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## INVESTOR INFORMATION

CIN	L51496GA1988PLC000915
BSE code	500199
NSE symbol	IGPL
Dividend	₹ 10 per share
AGM Date and Time	24 <sup>th</sup> August, 2023 at 3.00 p.m.
AGM Mode	Video Conference/Other Audio Visual Means

**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 a 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 Discussion and Analysis of this Annual Report.



## ABOUT US

I G Petrochemicals Ltd. (IGPL) set-up its first plant in 1992. Over the last three decades, it has traversed its journey from being an export oriented unit to a strong domestic player in the Phthalic Anhydride (PAN) segment. Today, IGPL operates at a total capacity of 222,110 MTPA and is one of the largest PAN manufacturer globally. It is one of the lowest cost producer of PAN and commands more than 50% market share and is recognized as a reliable and trusted player in the PAN market, both in domestic and international markets.

Apart from PAN, IGPL also produces Maleic Anhydride, Benzoic Acid and recently added downstream product i.e. Diethyl Phthalate.

IGPL will add another 53,000 MTPA by way of brownfield expansion which will enhance the total production capacity to 275,110 MTPA and the MAN facilities to 9,160 MTPA. This is expected to be commissioned by FY 2024. The Diethyl Phthalate plant was commissioned in 2021 with a capacity of 8,400 MTPA.

We serve more than 20 end user industries which traditionally include plasticizers, polymers, alkyd resins and paints, unsaturated polyester resin, CPC pigments apart from other applications are Agrochemicals, Speciality Chemicals, Specialized Polymer, Electric Vehicles & Electronics products.



## 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 utilizing  
the expanded production  
capacities to provide the  
consumers maximum  
value at the most  
competitive price.



### ISO certified from Bureau Veritas

ISO 9001:2015 for Quality Management Systems

ISO 14001:2015 for Environment Management Systems



### Credit Ratings by India Ratings & Research

"INDAA-/Stable" (Term Loan and Fund Based Working Capital)

"IND A1+" (Non-fund Based Working Capital)

Recorded  
highest ever  
annual revenue  
of ₹ 2,374.56  
crores

Non-Phthalic  
Anhydride  
business at  
7.16% of the  
total revenue

## About the Plants and Operations

Plants are engineered in technical collaboration with Lurgi GmbH, Germany and are designed on the low energy-based processes

### State of the art manufacturing facilities

- ➔ The Company has also undertaken Significant Process Enhancement Initiatives along with capacity expansions and product diversification
- ➔ Steam generated from the production process is used for Company's captive power requirements
- ➔ 100% energy requirements met through captive power plants.
- ➔ Six-sigma quality control processes and ERP systems across the organization
- ➔ Best-in class equipment and cutting-edge technology

### Sustainable operations - Effluent Treatment Plant (ETP) facility

- ➔ A full-fledged Effluent Treatment Plant (ETP) has enabled the Company to treat all types of effluent generated from manufacturing plants
- ➔ Segregated effluent streams like low COD streams & High COD/TDS streams
- ➔ A centrifuge and filter press to treat hazardous waste/sludge in a disposable manner
- ➔ Efforts are on to reach complete Zero Liquid Discharge status in the next few years

# From the Managing Director

Dear Shareholders,

It is a great pleasure and privilege to address you and present the annual report of the Company for the year 2022-23. Over the last few years, we have been growing at a robust pace. The expansion of Phthalic Anhydride plant and the subsequent introduction of Diethyl Phthalate (DEP) in FY 2022 significantly boosted the revenue of the Company. With the ongoing expansion of PAN plant, which is expected to be commissioned in FY 2024, the Company expects to scale up its operating capacities which will further strengthen the Company's reputation of being a strong player in the petrochemical industry.

During the year, the prices of petrochemical products were impacted due to various reasons like policy tightening across central bank, higher energy prices in Europe, zero covid policy followed by China and other geopolitical uncertainties which impacted overall consumption pattern, however, we have seen only a marginal impact of the above factors to our business as a significant part of business and raw material sourcing are done within the western belt of India. Further, the usage of Phthalic Anhydride has grown significantly in last few years due to multipurpose usage of it as raw material and intermediate by most of down-stream commodity chemical, speciality chemical and agro-chemical companies. Over the last decade, petrochemical industry has gone through a multi-phase transformation. The infrastructure and the ecosystem of Indian chemical companies have evolved rapidly over the last few years.

India vis-à-vis the global supply chain has the competitive edge in the Phthalic Anhydride (PAN) market considering the strong domestic demand, government policies, availability of raw materials, infrastructure and skilled workforce, demographic advantage and the growing need of the world for China plus one. This could propel the growth visibility for the Indian Chemical sector in future. This is one of the reason, we have witnessed new entrants

into other chemistries in the Indian chemical market.

Traditionally, PAN has been used in industries such as paint, plasticizers and CPC pigments. However, over the years, its application has expanded widely to multiple industries. Today, PAN is ingeniously used in production of plastic currency, paper boards, leisure boats, windmills, sails, aircraft wings, etc. and this demand is served by very few established players, with your Company being one amongst them. There are many facilities across the world that produce PAN through the naphthalene route, whereas IGPL is one of the few organizations that produce it through the orthoxylene route, which provides high-grade PAN as compared to the traditional route.

The non-phthalic anhydride business has begun to make meaningful contribution to the overall business of the Company. During the last year, the non-phthalic anhydride business which comprises of Maleic Anhydride, Benzoic Acid and Advance Plasticizers (DEP) contributed ₹ 170 crores to the total revenue of the Company.

The Company reported highest ever revenue growth at ₹ 2,375 crores for the year, an increase by 26% when compared to ₹ 1,892 crores for the year 2021-22 on the back of the optimum operation of all plants including the Advance Plasticizers. The export contributed about 7% of the total revenue of the Company. EBIDTA was ₹ 340 crores. The profit after tax stands at ₹ 200 crores during 2022-23.

The DEP business is beginning to gradually provide an impetus to enhance the non-phthalic anhydride business which grew by 42% during the year.

The capacity expansion of 53,000 MTPA is expected to commercialise in FY 2024 and will additionally enhance the Maleic Anhydride capacity by 1,500 MTPA. We are fully geared up to capitalise on rising demand for PAN and have accordingly concentrated our efforts to devise strategy which shall provide a better

value proposition for our business partners.

We continue to invest in systems and technologies and leverage our core capabilities to ensure that we offer best in class product to our customers. Considering the Company's strong financials, we are keenly looking out for meaningful opportunities and ready to capitalise on them. Going forward, we intend to channelize our resources towards high growth opportunities such as to increase our capacity utilization and recovery process which will drive efficiencies and cost reduction, cater to increasing diverse end user industries, increase international presence and set-up downstream derivatives plant of PAN. The Company's fundamentals are intact to support the future growth opportunities.

On behalf of the Board, I would like to thank our customers, suppliers, bankers, government and other business partners for their continued faith and support in our capabilities and helping us reach here and to realise our potential in the years to come. I would also like to thank my fellow Directors, Team IGPL and all stakeholders for their unstinted support.

**Best regards,**

**Nikunj Dhanuka**

**Managing Director & CEO**





## Business overview

Phthalic Anhydride is a downstream product of Orthoxylene (Ox), which is the third derivative of crude oil. PAN is a white crystalline solid which transforms to colourless liquid upon heating. It is a versatile intermediate in organic chemistry having a wide range of applications in various consumer durables and non-durables such as plasticizers, polymers, alkyd resins and paints, unsaturated polyester resin and CPC pigments. PAN is now also used in the production of speciality chemicals, agrochemicals, specialized polymers, electric vehicles & electronic products, insect repellents and urethane polyester polyols. It is also being innovatively used for making plastic currency, paper boards, leisure boats and sail of windmills etc.

Maleic Anhydride is an organic chemical intermediate used in various fields of industrial chemistry. IGPL is India's only manufacturer of Maleic Anhydride made with wash water which is derived through production of PAN. Some of end user industries for Maleic Anhydride are spandex, UPR, lubricating oil additives, personal care products, etc.

IGPL produces Maleic Anhydride and Benzoic Acid through wash water generated from and derived after the production of PAN and is used in agro and food businesses.

DEP finds its applications in incense sticks, perfumes, plastic packaging films, etc.

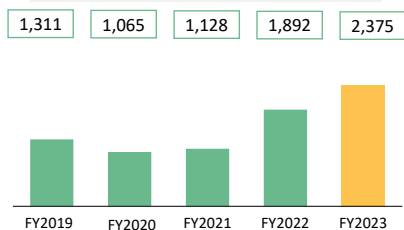
All plants are strategically located at Taloja which is well connected with road and port facilities and is in close proximity to the western chemical belt. This reduces the operating cost for sourcing of raw materials as well as supply to the customers.



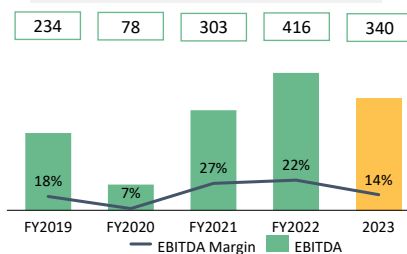


# Financial Snapshot

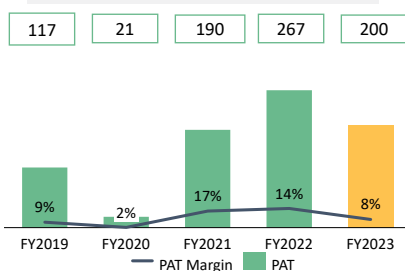
Total Revenue (₹ in crores)



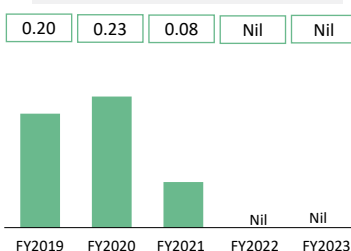
EBITDA &amp; EBITDA Margin (₹ in crores)



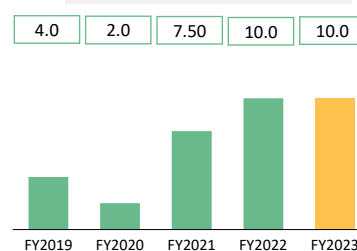
PAT &amp; PAT Margin (₹ in crores)



Net Debt/ Equity (x)



Dividend (₹ per share)



\*Includes other income





## CORPORATE SOCIAL RESPONSIBILITY

The CSR activities of the Company originates from the Company's philosophy of giving long-term benefit to the communities. The CSR Committee with the assistance of the senior management team lays down the broad contours of the areas which the Company should focus on. The key focus areas were education, skill development and women empowerment apart from other regular activities. The CSR programmes were monitored by regular interaction with the implementing agencies and frequent site visits by the management executives. The CSR Committee members also visits and monitors the progress of the various programmes undertaken by the Company.

During the year 2022-23,  
the Company's total  
CSR spent was  
₹ 4.37 crores