

# TM POST

## RISK AND OPPORTUNITY | Green Chemical Industry

### Company Overview

Leading company that manufactures green technology based bulk, specialty and performance chemicals and natural gums, spirits, industrial gases, sugar and nutraceuticals.

### Exports Key to Growth

Major export markets are the South East Asia, Middle East and China as company have logistic advantage in these region. Company export chemical products to more than 40 countries worldwide and the thrust for exports would be to other regions in Europe, USA, Japan & Latin America for promotion of Bio-MEG and Bio-EODs.

*We Recommend Buy*

*At 180 CMP*

*For Target 226*

For Detailed Report Visit

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



**INDIA GLYCOLS LIMITED**

### Risks due to Heavy Competition

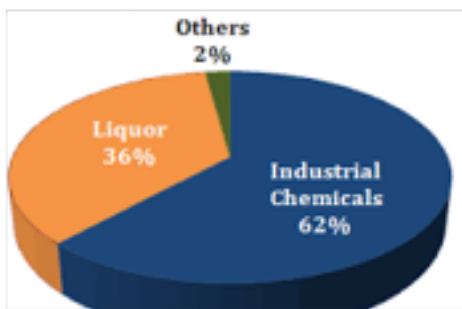
The global glycols demand was exceeded 19,300 kilo tons in 2015 and is estimated to grow at a CAGR of 4.6% from 2016 to 2025

Ethylene glycols dominated the global product consumption while accounting for over 83% of the total market value in 2015

Asia Pacific is expected to witness the largest growth in next nine years and is expected to grow at an estimated CAGR of 5.0% from 2016 to 2025. Key participants and regional local players are adopting expansion and merger strategies to increase its manufacturing capacity and gain higher profits.

The U.S. propylene glycol demand is estimated to reach a net worth of USD 653.6 million by 2025 at a





### New Products

Company has gained the position of premium quality Extra Neutral Alcohol (ENA) suppliers in the international markets. Company is having license for operations in and sale of Country Liquor and Indian Made Foreign Liquor (IMFL) in the States of Uttar Pradesh and Uttarakhand. Company had launched its premium products under the brand name of "V2 O Vodka" in three flavors viz. Orange, Green

CAGR of 5.9% from 2016 to 2025

Mono ethylene glycol (MEG) demand in Europe was over 3,950 kilo tons in 2015 and is estimated to grow at a CAGR of 4.2% over the forecast period to reach a total volume exceeding 5,680 kilo tons by 2025

Major multinational companies including BASF, Dow Chemical Company, Royal Dutch Shell, Huntsman International LLC, SABIC, Akzo Nobel, DuPont, and Reliance Industries dominated the global glycol market.

### Opportunity

Company is continuously looking for growth opportunities and to reduce its cost of production. Further, Company, as part of long term strategy, is shifting from commodity to niche markets and specialty products and would divert Ethylene Oxide (EO) molecule for Bio-MEG and EO Derivative/ Specialty products which will give better returns. Further, as a part of expansion of Ethoxylates, company has initiated promotion of Bio-Ethoxylates in the international market which is gaining acceptability and can be good opportunity for better realization in the niche market segments.

