



I G PETROCHEMICALS LIMITED

26th July, 2017

SECT/1042

BSE Limited
Corporate Relationship Department
1st Floor, P J Towers
Dalal Street
Mumbai - 400 001

Scrip Code: 500199

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 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 ended 30th June, 2017

Kindly take the same on your record.

Thanking you,

Yours faithfully,
For I G Petrochemicals Limited


Sudhir R Singh
Company Secretary





IG PETROCHEMICALS LIMITED

Investor Presentation – July 2017

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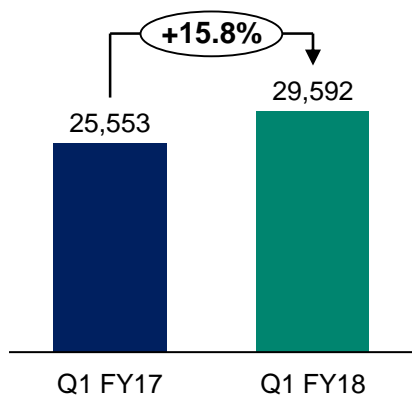


financial highlights – Q1 FY18

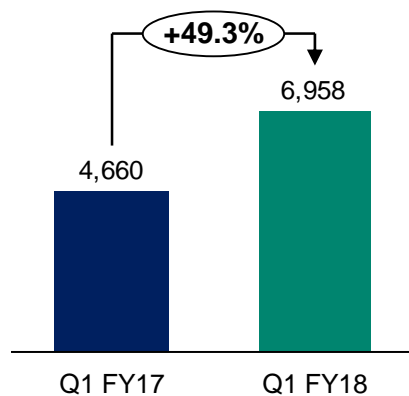
FINANCIAL HIGHLIGHTS – Q1 FY18



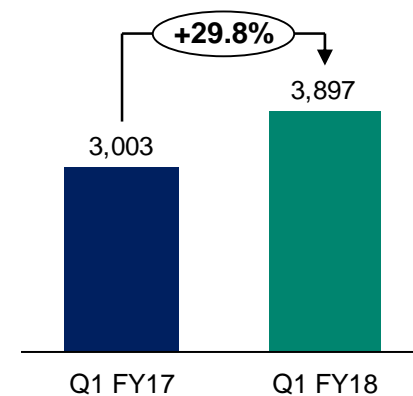
Revenue (Rs. Lakhs)



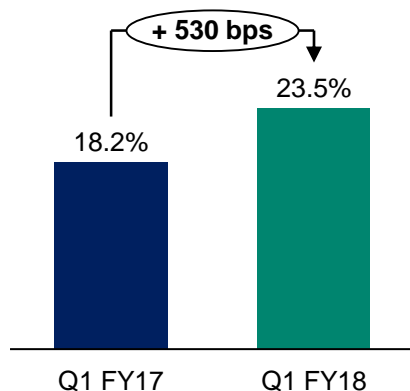
EBITDA (Rs. Lakhs)



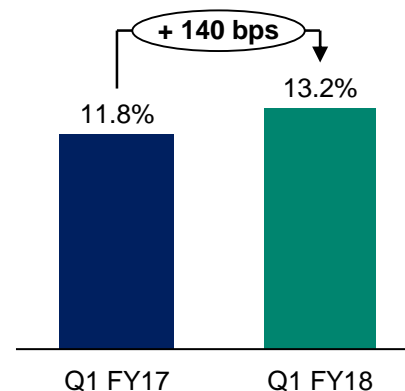
PAT* (Rs. Lakhs)



EBITDA (%)



PAT (%)



The Financial Results for Q1 FY18 have been prepared in accordance with the Indian Accounting Standards (Ind AS)

* PAT includes Other Comprehensive Income



company overview

COMPANY OVERVIEW



Flagship Company of the Dhanuka Group

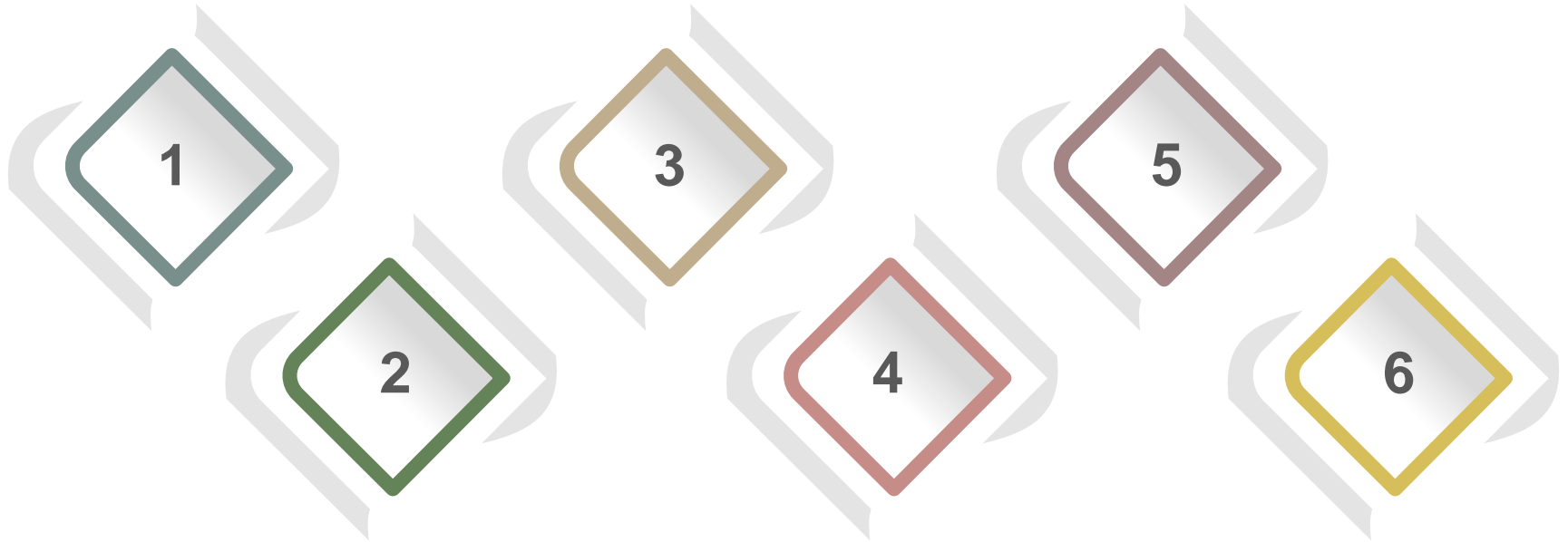
One of the world's largest & India's largest Phthalic Anhydride (PAN) manufacturer

Incorporated in 1988 and began Commercial production in 1992

Scaled from 45,000 MTPA PAN manufacturing capacity to 1,69,110 MTPA

ISO 9001:2008 for quality management system

ISO 14001:2004 for environment certification from Bureau Veritas

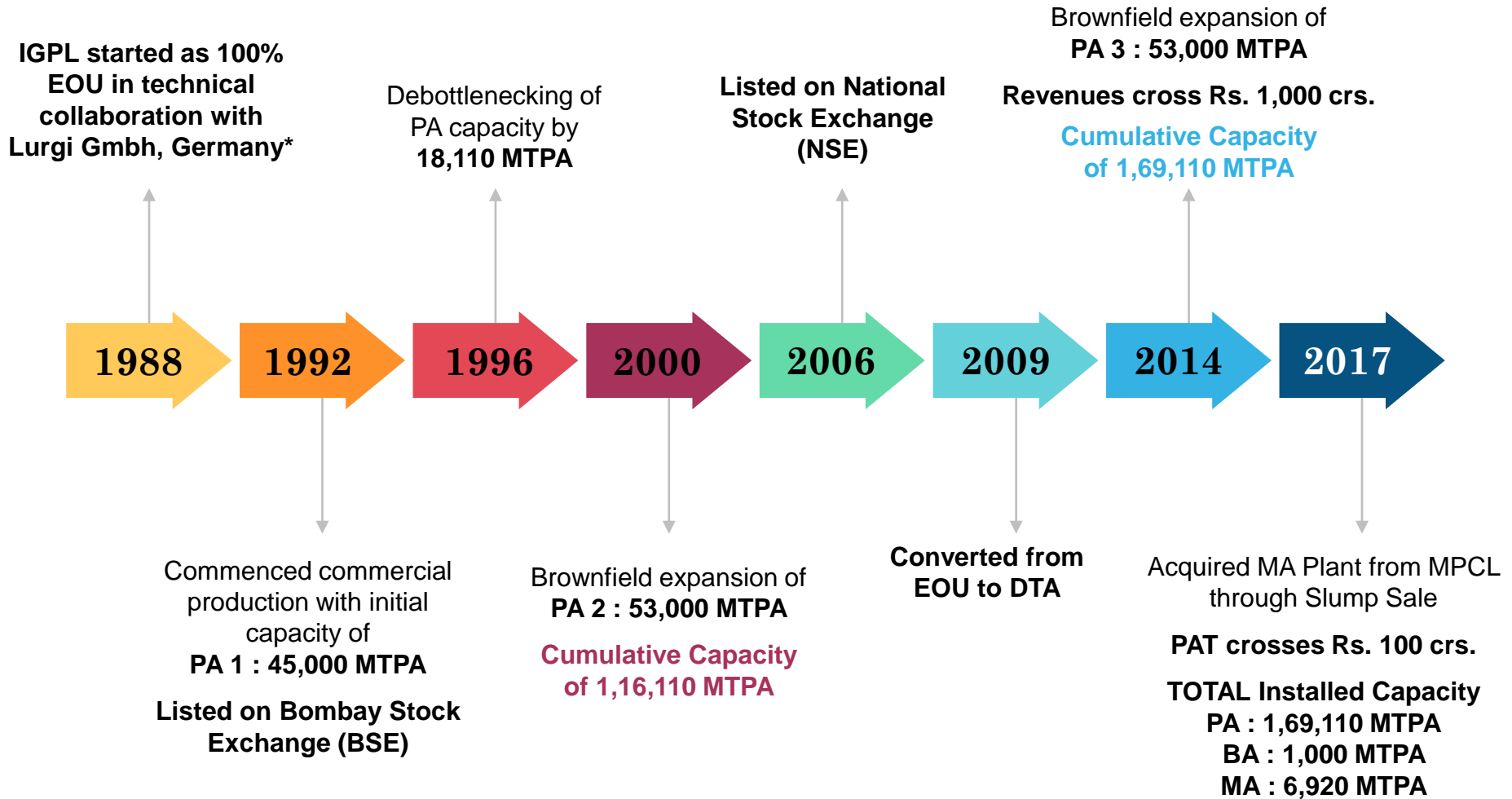


Minimum waste generation resulting in higher cost realization

Three Phthalic Anhydride manufacturing units at MIDC, Taloja in Raigad district (Maharashtra, India)

CREDIT RATING (2017)
Long-Term Rating upgraded to 'IND A+'
Short-Term Rating upgraded to 'IND A1+'
Outlook is Stable

JOURNEY SO FAR



* For an initial period of 10 years

SENIOR MANAGEMENT TEAM



Mr. M M Dhanuka: Non – Executive Chairman

- ❑ Aged 69 years, a founder member of the Company along with Late Shri Shyam Sunder Dhanuka
- ❑ Possesses over 35 years of experience in the Chemical Industry

Mr. Nikunj Dhanuka: Managing Director & CEO

- ❑ Aged 50 years, a Commerce and a Management Graduate. Possesses 20 years of experience in Chemical Industry
- ❑ In charge of the overall affairs of the Company and specifically supervises the finance, marketing, legal, production and administrative operations of the Company

Mr. R Chandrasekaran: Chief Financial Officer

- ❑ Aged 56 years, C.A. with over 18 years of experience in finance
- ❑ Responsible for all the financial related activities and is associated with the Company since 1999

Mr. J K Saboo: Executive Director

- ❑ Aged 65 years, he is a B.Com. and LL.B
- ❑ Currently in charge of the overall activities at Taloja

Mr. Sudhir R Singh : Company Secretary & Compliance Officer

- ❑ B.Com, LLB and Company Secretary
- ❑ Responsible for all the legal, secretarial and compliance related activities



business overview

Organic
Chemistry

01

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

PA is a versatile intermediate in organic chemistry

Intermediate

02

PA is used as an intermediate for the production of Plasticizers, Unsaturated Polyester Resins, Alkyd Resins & Polyols

Varied
Applications

03

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

Increase in
Usages

04

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

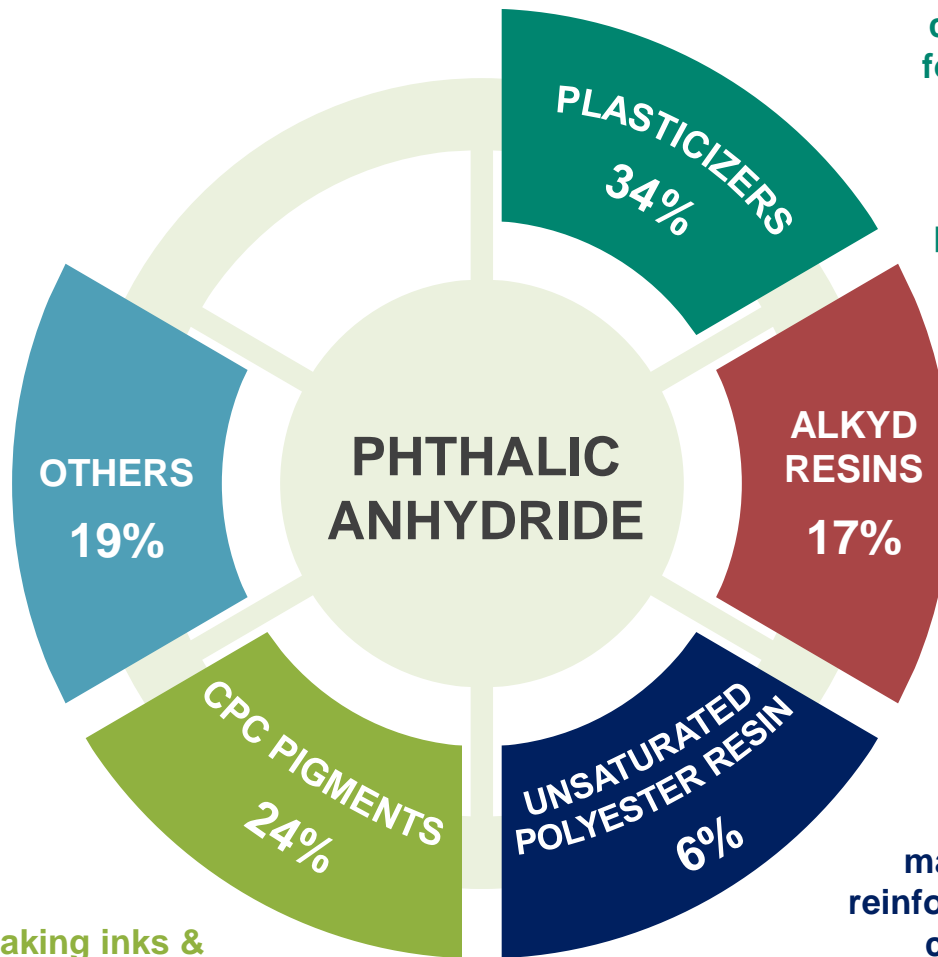
END USER INDUSTRY & APPLICATION

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

Used in manufacturing of paints and coatings

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

Used for making inks & photovoltaic cells



KEY CUSTOMERS



Over a Decade of Strong Customer Relationships with Key Customers

PLASTICIZERS



PAINTS



UPR



DEP



CPC PIGMENT



Low Client Concentration Risk

OUR MANUFACTURING FACILITIES



**Proximity to Jawaharlal
Nehru Port Trust (JNPT),
Nhava Sheva, Mumbai,
Maharashtra**

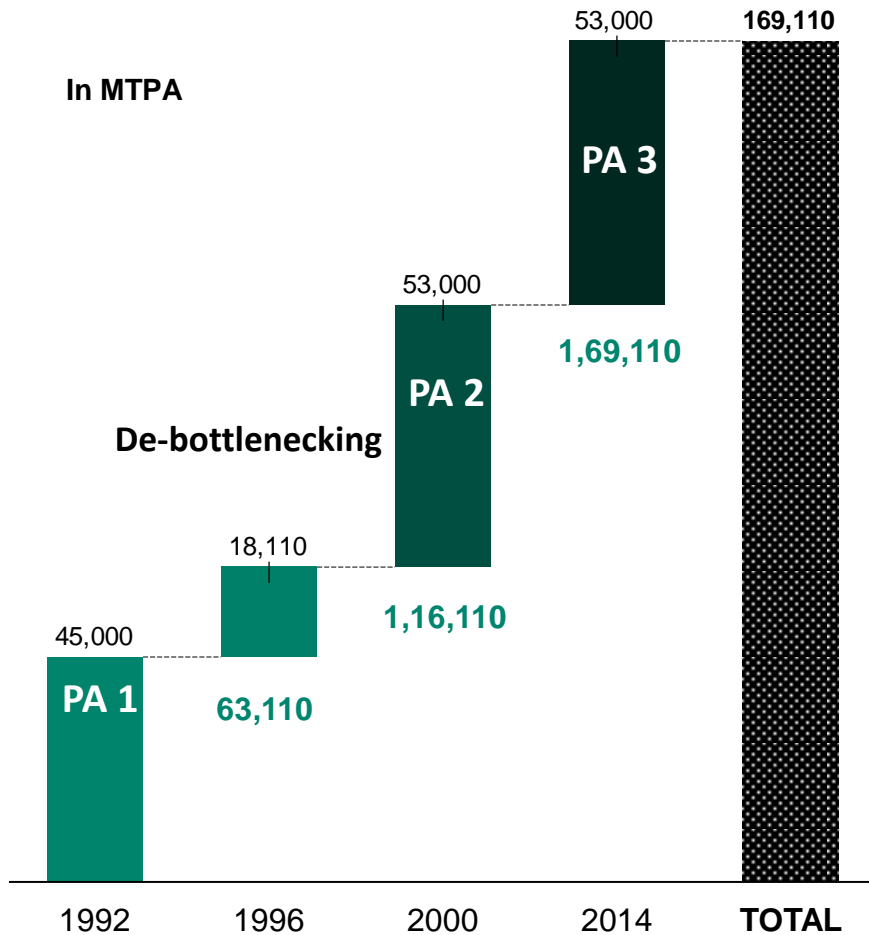
**Located at MIDC, Taloja in
Raigad District,
Maharashtra**



**3 reactors at Single
Location Plant - Proximity
to India's Chemical Hub**



SCALING UP OF CAPACITY

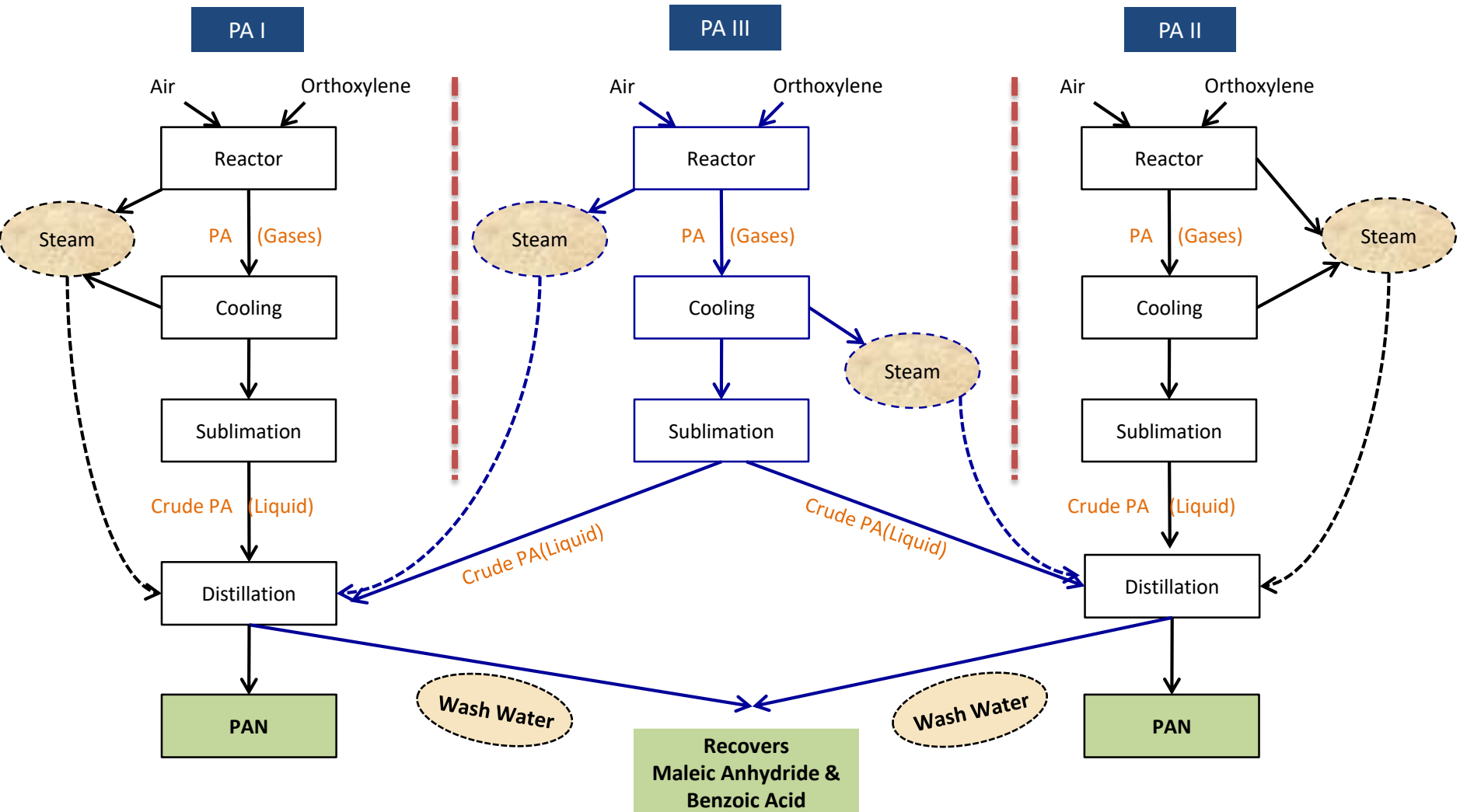


Plants are engineered with '**Wacker Process**' and are designed on the low energy based processes.

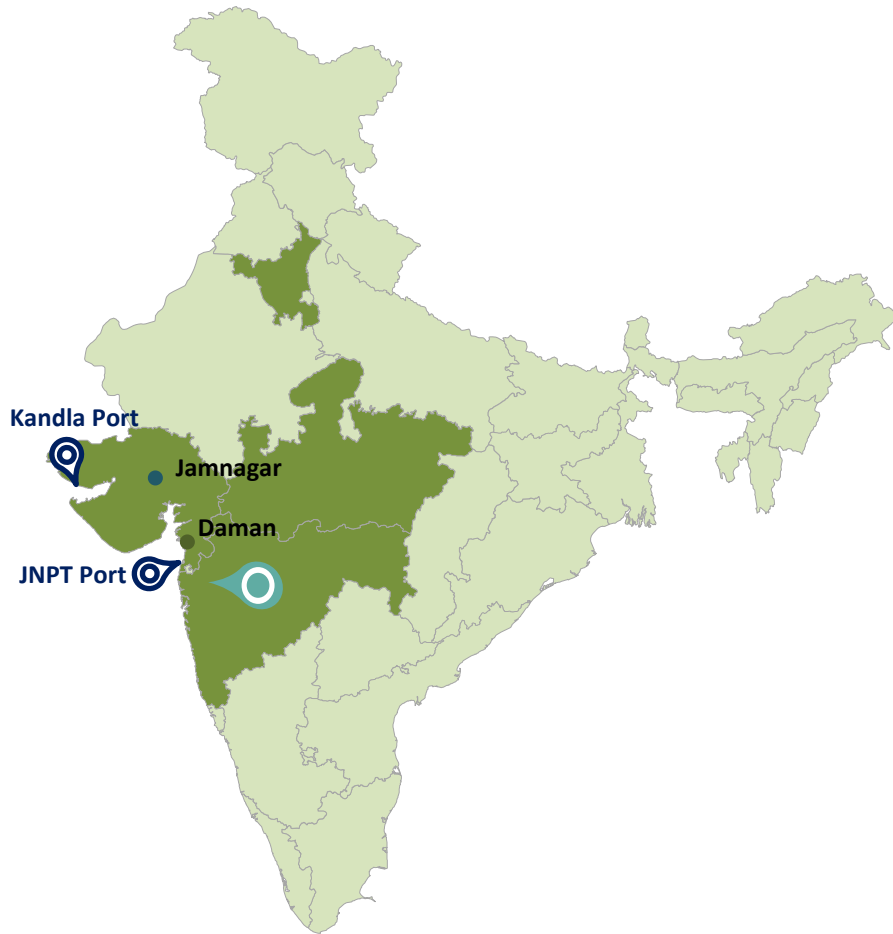
Company also undertook **significant process enhancement initiatives** through capacity expansion

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

PRODUCTION PROCESS



STRATEGICALLY LOCATED PLANT....



Majority of domestic sales is within Western India



Enjoys the advantage of being in close proximity to ports for exports, chemical belt in western India where majority of downstream industries are located including procurement of Orthoxylene

 **IGPL Plant at MIDC - Taloja, Maharashtra**

 **Depot**  **Chemical Belt in Western India**

INDUSTRY

Indian Market Size for Maleic Anhydride (MA) is ~51,000 MTPA.

The raw material used is En-Butene (gas derivative) which is not available in India. Therefore MA is completely imported.

USER - APPLICATIONS

Spandex (Elastics)

Unsaturated Polyester Resins (UPR)

Lubricating Oil Additives

Food Industry uses

Personal Care Products

Maleic anhydride is also a precursor to compounds used for water treatment detergents, insecticides and fungicides.

ACQUISITION

Acquisition of Maleic Anhydride (MA) Business from Mysore Petro Chemicals Limited (MPCL)

MA business is acquired by IGPL as a going concern on a Slump Sale basis

Lumpsum consideration of Rs. 74.48 crores payable over 5 years

The effective date of the acquisition was 1st April, 2017

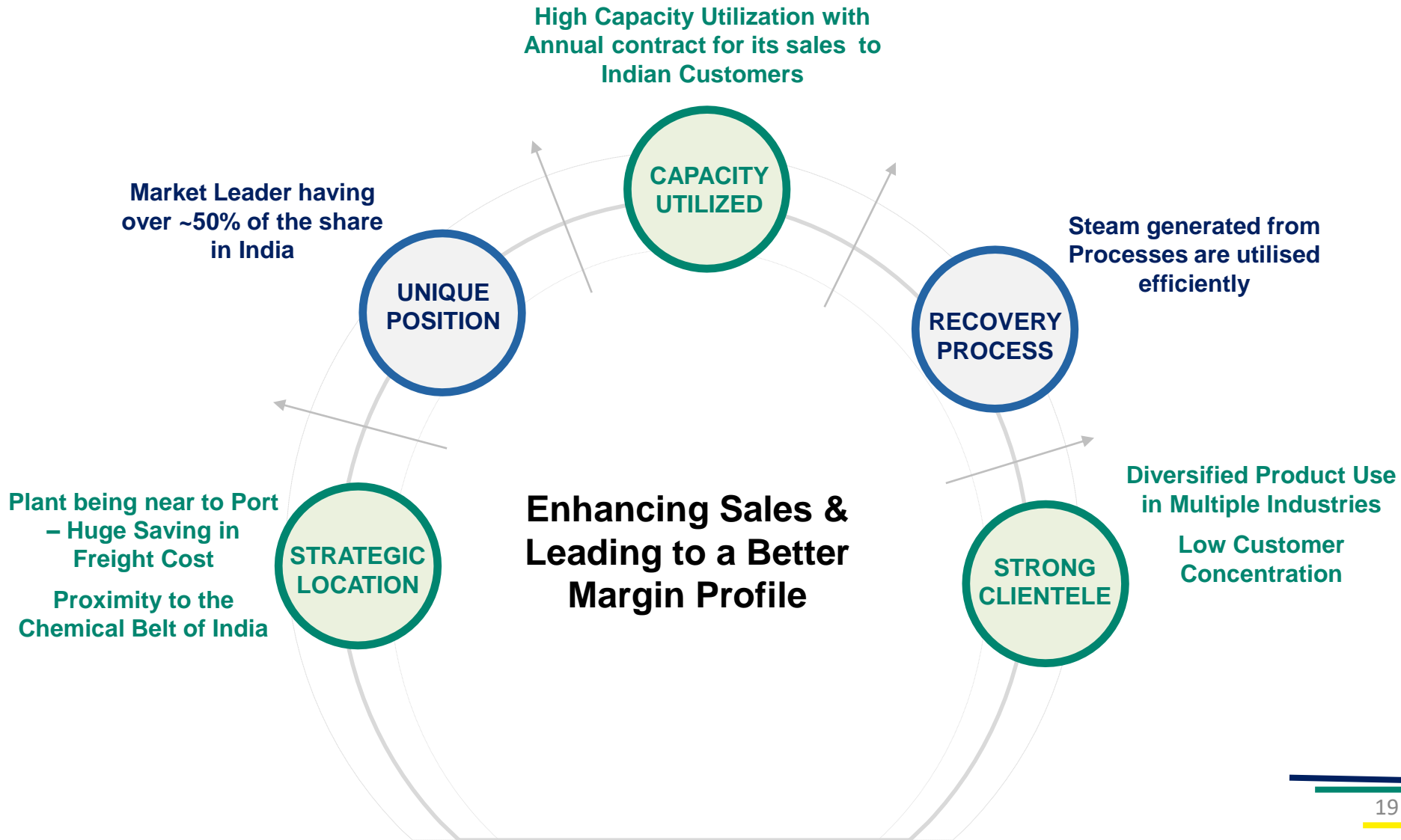
SYNERGY BENEFITS

With the acquisition of MA business from MPCL, IGPL is the only manufacturer of MA in India, thereby captively using wash water to recover MA



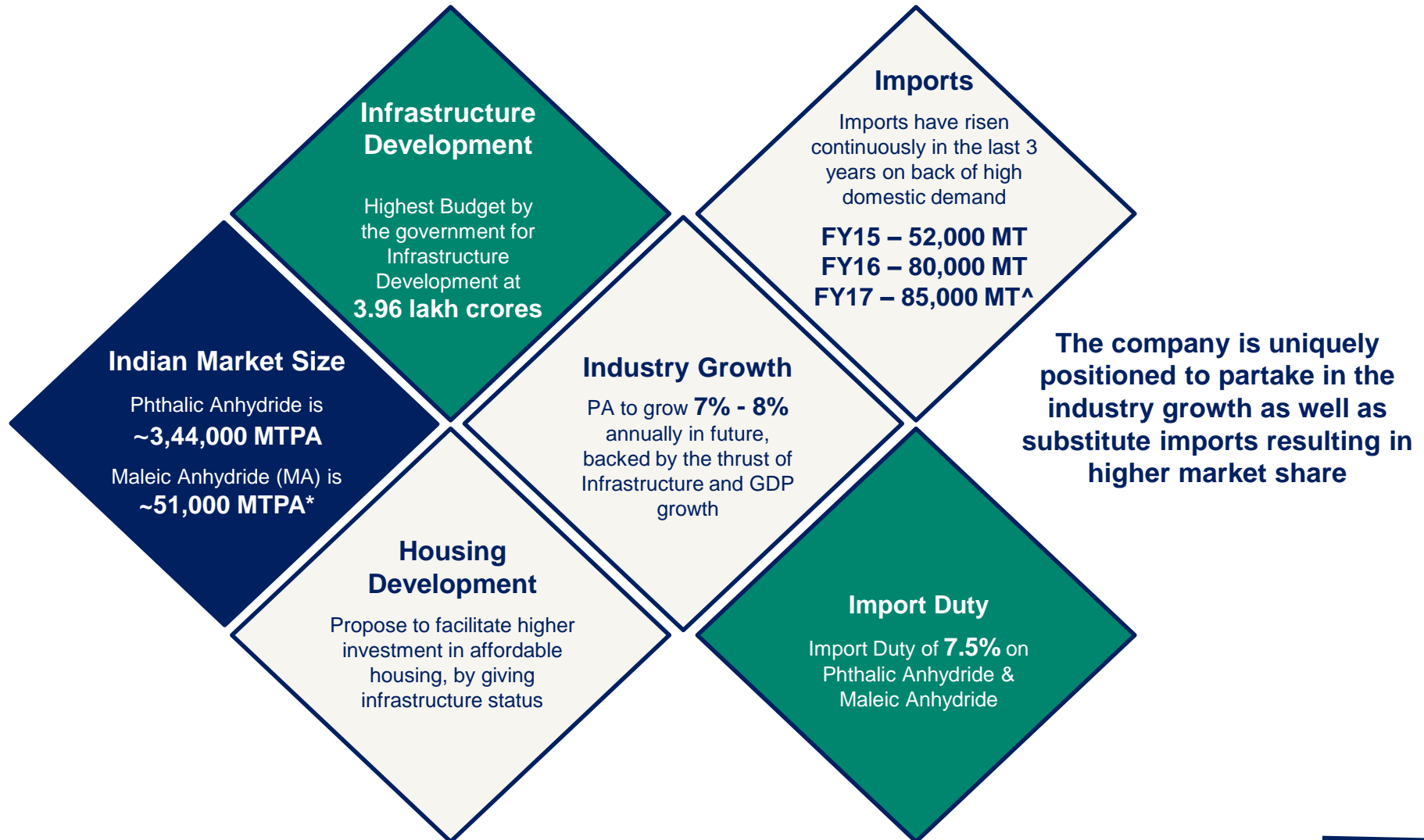
key strengths and strategies

KEY COMPETITIVE STRENGTHS





industry overview



* As of FY 2016

[^] For 11 months of FY 2017

Consumption Pull for Phthalic Anhydride

- 1 Stable Crude Prices**
Better Realizations
- 2 Global Market Improvements**
Well positioned to grab the opportunities
- 3 Better Economic Scenario**
Influence demand for the product in downstream markets
- 4 Infrastructure Thrust**
Strong & Constant domestic demand for the Product
- 5 Increase in Consumption**
Increase fuelled by rising demand for plasticizers, paints etc
- 6 Indian Government Initiatives**
Focus on Rural Water Management – Demand for PVC Pipes
- 7 Dominance by Asia Pacific Region**
Likely to expand at a CAGR of 6.10% from 2016 to 2024



financial overview

PROFIT & LOSS STATEMENT – Q1 FY18



Particulars (Rs. Lakhs)*	Q1 FY18	Q1 FY17	Y-o-Y
Revenue from Operations	29,592	25,553	16%
Total Raw Material	18,942	17,755	
Employee Expenses	1,250	960	
Other Expenses	2,442	2,180	
EBITDA	6,958	4,660	49%
EBITDA Margin (%)	23.5%	18.2%	
Other Income	100	99	
Depreciation	512	425	
EBIT	6,546	4,333	51%
EBIT Margin (%)	22.1%	17.0%	
Finance Cost	521	512	
Profit before Tax	6,026	3,821	58%
Tax	2,116	815	
Profit After Tax	3,910	3,005	30%
PAT Margin (%)	13.2%	11.8%	
Other Comprehensive Income	-13	-2	
TOTAL COMPREHENSIVE INCOME	3,897	3,003	30%
PAT Margin (%)	13.2%	11.8%	
EPS	12.96	9.76	

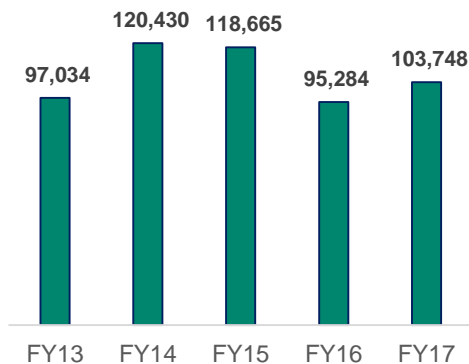
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* Standalone

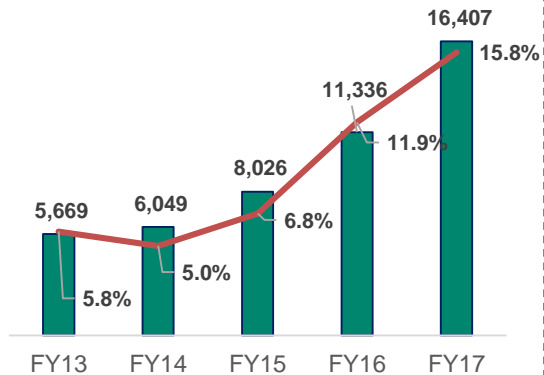
FINANCIAL HIGHLIGHTS



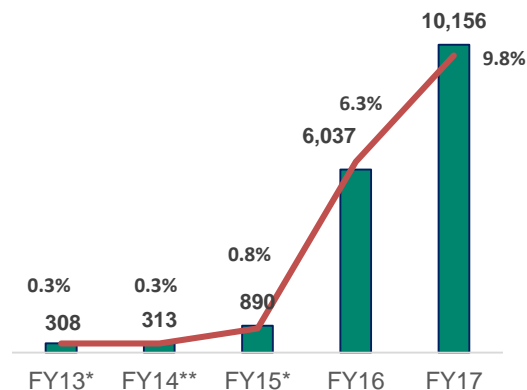
Revenue (Rs. Lakhs)#



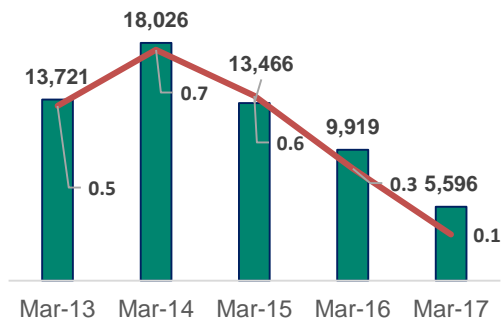
EBITDA (Rs. Lakhs) and Margin %



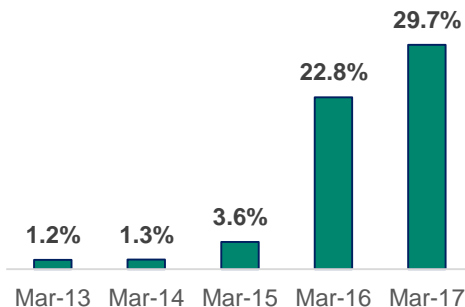
PAT (Rs. Lakhs) and Margin %



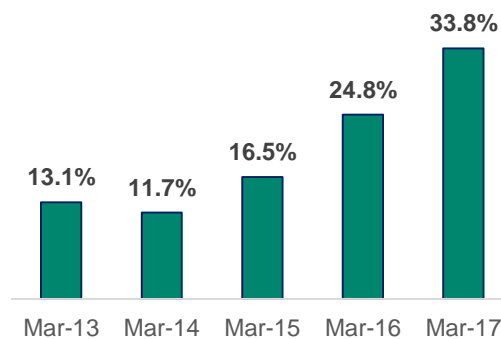
Net Debt (Rs. Lakhs) & Net Debt / Equity



ROE %



ROCE %



Linked to Crude

* Includes Extraordinary Loss of Rs. 2.765 Lakhs in FY13 and Rs. 2.111 Lakhs in FY15 ** Includes Exceptional Expense of Rs. 1.786 Lakhs

ROE & ROCE have been calculated on the basis of average equity and average capital employed respectively.

BALANCE SHEET



Particulars (Rs. Lakhs)*	Mar-13	Mar-14	Mar-15	Mar-16	Mar-17
Share Capital	3,080	3,080	3,080	3,080	3,080
Total Reserves	22,723	22,646	20,801	26,096	36,252
Shareholder's Funds	25,803	25,726	23,881	29,176	39,332
Long-Term Borrowings	12,307	14,084	10,783	9,218	6,003
Deferred Tax Liabilities	-	-	-	-	3,864
Long Term Provisions	170	213	153	182	195
Total Non-Current Liabilities	12,477	14,297	10,936	9,400	10,062
Short Term Borrowings	3,588	4,394	2,262	31	240
Trade Payables	18,385	28,625	19,633	15,425	17,104
Other Current Liabilities	1,979	3,387	3,187	2,976	2,832
Short Term Provisions	1	1	506	858	161
Total Current Liabilities	23,953	36,407	25,588	19,290	20,338
Total Liabilities	62,233	76,430	60,405	57,866	69,732
ASSETS					
Fixed Assets	34,338	37,693	32,755	32,665	32,829
Non Current Investments	7	7	6	33	1,849
Long Term Loans & Advances	471	812	2,039	2,140	5,157
Total Non-Current Assets	34,816	38,512	34,800	34,838	39,835
Inventories	8,222	14,149	8,656	8,956	10,454
Trade Receivables	12,431	17,430	14,518	10,881	14,975
Cash and Bank	3,459	2,852	1,822	1,688	3,005
Short Term Loans and Advances	3,305	3,487	609	1,503	1,463
Total Current Assets	27,417	37,918	25,605	23,028	29,897
Total Assets	62,233	76,430	60,405	57,866	69,732

* Standalone

PROFIT & LOSS STATEMENT



Particulars (Rs. Lakhs)*	FY13	FY14	FY15	FY16	FY17
Total Revenue	97,034	120,430	118,665	95,284	103,748
Raw Material Consumed	82,373	104,838	100,120	73,408	75,121
Employee Cost	2,444	2,514	2,849	2,976	3,974
Other Expenses	6,548	7,029	7,670	7,564	8,246
EBITDA	5,669	6,049	8,026	11,336	16,407
EBITDA Margin (%)	5.8%	5.0%	6.8%	11.9%	15.8%
Other Income	528	968	667	357	282
Depreciation	1,375	1,803	1,639	1,754	1,718
EBIT	4,822	5,214	7,054	9,939	14,971
EBIT Margin (%)	5.0%	4.3%	5.9%	10.4%	14.4%
Interest	1,667	3,036	3,817	2,267	1,805
Profit Before Taxation & Exceptional and Extraordinary Items	3,155	2,177	3,237	7,672	13,166
Exceptional Income / Expenses	0	-1,786	0	0	-
Profit Before Taxation & Extraordinary Items	3,155	391	3,237	7,672	13,166
Extraordinary item	2,766	0	2,111	0	-
Profit Before Tax	389	392	1,126	7,672	13,166
Provision for Tax	81	78	236	1,635	3,010
Profit After Tax	308	313	890	6,037	10,156
PAT Margin (%)	0.3%	0.3%	0.8%	6.3%	9.8%
EPS	1.00	1.02	9.74	19.60	32.98

* Standalone

CONSOLIDATED FINANCIALS



Statement of Profit & Loss

Particulars (Rs. Lakhs)	FY16	FY17
Total Revenue	95,284	103,748
Raw Material Consumed	73,408	75,121
Employee Cost	2,976	3,974
Other Expenses	7,585	8,267
EBITDA	11,315	16,386
EBITDA Margin (%)	11.9%	15.8%
Other Income	360	266
Depreciation	1,754	1,719
EBIT	9,921	14,933
EBIT Margin (%)	10.4%	14.4%
Interest	2,267	1,805
Profit Before Tax	7,654	13,129
Provision for Tax	1,635	3,010
Profit After Tax	6,019	10,119
PAT Margin (%)	6.3%	9.8%
EPS	19.54	32.86

Balance Sheet

Particulars (Rs. Lakhs)	Mar-16	Mar-17
Share Capital	3,080	3,080
Total Reserves	26,079	36,159
Shareholder's Funds	29,159	39,239
Long-Term Borrowings	9,218	6,003
Deferred Tax Liabilities	-	3,864
Long Term Provisions	182	195
Total Non-Current Liabilities	9,400	10,062
Short Term Borrowings	31	240
Trade Payables	15,425	17,209
Other Current Liabilities	2,976	2,832
Short Term Provisions	858	161
Total Current Liabilities	19,290	20,442
Total Liabilities	57,849	69,743
Fixed Assets	32,665	33,564
Non Current Investments	7	803
Long Term Loans & Advances	2,140	5,157
Total Non-Current Assets	34,811	39,524
Inventories	8,956	10,454
Trade Receivables	10,881	14,975
Cash and Bank	1,702	3,253
Short Term Loans and Advances	1,499	1,537
Total Current Assets	23,038	30,219
Total Assets	57,849	69,743

For further information, please contact

Company :

I G Petrochemicals Ltd

CIN: L51496GA1988PLC000915

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