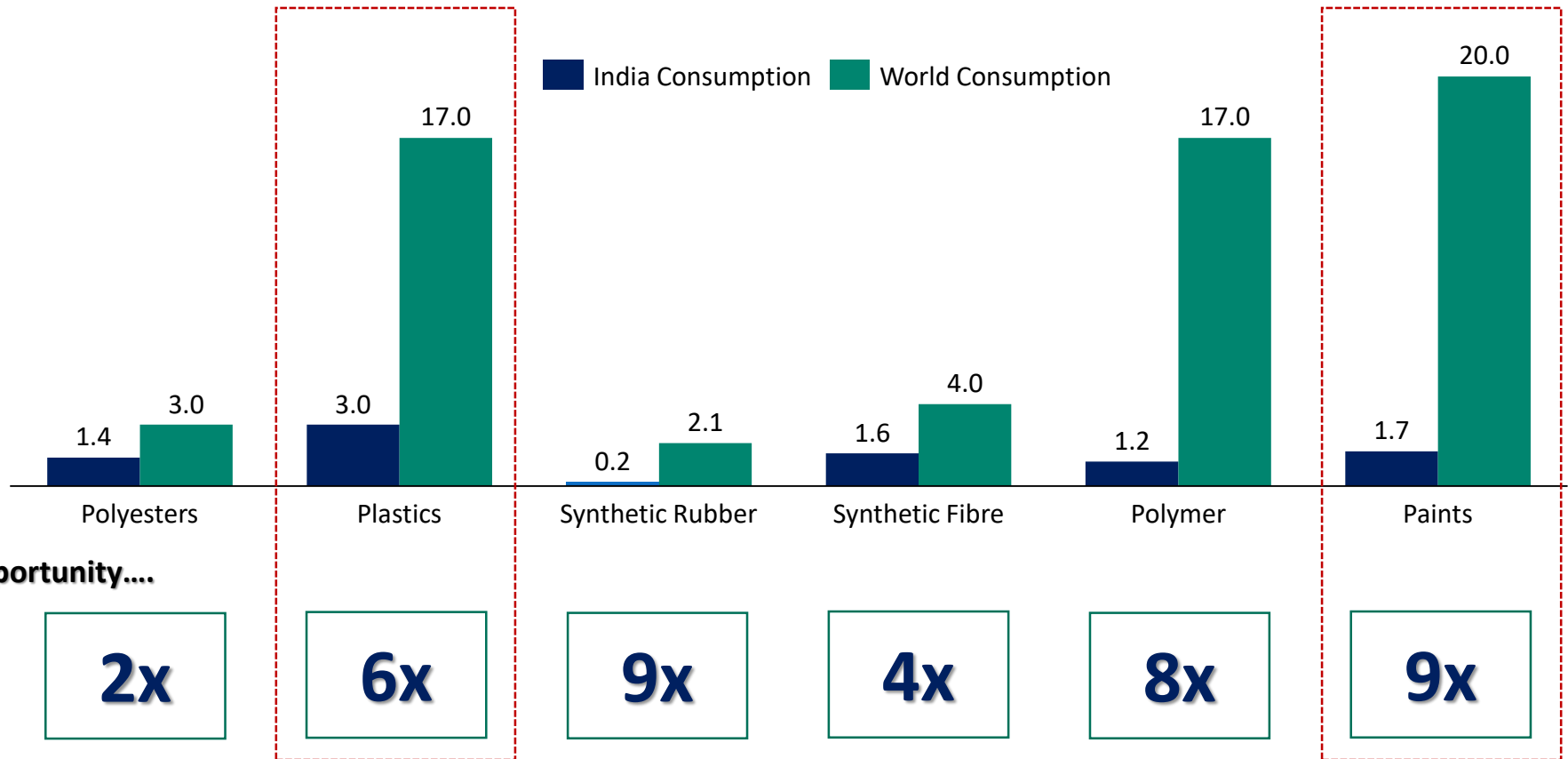
A faded background image of an industrial facility, likely a refinery or chemical plant, with various structures, pipes, and storage tanks. In the distance, there are mountains under a hazy sky.

## Industry Overview



# Huge Domestic Opportunity

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



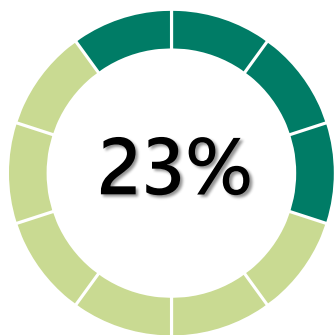
End User Industry expected to grow by 12% - 13% CAGR for next 3-5 years

# End User Industry & Application of PAN



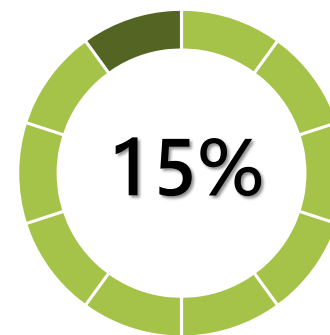
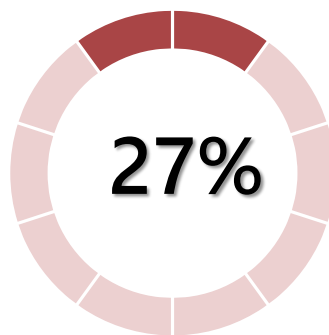
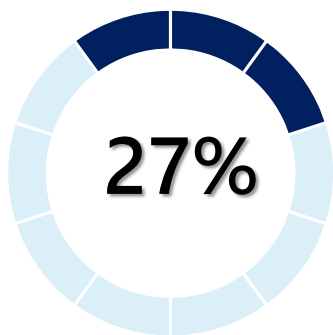
## PLASTICIZERS

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

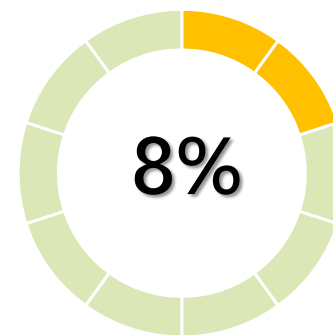


## ALKYD RESINS & PAINTS

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

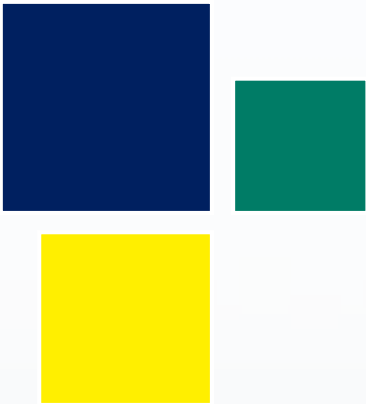
Indian Market Size for Maleic Anhydride (MA) is ~70,000 -75,000 MTPA

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.

A faded background image of an industrial facility, likely a refinery or chemical plant, with various structures, pipes, and storage tanks. In the distance, there are mountains under a hazy sky.

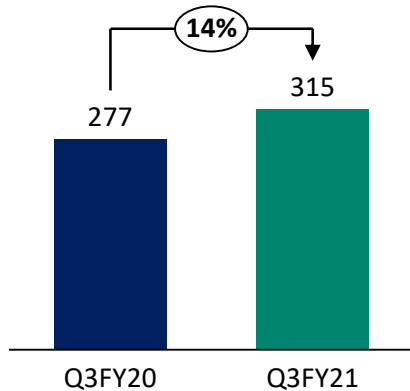
## Quarterly Highlights

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

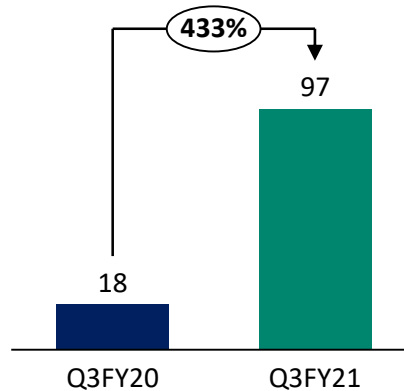


Rs. Crores

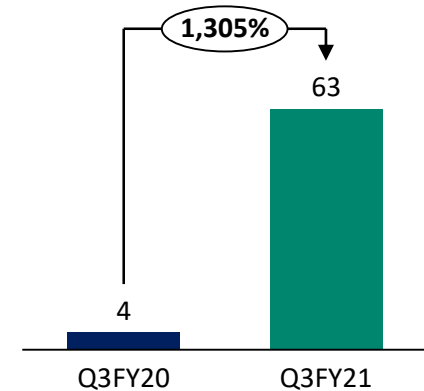
## Revenue<sup>^</sup>



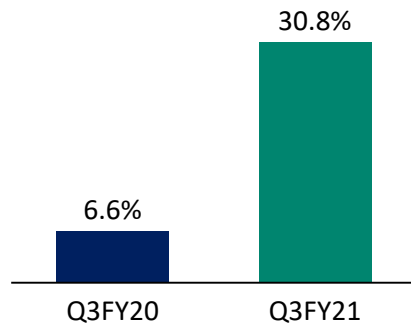
## EBITDA<sup>^</sup>



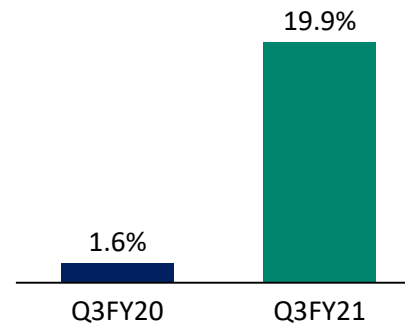
## PAT



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



## PAT Margin (%)



<sup>^</sup> Includes Other Income

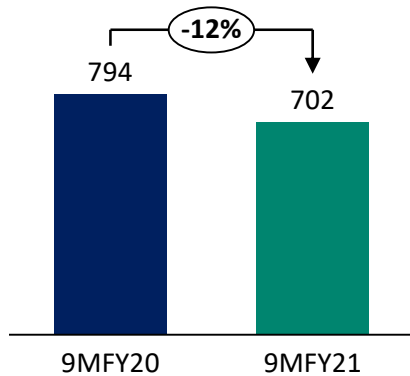
\* On Consolidated Basis

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

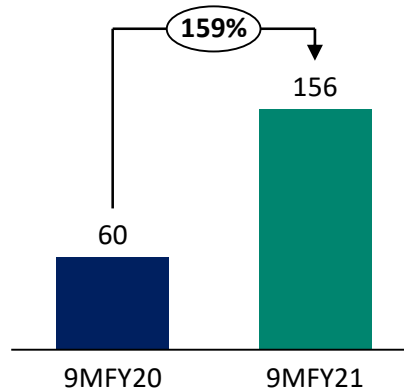


Rs. Crores

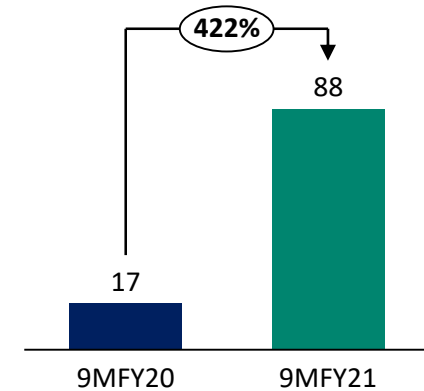
## Revenue<sup>^</sup>



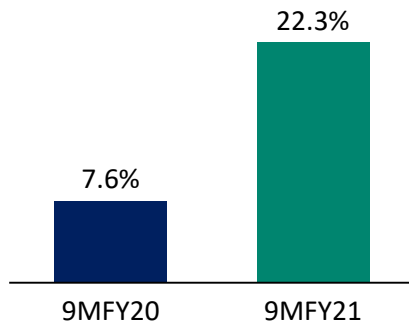
## EBITDA<sup>^</sup>



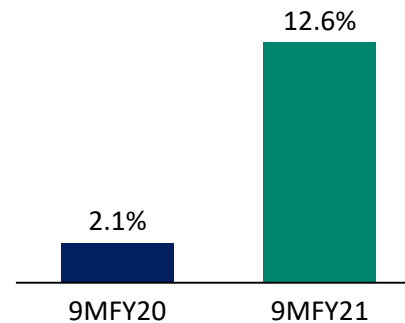
## PAT



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



## PAT Margin (%)



<sup>^</sup> Includes Other Income

\* On Consolidated Basis

# Profit & Loss Statement



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





## **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

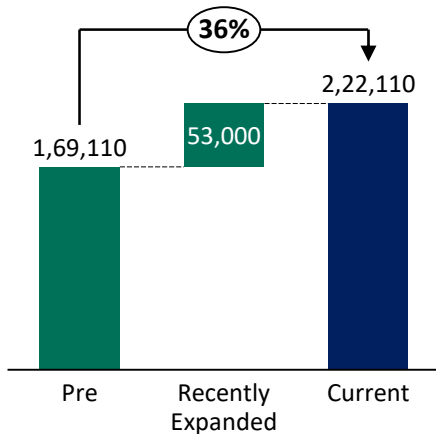
- Project Cost : Rs 30 Crores
- Capacity of 8,400 MTPA
- Capacity to be commissioned by April, 2021
- Funded by internal Accruals



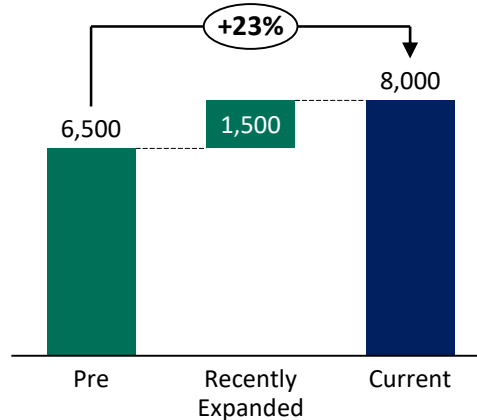
## Greenfield Expansion

- 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

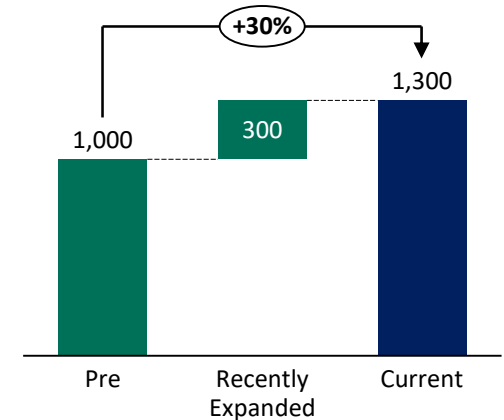
### Existing Capacities Post PA 4 Plant Expansion (MTPA)



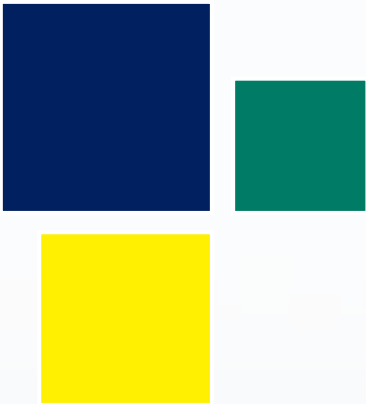
**Phthalic Anhydride**



**Maleic Anhydride**



**Benzoic Acid**

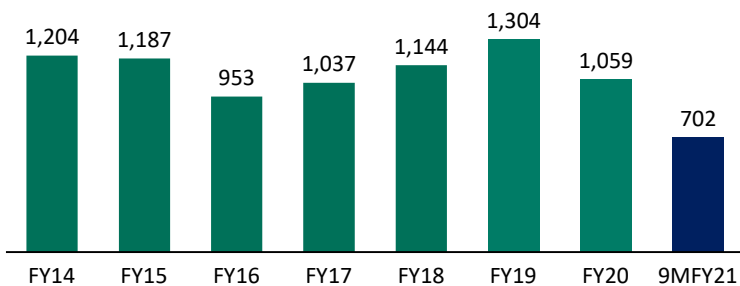


## Financial Highlights

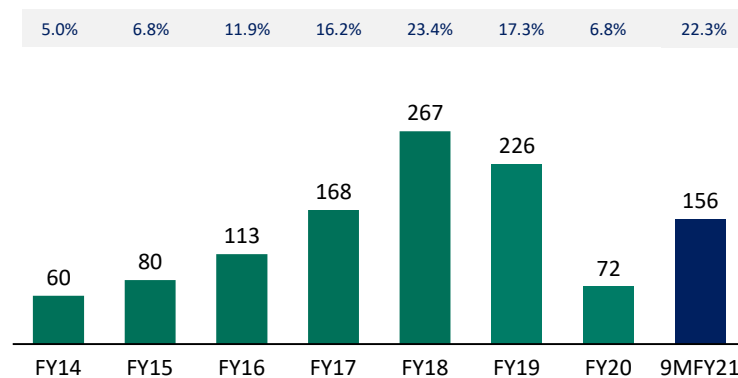
# Financial Highlights



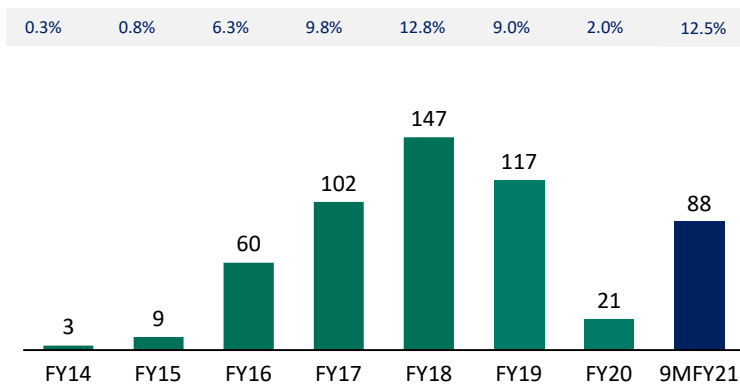
## Revenue^ (Rs. Crores)



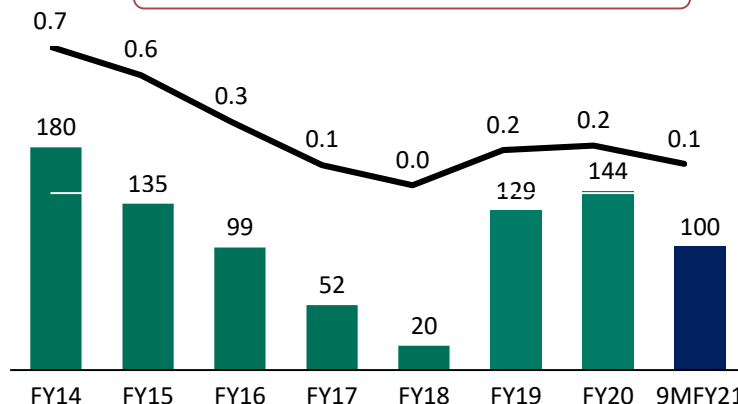
## EBITDA^ (Rs. Crores) and Margin %



## 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 1<sup>st</sup> January, 2021 and Net Debt stands at 84 crs

For further information, please contact

**Company :**

**I G Petrochemicals Ltd**  
CIN: L51496GA1988PLC000915  
Mr. Pramod Bhandari - CFO  
[pbhandari@igpetro.com](mailto:pbhandari@igpetro.com)

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

**Investor Relations Advisors :**

**Strategic Growth Advisors Pvt. Ltd.**  
CIN: U74140MH2010PTC204285  
Mr. Shrikant Sangani  
[shrikant.sangani@sgapl.net](mailto:shrikant.sangani@sgapl.net)  
+91 9619595686

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