



**30<sup>th</sup>**  
**2018-19** | **ANNUAL  
REPORT**

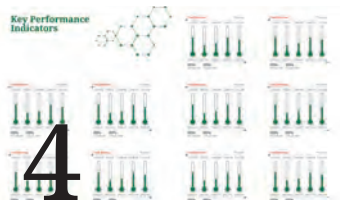
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Thriving on core competencies



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Winning through diversification



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[igpetro.com/annual-report#main-content](http://igpetro.com/annual-report#main-content)

Or simply scan to download

### 30<sup>th</sup> Annual General Meeting

#### Date and Time:

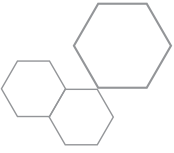
5th August, 2019 at 3:00 p.m.

#### Venue:

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

#### Disclaimer

This document contains statements about expected future events and financials 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 this Annual Report.



# Expand Evolve Excel

**In today's business era, every industry has been experiencing massive business changes. Thanks to the accelerating advancement in technologies that are continuously shaping the customer demand. Driven by the need for agility, businesses have realigned their strategies to capture opportunities to grow bigger, stay competitive and most importantly, to constantly evolve.**



At I G Petrochemicals (IGPL), we have always embraced changes in the operating environment and made the most of unfolding opportunities. We have stepped up by expanding our manufacturing strength and introducing diversified and innovative products. With the right strategic actions, technological expertise and a robust core, we are well-positioned to widen our reach across markets.

Over the years, we have strengthened global technology collaborations and focused on excellent quality and operational efficiencies. As we look towards the future, we are confident that our strategies will sustain our market leadership and create greater value for the stakeholders.



# I G Petrochemicals at a glance

Established in the year 1988, I G Petrochemicals Limited (IGPL), has evolved as India's largest manufacturer of Phthalic Anhydride (PA). Being part of the renowned Dhanuka Group, the Company enjoys a strong foundation and rich legacy of over three decades.

A downstream product of orthoxylene (OX), PA is widely used in various consumer durable and non-durables. The Company's manufacturing strength includes strategically located plant at Taloja, Maharashtra, with best-in-class equipment and cutting-edge technology.

IGPL has steadily grown as the lowest cost and amongst the top five manufacturer of PA globally backed by extensive R&D capabilities, superior quality and efficient processes. With rising innovative usage of PA in end-user industries, enhanced production capacities and marquee clients, IGPL is well-established to grow higher in the global PA market.



TOTAL REVENUE FOR THE YEAR  
2018-19

crores  
₹ **1,311**

PROFIT AFTER TAX FOR THE YEAR  
2018-19

crores  
₹ **116**



## Vision

To be well diversified chemicals company with leadership position in Phthalic Anhydride Industry



## Mission

To consistently focus on delivering superior quality products by technological upgradation and utilising the expanded production capacities to provide the customers maximum value at the most competitive price.

# Business Segments

## Phthalic Anhydride (PA)

PA is a white crystalline solid which transforms to colourless liquid upon heating. It is a versatile intermediate in organic chemistry for the production of Plasticizers, Unsaturated Polyester Resins, Alkyd Resins, Paints & CPC Pigments. Over the years, PA has witnessed innovative applications backed by increasing research activities.

## Maleic Anhydride (MA)

MA is an organic chemical intermediate used in various fields of industrial chemistry. IGPL is India's only manufacturer of MA made with wash water, which is derived through production of PA.

### End-user industry

Spandex (Elastics)

Unsaturated Polyester Resins (UPR)

Lubricating Oil Additives

Personal Care Products

As a precursor to compounds used for water treatment detergents, insecticides and fungicides

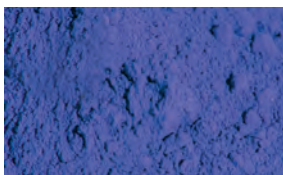
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### Plasticizers

Used in manufacturing poly vinyl chloride (PVC) products which is used for producing 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

2



### CPC Pigments

Used for making inks & photovoltaic cells

3



### Alkyd Resins

Used in manufacturing of paints and coatings

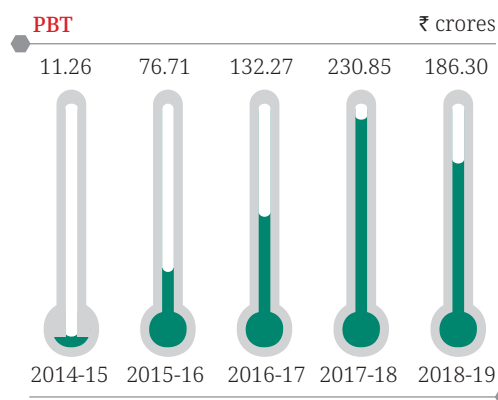
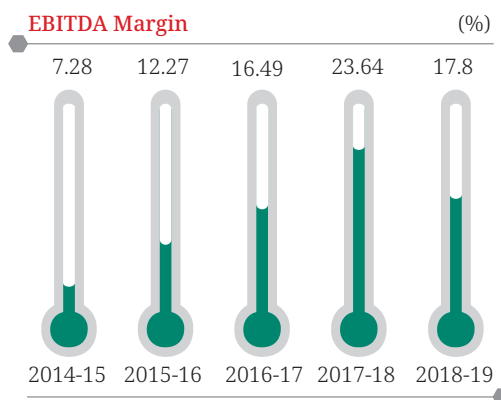
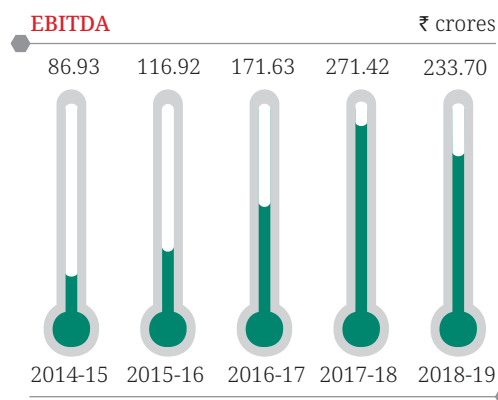
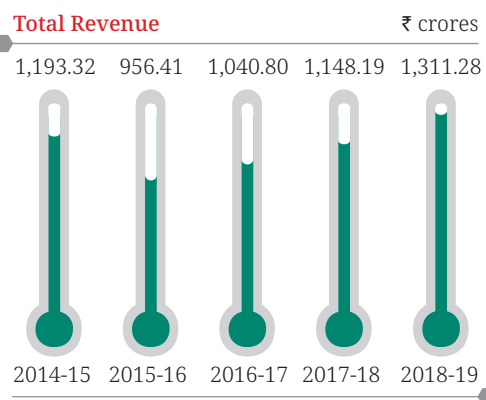
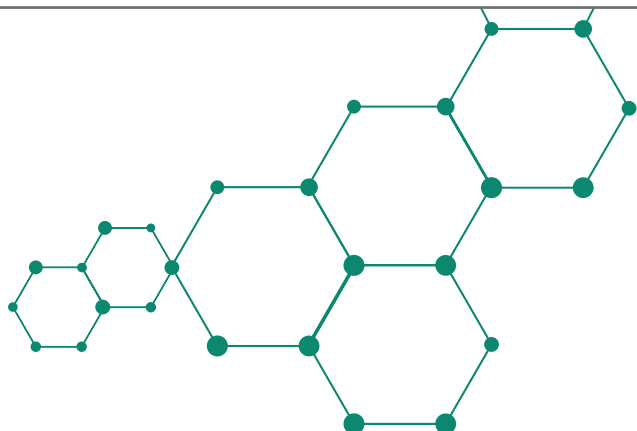
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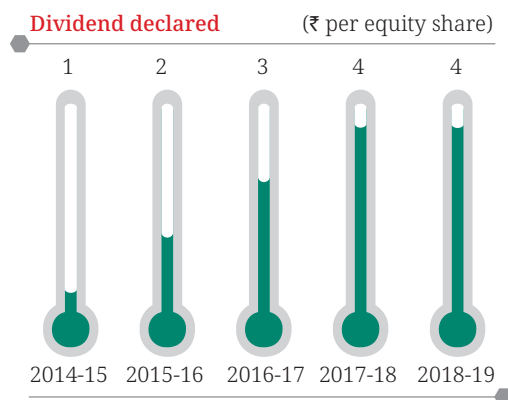
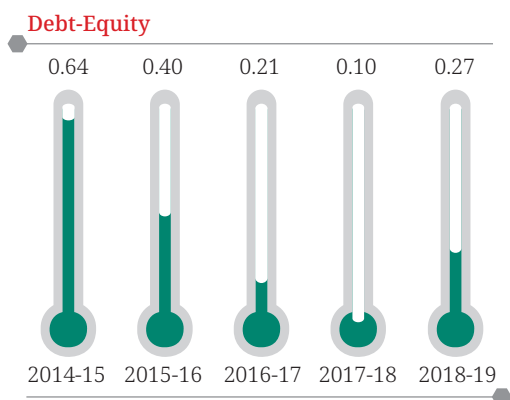
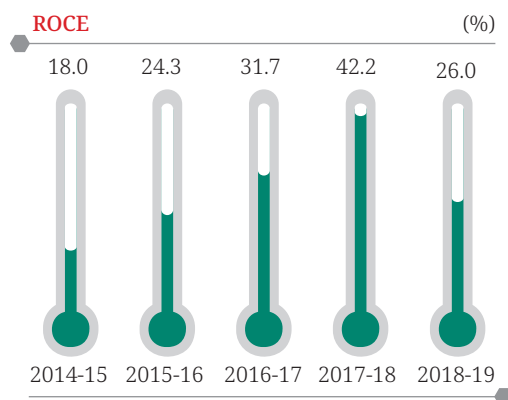
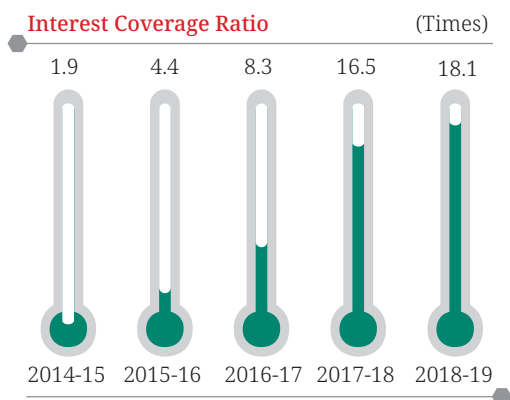
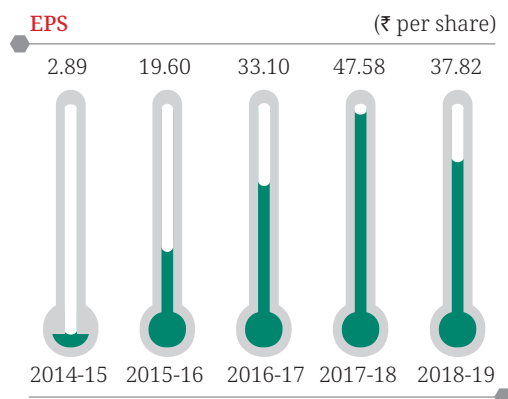
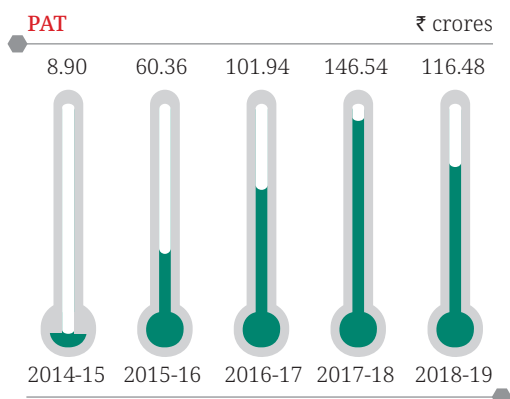


### Unsaturated Polyester Resins

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

# Key Performance Indicators





**Note**

EBITDA: Earnings before Interest, Tax, Depreciation and Amortisation, PBT: Profit before Tax, PAT: Profit after Tax, EPS: Earning per Share, ROCE: Return on Capital Employed



At IGPL, our growing operational efficiency is a measure of the Company's impeccable strategic decisions, aptly supported by core competencies. The result is a balanced performance.

Over the years, we have evolved by consistently catering to the demand of our clients by strengthening the manufacturing capacity continuously. During the past two years, we committed significant capital expenditure by initiating brownfield expansion of PA4 plant. With an increased capacity, IGPL will be placed among the top three manufacturers of PA globally. The expansion will result in the Company becoming the largest merchant PA plant in the world at a single location. The Company is well-poised to reap the benefits post the commencement of production by December 2019.

# Expanding capabilities

Thriving on core competencies



ISO certified  
from Bureau  
Veritas

QUALITY MANAGEMENT SYSTEM

**ISO 9001:2008**

ENVIRONMENT MANAGEMENT SYSTEM

**ISO 14001:2004**

**Key  
growth  
enablers**



Domestic Leader with  
50% Market share



Strategically  
Located  
Manufacturing  
Facility



High Capacity  
Utilisation of PA



Lowest Cost Producer of PA  
with Efficient Processes



Diversified  
Product Use with  
Strong Clientele

Our well-planned strategies have played a pivotal role in driving the Company's performance in last few years. Superior quality products have kept us ahead of the curve with enhanced market share across geographies. Strong R&D capabilities have helped diversify our offerings to meet rising customer demand.

We initiated the next phase of growth by diversifying our product portfolio and foraying into new downstream advanced plasticizers. With the supply of these products expected to commence by FY 2020, the Company will move up the value chain, enhance offerings and reinforce margins.

# Evolving constantly

Winning through  
diversification