



I G PETROCHEMICALS LIMITED



# Navigating through...



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### **Disclaimer**

This document contains statements about expected future events and financial and operating results of I G PETROCHEMICALS LIMITED, which are forward-looking.

By their nature, forward-looking statements require the Company to make assumptions and are subject to inherent risks and uncertainties. There is significant risk that the assumptions, predictions and other forward-looking statements may not prove to be accurate. Readers are cautioned not to place undue reliance on forward-looking statements as a number of factors could cause assumptions, actual future results and events to differ materially from those expressed in the forward-looking statements. Accordingly, this document is subject to the disclaimer and qualified in its entirety by the assumptions, qualifications and risk factors referred to in the management's discussion and analysis of the I G PETROCHEMICALS LIMITED Annual Report 2016-17.

## **28<sup>TH</sup> ANNUAL GENERAL MEETING**

### **Date and Time**

20<sup>th</sup> September, 2017 at 3:00 p.m.

### **Venue**

Hotel Mandovi, D B Bhandodkar Road,  
Panaji, Goa - 403001



Committed  
to pursue  
opportunities.

We have  
Capacities.  
Capabilities &  
Consistency.

We have pursued technological innovations that allows us to produce best-in-class products for our end user industries, thus making us resilient.

We have strengthened our operational efficiencies and stand to further gain from the collaboration synergies.

We have our team, that endeavors to emphasise on working together by exploring new possibilities every day and moving ahead with zeal and enthusiasm

**The Company is positioned to achieve the next levels of growth at an accelerated pace utilising its self-acquired business excellence.**



# Incorporated in the year 1988,

I G Petrochemicals Ltd. (IGPL) is one of the world's leading manufacturer and lowest cost producer of Phthalic Anhydride (PA).

Promoted by Dhanuka Group and headquartered in Mumbai, the Company has three international-standard, state-of-the-art manufacturing facilities in technical collaboration with Lurgi of Germany.

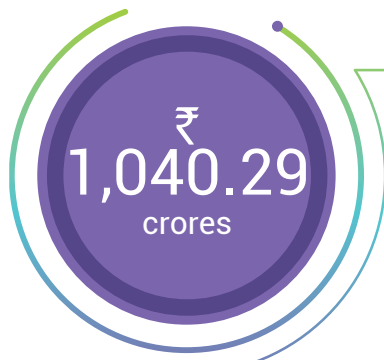
PA is a downstream product of orthoxylene that finds applications across variety of consumer and non-consumer durables.

Persistent focus on quality and capacity expansions has made the Company a reputed name in the domestic and international markets, successfully catering to the demands of the end-user segments.



29

Years of operations




₹  
1,040.29  
crores

Total Revenue for the year  
2016-17



₹  
1,156.19  
crores

Market Capitalisation as  
on 31<sup>st</sup> March, 2017



₹  
101.56  
crores

Profit After Tax for the  
year 2016-17

Stable outlook with enhanced  
**CREDIT RATING**

**IND A+**

Long-Term  
borrowings Rating

**IND A1+**

Short term  
Borrowings Rating

# Being a value-driven Company,

the values are a part of individual and collective objectives for continuous business excellence.



## Vision

To establish itself as a global leader in Phthalic Anhydride with a passionate commitment to our core values.



## Mission

To establish itself as a global leader in Phthalic Anhydride with a passionate commitment to our core values.



Increase in  
PA manufacturing capacity

45,000  
MTPA

1,69,110  
MTPA

(MTPA - Metric  
Tonnes per annum)



# Business Overview

## Phthalic Anhydride

The Company's principal business revolves around the production of PA. It is a white crystalline solid at room temperature and transforms to colorless liquid upon heating. It is an important industrial chemical, especially to produce plasticizers for Plastics, Alkyd Resins, Unsaturated Polyester Resins & Copper Pthalocyanine. PA finds its usage by a variety of end users and applications.



## Maleic Anhydride (MA)

As a part of strategic initiatives, IGPL has acquired MA business of Mysore Petro Chemicals Ltd. (MPCL) as a going concern on a "Slump Sale basis" at a lump sum consideration of ₹ 74.48 crores payable over 5 years.

MA is a chemical intermediary, used in practically every field of industrial chemistry.

- Production of unsaturated polyester resin
- Manufacture of coatings, pharmaceuticals and surfactants
- Additive of plastics, lubricating oil additives and agricultural chemicals
- Precursor to compounds used for water treatment detergents, insecticides and fungicides

MPCL is the only manufacturer of MA in India and IGPL is amongst the leading manufacturers of the raw material i.e. wash water required for production of MA. Moreover, both Plants of IGPL and MPCL are at a common location in Taloja. Therefore, this acquisition will yield greater synergy benefits for IGPL along with enhanced presence in the domestic market.

# Financial Highlights

(₹ in crores, except EPS)

Particulars	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17
Total Revenue (Net)	889.97	975.62	1,213.98	1,193.32	956.41	1040.29
Gross Profit/EBIDTA	46.15	61.97	70.16	86.93	116.92	166.89
Finance Cost	14.65	16.67	30.36	38.17	22.67	18.05
Depreciation & Amortisation	14.90	13.75	18.03	16.39	17.54	17.19
Profit before Extraordinary Item & Tax	16.60	31.55	3.91**	32.37	76.71	131.65
Profit Before Tax @	16.60	3.89	3.91	11.26	76.71	131.65
Tax Expense	3.31	0.81	0.78	2.36	16.35	30.09
Profit After Tax	13.29	3.08	3.13	8.90	60.36	101.56
Equity Share Capital	30.79	30.79	30.79	30.79	30.79	30.79
Net Worth	228.58	231.66	234.78	238.81	291.76	393.32
Earnings Per Share (EPS) of ₹ 10 each						
Before Extraordinary Item	4.32	9.98	1.02	9.74	19.60	32.98
After Extraordinary Item	4.32	1.00	1.02	2.89	19.60	32.98

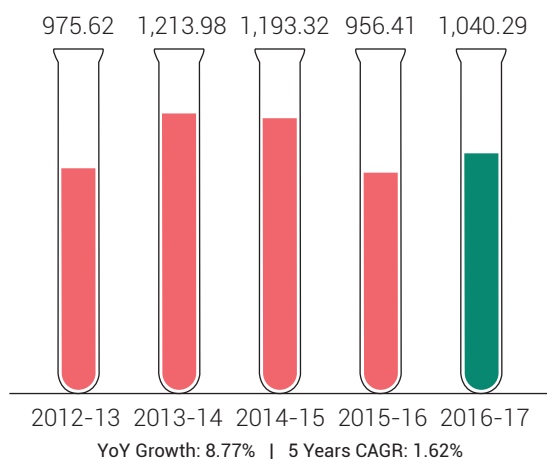
@ Profit before tax for 2014-15 & 2012-13 is after provision of arrears of depreciation of ₹ 21.11 crores & ₹ 27.66 crores respectively

\*\* Profit before extraordinary item & tax is after adjustment of exchange loss (Net) of ₹ 17.86 crores

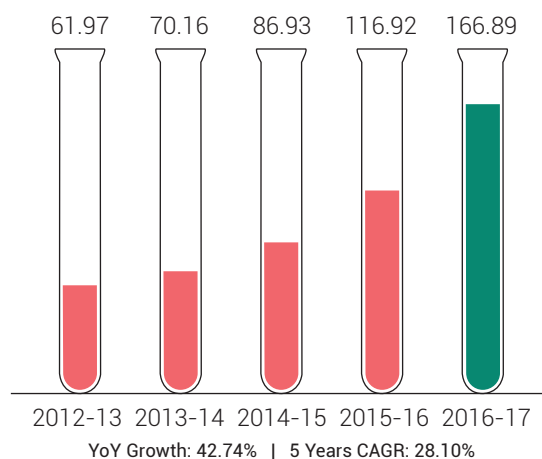


# Our performance in numbers

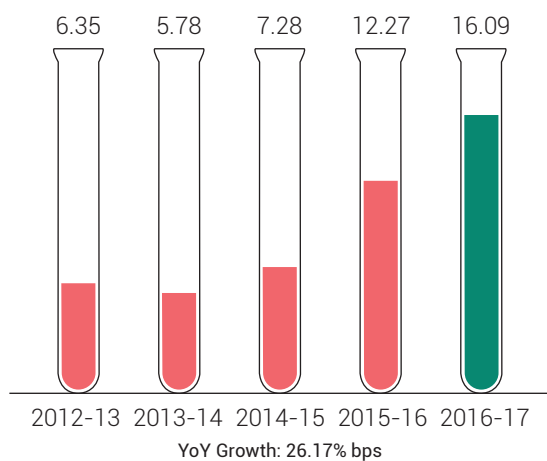
Total Revenue (Net) (₹ Crore)



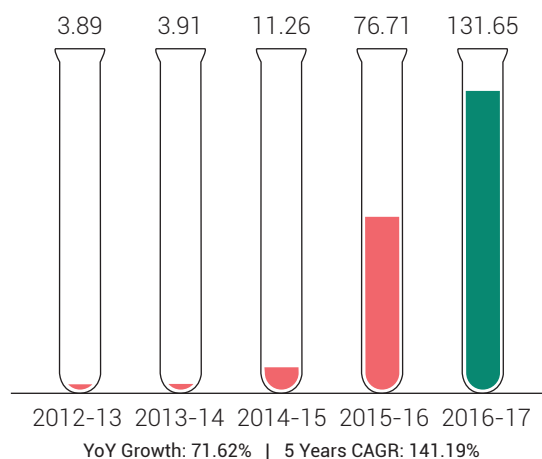
EBITDA (₹ Crore)



EBITDA Margin (%)

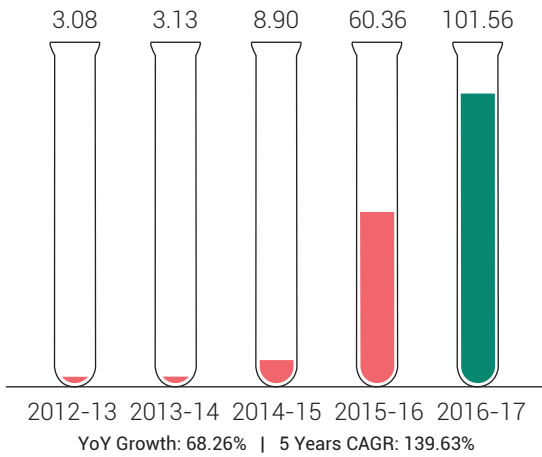


PBT (₹ Crore)

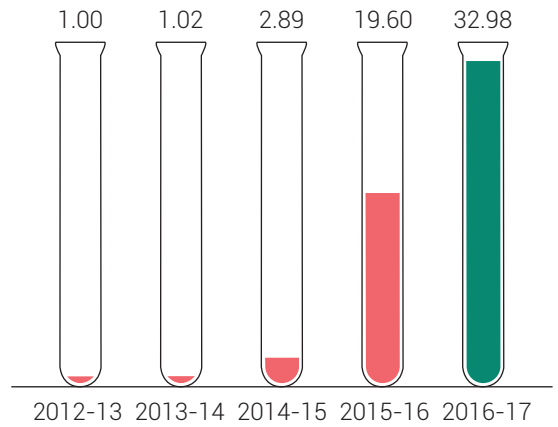




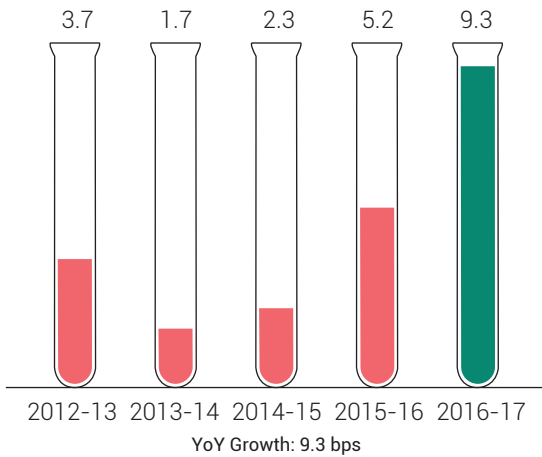
## PAT (₹ Crore)



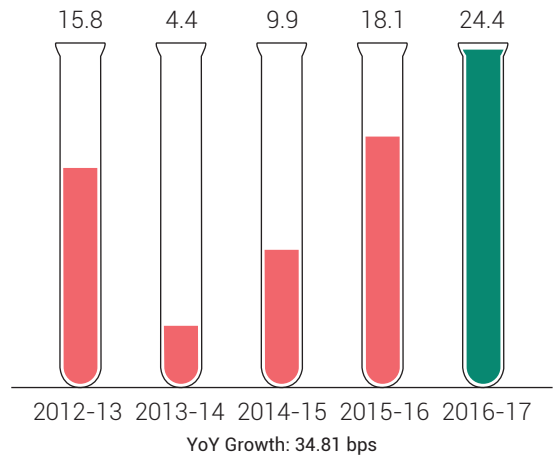
## EPS (₹ per share)



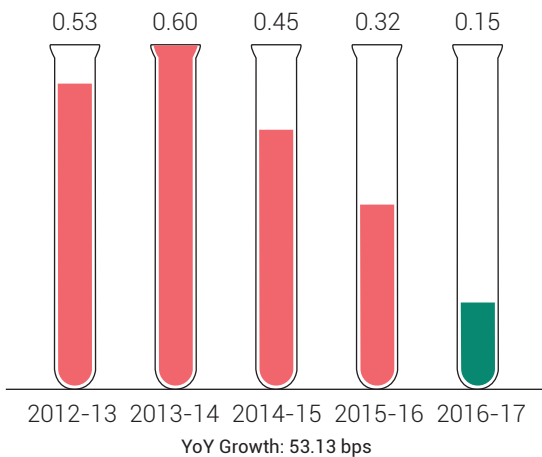
## Interest Coverage Ratio (Times)



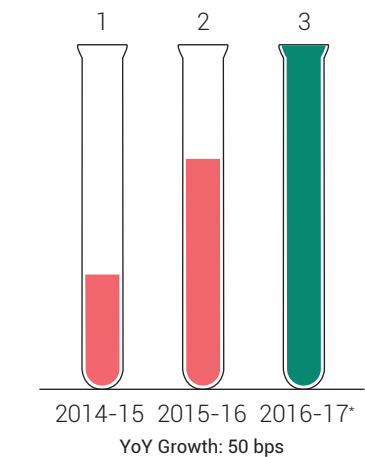
## ROCE (%)



## Debt-Equity



## Dividend declared (₹ per equity share)



\* Subject to the approval of the shareholders



# Capacity and technology endows our business with the power to create value for our stakeholders and customers.

At IGPL, we are focused on strengthening our production process by expanding capacity in a phased manner and upgrading technology continuously.

Our manufacturing plants are equipped with latest, internationally acclaimed technological advancement using Lurgi technology and are designed on the low energy based processes.

Total Installed  
Capacity (PA)

1,69,110 MTPA



## Quality compliments the capacities

Our ability to reliably deliver top-tier quality is the key driver behind our growing leadership in the market. IGPL follows Six-sigma quality control measures across the manufacturing process.



IGPL is an ISO certified Company from Bureau Veritas

ISO  
9001:2008

Quality Management Systems

ISO  
14001:2004

Environment Management System