



29<sup>th</sup> | **annual  
report**  
2017 - 18

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

### Date and Time:

27<sup>th</sup> August, 2018 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 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 2017-18.

# Corporate Information

## Board Of Directors

M M Dhanuka, Chairman  
Nikunj Dhanuka, Managing Director & CEO  
Rajesh Muni  
Dr. A K A Rathi  
P H Ravikumar  
Dr. Vijayanti Pandit  
J K Saboo, Executive Director

## Chief Financial Officer

R Chandrasekaran

## Company Secretary

Sudhir R Singh

## Auditors

M/s ASA & Associates LLP  
M/s Uday & Co.

## Internal Auditors

M/s S M M P & Associates

## Bankers

The Lakshmi Vilas Bank Ltd.  
State Bank of India  
YES Bank Ltd.  
The Cosmos Co-operative Bank Ltd.  
Andhra Bank  
Central Bank of India

## Registered Office

T-10, 3<sup>rd</sup> Floor, Jairam Complex,  
Mala, Neugi Nagar  
Panaji, Goa - 403 001  
Tel.: 0832 - 2434973

## Corporate Office

401- 404, Raheja Centre,  
214, Nariman Point, Mumbai - 400 021  
Tel.: 022 - 30286100  
Fax: 022 - 22040747  
E-mail: [igpl@igpetro.com](mailto:igpl@igpetro.com)  
Website: [www.igpetro.com](http://www.igpetro.com)  
CIN: L51496GA1988PLC000915

## Executive Office

D/4, Jyothi Complex, 134/1, Infantry Road  
Bengaluru - 560 001  
Tel.: 080 - 22868372  
Fax: 080 - 22868778

## Factory

T-2, MIDC Industrial Area, Taloja - 410 208  
Maharashtra  
Tel.: 022 - 39289100/146  
Fax: 022 - 27410192

## Registrar & Transfer Agents

M/s Bigshare Services Pvt. Ltd.  
1<sup>st</sup> Floor, Bharat Tin Works Building,  
Opp. Vasant Oasis  
Makwana Road, Marol  
Andheri (East), Mumbai - 400 059  
Tel.: 022 - 62638200  
Fax: 022 - 62638299  
E-mail: [investor@bigshareonline.com](mailto:investor@bigshareonline.com)  
Website: [www.bigshareonline.com](http://www.bigshareonline.com)



### Corporate Office

401 - 404, Raheja Centre  
214, Nariman Point, Mumbai - 400 021, India.  
**Tel.:** (91) 22 - 3028 6100 | **Fax:** (91) 22 - 2204 0747  
**E-mail:** [igpl@igpetro.com](mailto:igpl@igpetro.com) | **Website:** [www.igpetro.com](http://www.igpetro.com)  
**CIN:** L51496GA1988PLC000915

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### Registered Office

T-10, 3rd Floor, Jairam Complex,  
Mala, Neugi Nagar, Panaji,  
Goa - 403 001, India.  
**Tel.:** 0832 - 2434973

# Strength to succeed.

**Business success is all about drive, dedication and the desire to explore new growth opportunities.**

As the world in general and the competitive business landscape changes at a rapid pace, it is important that our products continue to remain relevant and contribute definite worth to our customers. This requires unique strategic approach and innovation to define new perspective in business.

At I G Petrochemicals (IGPL), we have enhanced the core of our existing business by acquiring the strength to succeed and continuously raising its value proposition for customers. We are at an inflection point, where widening product offering and scaling up the capacities comes to us as a natural progression.

We have deployed advanced technological solutions, utilised business synergies to create more capacities and leveraged on the new market potential to provide better quality products to end users. In doing so, we intend to enhance stakeholders' value creation and further strengthen our sustainability.

## Investor info

Market capitalisation as on 31<sup>st</sup> March, 2018

**₹ 1,976.11** crores

BSE Code

**500199**

NSE Symbol

**IGPL**



# I G Petrochemicals Ltd. (IGPL) is the largest Phthalic Anhydride (PA) manufacturer in India.

Established in the year 1988 and headquartered in Mumbai, the Company is one of the lowest cost producers of PA globally. PA is a downstream product of orthoxylene and widely used across variety of consumer and non-consumer durables.

IGPL has three state-of-the art manufacturing units strategically located at Taloja, Maharashtra.

Driven by rapidly increasing demand for PA, the Company has made significant investments on capacity expansion and maintaining quality standards. This has led the Company to emerge as a leader in PA production across the domestic and international markets.

As a part of its strategic initiatives, the Company acquired Maleic Anhydride (MA) business of Mysore Petro Chemicals Ltd. in 2017.

Total Revenue for the  
year 2017-18

₹ **1,148** crores

Profit After Tax for the  
year 2017-18

₹ **147** crores

**“Vision animates, inspires,  
transforms purpose into  
action.” ~ Warren Bennis**

## **Vision**

To be the Largest Manufacturer  
of Phthalic Anhydride in the World

## **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 Overview

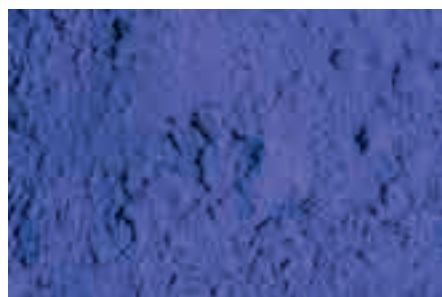
## Phthalic Anhydride (PA)

PA forms the larger pie of IGPL's core revenues. It is a versatile intermediate in organic chemistry and is used for producing plasticizers for Plastics, Alkyd Resins, Unsaturated Polyester Resins & Copper Pthalocyanine. It is a white crystalline solid at room temperature and transforms to colorless liquid upon heating.



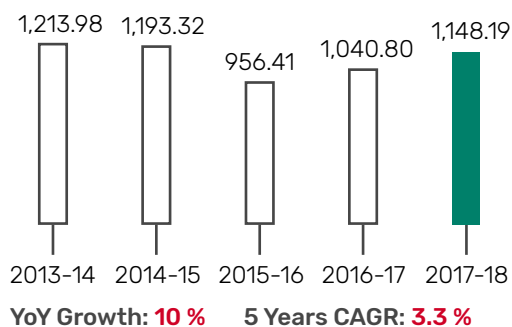
## Maleic Anhydride (MA)

IGPL strategically acquired the Maleic Anhydride (MA) business from Mysore Petro Chemicals Ltd. (MPCL) in 2017. MA is a chemical intermediary, used in practically every field of industrial chemistry such as in the production of unsaturated polyester resin and manufacture of coatings, pharmaceuticals, surfactants etc. It is also used as an additive of plastics, lubricating oil additives, agricultural chemicals, a precursor to compounds for water treatment detergents, insecticides and fungicides.

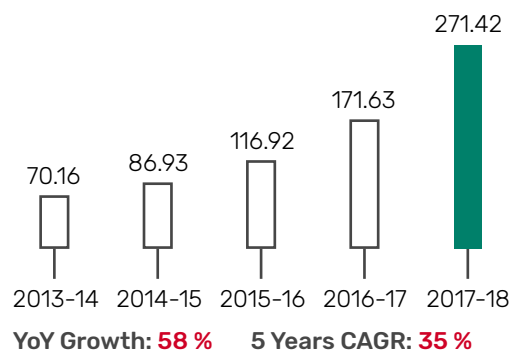


# Steady financial growth is an outcome of our visionary mindset

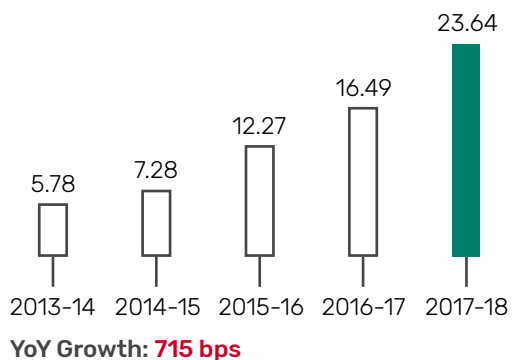
## Total Revenue (Net) (₹ crore)



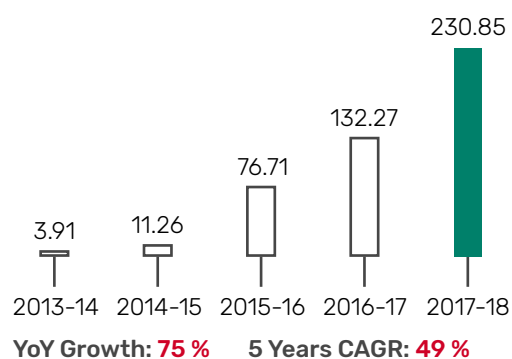
## EBITDA (₹ crore)



## EBITDA Margin (%)



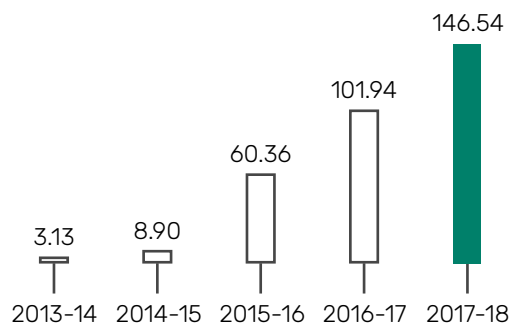
## PBT (₹ crore)



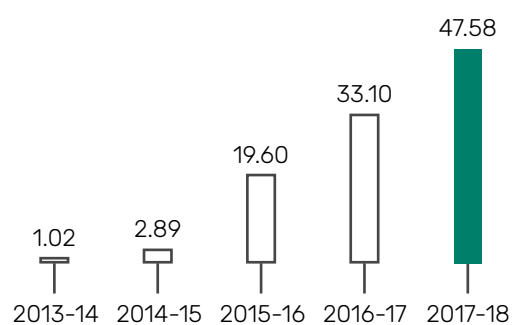


**PAT**

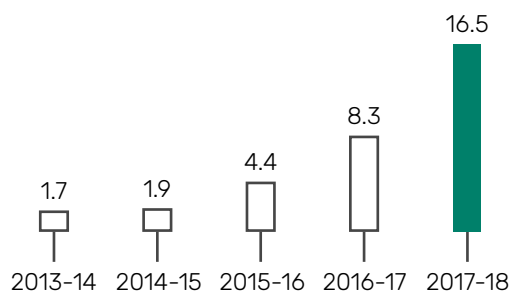
(₹ crore)

**YoY Growth: 44 %    5 Years CAGR: 122 %****EPS**

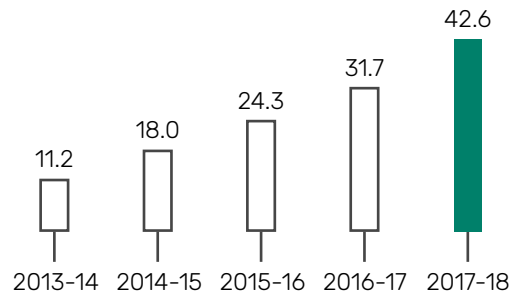
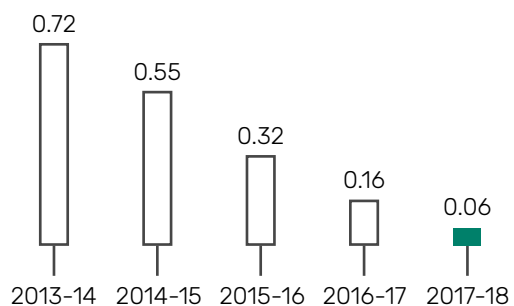
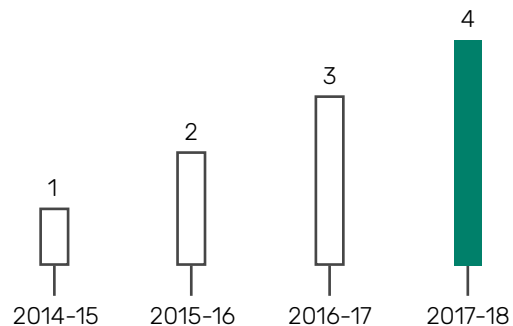
(₹ per share)

**Interest Coverage Ratio**

(Times)

**ROCE**

(%)

**YoY Growth: 1050 bps****Debt-Equity****Dividend declared** (₹ per equity share)

# Managing Director's perspective

## Dear Fellow Shareholders,

It gives me immense satisfaction to report yet another successful year of astounding performance across all parameters. We continued to deliver more value to all our stakeholders.

Our country is heading in the right direction with robust macroeconomic fundamentals. The after-effects of demonetisation and Goods and Services Tax (GST) implementation temporary slowed down the momentum. However, it has paved way for an organised economic development of the country going forward. The economy continues to demonstrate its undiminished ability to grow, which is presenting significant opportunities across sectors. Stronger reforms and improving investor sentiments will lead to a steady 7% economic growth in the next fiscal.

## Industry scenario

The Global PA consumption stands at apprx. 4.5 million tons. The North American and European markets are nearing maturation and are expected to remain flat over the next few years. The Asia-Pacific accounts for over 60% of the global consumption. The region has been witnessing strong growth traction owing to higher private and government spending on social and industrial infrastructure.

The Indian petrochemicals industry is expected to witness a CAGR of 11% and reach

