



# Supreme Petrochem Limited

## COMPANY BACKGROUND.....

- Supreme Petrochem Limited (SPL) was incorporated in 1995 with the business to manufacture Polystyrene (PS).
- SPL was formed as joint venture between the Supreme Industries Ltd., India's largest plastics processor and the well diversified Rajan Raheja Group.
- In less than a decade, the company has become the undisputed leader in polystyrene in India, with a market share exceeding 50%.
- To widen its Styrenics spectrum, SPL has forayed into Expanded Polystyrene (EPS) at multi locations and resulting in becoming a business leader.
- From being a large commodity player, SPL is now increasingly operating as a supplier of value added products.
- In 2007, SPL started India's first and only integrated plant of XPS (Extruded Polystyrene) Insulation foam boards to and promote Green Building movement in India.

## BUSINESS MIX (As on FY24).....

- **Styrenics:** Polystyrene is a versatile plastic used to make a wide variety of consumer products. It is often used in products that require clarity, such as food packaging and laboratory ware. When combined with additives Polystyrene is used to make appliances, household ware, stationery, writing instruments, toys, Medical & Lab disposables, imitation jewellery, garment hangers, electricals and toys. SPL is also into Expanded Polystyrene and Extruded Polystyrene (XPS), which is valued for its insulating and cushioning properties. SPL also imports and supplies Acrylonitrile Butadiene Styrene (ABS) and Styrene Monomer to various customers
- **Compounds of other Polymers and Masterbatches:** Compounds are copolymers, alloys or mixture of polymer with functional additives or minerals. Masterbatches are colour concentrated polymers. Compounds and Masterbatches are used for obtaining specific characteristics needed for the end application.

## KEY STRENGTHS.....

- Leading Manufacturers of Polystyrene in India with over 25 years of experience
- Comprehensive Styrenics product portfolio enabling to serve diverse end-use applications
- Strong Balance Sheet with zero debt on the books
- First mover advantage in XPS
- Capex of over ~INR 2,000 Cr to cater to additional demand without any external borrowings
- Well placed to benefit from the expected pick-up in the domestic consumer durable, automobile, Government emphasis on Universal Education and excellent customer relations

## FINANCIAL PERFORMANCE (CONSOLIDATED).....

(INR Mn)	Operating Income	EBITDA	EBITDA%	PAT	PAT%	EPS
<b>FY21</b>	31,852	6,690	21.00%	4,775	14.99%	50.63
<b>FY22</b>	50,323	9,041	17.96%	6,633	13.18%	35.27
<b>FY23</b>	52,872	6,582	12.45%	4,981	9.42%	26.49
<b>FY24</b>	52,533	4,668	8.89%	3,465	6.60%	18.43

## Key Data

<b>BSE Code</b>	500405
<b>NSE Code</b>	SPLPETRO
<b>Reuters</b>	SPTL.NS
<b>Bloomberg</b>	SPPT:IN

## Market Data (INR) As on 31<sup>st</sup> March, 2024

<b>Face Value</b>	2.0
<b>CMP</b>	622.9
<b>52 Week H/L</b>	782.8 / 353.3
<b>MCAP (Mn)</b>	1,17,140.4
<b>Shares O/S (Mn)</b>	188.0
<b>1 yr. Avg. Vol.('000)</b>	154.7

## Performance As on 31<sup>st</sup> March, 2024

	3M	6M	12M
<b>Supreme Petrochem</b>	13.3%	28.2%	71.6%
<b>SENSEX</b>	1.98%	11.91%	24.56%
<b>BSE SMALLCAP</b>	1.10%	14.56%	57.33%

## Shareholding Pattern As on 31<sup>st</sup> March, 2024

<b>Promoters</b>	64.24%
<b>Public</b>	30.25%
<b>FPI &amp; FII</b>	2.91%
<b>DII</b>	2.60%

## PRODUCT SEGMENTS.....

### A) General Purpose Polystyrene (GPPS):

- GPPS is one of the most widely used transparent polymers suitable for injection molding and extrusion applications.
- This product has different end uses like disposable pipette, tablet packaging bottles. In Refrigerator components like crisper trays, egg shells, medical products like disposables, Petri dish, cap jars and droppers.

### B) High Impact Polystyrene (HIPS):

- HIPS is a tough plastic that has excellent impact strength, high stiffness and excellent moldability but reduced transparency.
- HIPS has diverse uses like TV cabinets, AC grills, toys, computer accessories, refrigerator door, cabinet liners, ice cream cups, frozen food packaging, dairy packaging, and also thermoformed food & non-food packaging.

### C) Expandable Polystyrene (EPS):

- EPS is a white foam plastic material (Thermocol) produced from solid beads of polystyrene. It is a closed-cell, rigid foam material produced from: a) Styrene – which forms the cellular structure and b) Pentane – which is used as a blowing agent
- Widely used in packaging articles like fruit trays, drink cups, ice cream cups, for energy-efficient insulation as well as packaging material for shock sensitive goods.

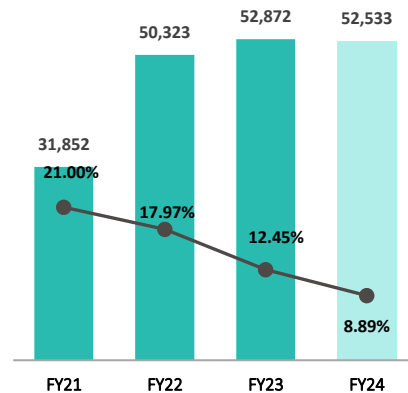
### D) Extruded Polystyrene (XPS) INSUboards:

- The XPS thermal insulation board is a rigid foam board having a closed cell structure produced in a fully automated continuous extrusion process.
- XPS finds applications in cold storages, sandwich panels, false ceiling, refrigerated vehicles, vaccine boxes and packing materials like ice boxes, lunch boxes, fresh vegetable and meat boxes.

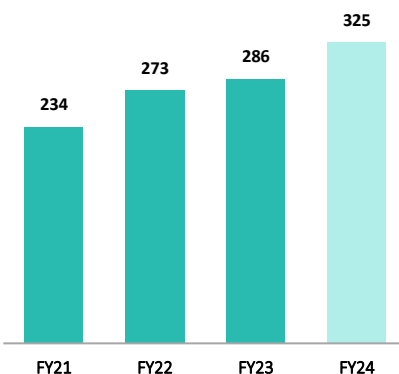
### E) Masterbatches and Compounds:

- Masterbatches are concentrates of colorants, fillers and additives which are used for obtaining specific characteristics needed for the end application.
- Black masterbatch is used in pipes, and thin films (garbage bags, stretch wraps). Similarly the UV Masterbatch is used in packaging films. PP/PE Tapes. White Masterbatch is used in refrigerator parts, washing machines, ACs and Toys.

Revenue (INR Mn) & EBITDA Margins (%)



Volume in MT ('000)



## KEY GROWTH DRIVERS.....

### Capacity Expansion:

- SPL's brownfield expansion for enhancing its existing Polystyrene, EPS capacities at its Amdoshi Plant, Raigad, Maharashtra is complete. The effective capacity of Polystyrene (PS) is now 3,00,000 MTA and Expandable Polystyrene (EPS) is 1,10,000 MTA.
- The company is undertaking capex for enhancing Master batches and Compounds and XPS capacities at its Amdoshi Plant to cater to the additional demand.
- The company will do a green field expansion in Panipat, adding new capacities in PS, EPS, XPS, 3D EPS Panels and other downstream materials

### New Product Launches:

- The company has entered into an agreement for License and Basic Engineering Design with Versalis for Mass ABS for one line of 70,000 KTA. ABS is the favored engineering plastic when it comes to application in automotive parts.
- Basic engineering package has been received from Versalis and is under implementation phase.
- Negotiations are underway with M/S Versalis for the second train of Mass ABS.

### Global Customers:

- With PS expansion getting completed and increased product availability, SPL is taking steps to increase the exports.

## PEER COMPARISON (TRAILING 12 MONTHS) INR MN .....

Company	Op. Income	Op. EBITDA	Op. EBITDA%	PAT	PAT%	Market Cap.
Supreme Petrochem Ltd	52,533	4,668	8.89%	3,465	6.60%	1,17,140.4
Styrenix Performance Materials	22,222	3,031	13.64%	1,732	7.79%	25,228
Bhansali Engineering	12,217	2,120	17.35%	1,794	14.68%	22,223
BASF India	1,37,675	8,898	6.46%	5,633	4.09%	1,44,440
LG Chem (in KRW Mn)	5,23,72,951	40,01,570	7.60%	10,00,370	1.90%	19,52,308

## INCOME STATEMENT (CONSOLIDATED) .....

PARTICULARS (INR Mn)	FY21	FY22	FY23	FY24
<b>Operational Income</b>	<b>31,852</b>	<b>50,323</b>	<b>52,872</b>	<b>52,533</b>
Total Expenses	25,163	41,269	46,290	<b>47,865</b>
<b>EBITDA</b>	<b>6,689</b>	<b>9,054</b>	<b>6,582</b>	<b>4,668</b>
<b>EBITDA Margins (%)</b>	<b>21.00%</b>	<b>17.99%</b>	<b>12.45%</b>	<b>8.89%</b>
Depreciation and amortisation	392	419	392	<b>595</b>
Finance costs	73	62	73	<b>72</b>
Other Income	213	305	213	<b>681</b>
<b>PBT</b>	<b>6,438</b>	<b>8,878</b>	<b>6,483</b>	<b>4,682</b>
Tax Expense	1,663	2,245	1,688	<b>1,217</b>
<b>PAT</b>	<b>4,775</b>	<b>6,633</b>	<b>4,981</b>	<b>3,465</b>
<b>PAT Margins (%)</b>	<b>14.99%</b>	<b>13.18%</b>	<b>9.42%</b>	<b>6.60%</b>
Diluted EPS	50.63	35.27	26.49	18.43

## BALANCE SHEET (CONSOLIDATED) (IND-AS).....

PARTICULARS (INR Mn)	FY22	FY23	FY24	PARTICULARS (INR Mn)	FY22	FY23	FY24
<b>EQUITIES AND LIABILITIES</b>				<b>ASSETS</b>			
<b>Total Equity</b>	<b>15,156</b>	<b>18,439</b>	<b>20,191</b>	<b>Total Non-Current Assets</b>	<b>5,333</b>	<b>7,026</b>	<b>10,621</b>
(A) Equity Share Capital	376	376	376	(A) Property, plant and equipment	3,020	5,115	6,575
(B) Other Equity	14,780	18,063	19,815	(B) Capital work-in-progress	1,789	1,080	2,326
<b>Total Non-Current Liabilities</b>	<b>578</b>	<b>450</b>	<b>1,470</b>	(C) Intangible assets	5	4	3
(A) Provisions	34	36	73	(D) Right to use assets	344	147	1,110
(B) Other Non-Current Liabilities	33	36	41	(E) Financial assets			
(C) Lease Liabilities	167	24	983	i) Loans	12	19	13
(D) Deferred tax liabilities (net)	344	354	373	ii) Other Financial Assets	48	254	64
<b>Total Current Liabilities</b>	<b>7,049</b>	<b>8,421</b>	<b>8,987</b>	(F) Other non-current assets	115	407	530
(A) Financial Liabilities				<b>Total Current Assets</b>	<b>17,450</b>	<b>20,284</b>	<b>20,027</b>
i) Lease Liabilities	206	143	159	(A) Inventories	3,008	6,469	4,806
ii) Trade Payables	5,259	7,820	8,089	(B) Financial Assets			
iii) Other financial liabilities	967	296	455	i) Investment in Liquid Scheme of MF	4,838	5,626	5,718
(B) Other current liabilities	590	134	193	ii) Trade Receivables	4,118	3,623	3,950
(C) Provisions	26	22	29	iii) Cash and Cash Equivalentents	2,175	833	2,159
(D) Current Tax Liabilities (net)	1	6	62	iv) Other Bank Balances	2,299	2,662	3,045
<b>TOTAL LIABILITIES</b>	<b>7,627</b>	<b>8,871</b>	<b>10,457</b>	v) Loans	8	9	8
<b>GRAND TOTAL - EQUITY AND LIABILITIES</b>	<b>22,783</b>	<b>27,310</b>	<b>30,648</b>	vi) Other financial assets	600	563	74
				(C) Current Tax Assets (net)	88	130	48
				Other current assets	316	370	219
				<b>GRAND TOTAL - ASSETS</b>	<b>22,783</b>	<b>27,310</b>	<b>30,648</b>

## INVESTOR RELATIONS TEAM AT VALOREM ADVISORS .....

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