



IG Petrochemicals Limited

Significant Outperformance in Profitability in FY 2016-17

EBITDA growth - **45% Y-o-Y**

PAT growth - **68% Y-o-Y**

DIVIDEND of Rs. 3/- per share (30% of FV)

Particulars (Rs. Mn)	Q4 FY17	Q4 FY16	Y-o-Y	FY17	FY16	Y-o-Y
Revenue from Operations	2,893	2,144	35%	10,375	9,528	9%
EBITDA	456	233	96%	1,641	1,134	45%
EBITDA Margin (%)	15.8%	10.9%	+ 490 bps	15.8%	11.9%	+ 390 bps
Profit After Tax	281	120	134%	1,016	604	68%
PAT Margin (%)	9.7%	5.6%	+ 410 bps	9.8%	6.3%	+ 350 bps

Press Release: 3rd May 2017, Mumbai

IG Petrochemicals Limited, Numero Uno Indian manufacturer of Phthalic Anhydride (PA) has declared its Audited Results for the quarter and year ended March 31, 2017.

- **Robust Revenue Growth of 9% for FY17 and 35% for Q4 FY17**
 - Revenue for FY17 increased by 9% Y-o-Y to Rs 10,375 mn from Rs. 9,528 mn
 - Revenue for Q4 FY17 increased by 35% Y-o-Y to Rs. 2,893 mn from Rs. 2,144 mn
- **EBITDA grew 45% for FY17 and 96% for Q4 FY17**
 - EBITDA for FY17 grew 45% Y-o-Y to Rs. 1,641 mn from Rs. 1,134 mn. The EBITDA Margins were at 15.8%
 - EBITDA for Q4FY17 grew 96% Y-o-Y to Rs. 456 mn from Rs. 233 mn. The EBITDA Margins were at 15.8%
- **Higher Profitability by 68% for FY17 and 134% for Q4 FY17**
 - Profit after Tax for FY17 stood at Rs 1,106 mn. The PAT Margins stood at 9.8%, an improvement by 350 bps.
 - Profit after Tax for Q4 FY17 stood at Rs. 281 mn, a growth of 134% Y-o-Y. The PAT Margins stood at 9.7%, an improvement by 410 bps.

The Board of Directors have approved the raising of funds by way of borrowings/equity (including bank loans, external commercial borrowings, qualified institutions placement, preferential allotment or any other permitted mode) for long term working capital requirements, repayment of debt, growth plan, etc. for an aggregate amount not exceeding Rs. 150 crores.



Commenting on the results and performance, Mr. Nikunj Dhanuka, Managing Director said:

“Financial year 2016-17 was a year of significant accomplishments for the Company. We have moved a step forward towards transforming the existing business profile of the Company.

Our efforts towards improving the performance of our legacy business through a two pronged approach of quickly scaling-up of the manufacturing capacities and optimizing cost efficiencies has yielded results which is visible in our Annual performance.

*The Company reported a **Topline of Rs. 10,375 million** with **EBITDA** and **PAT** of **Rs. 1,641 million** and **Rs.1,016 million** respectively for FY17.*

***EBITDA & PAT Margins** improved exponentially by 390 basis points to **15.8%** and by 350 basis points to **9.8%** on the back of better Recovery Processes, Operational efficiency and stringent cost control measures.*

India’s current PAN Consumption is ~3.5 lakhs MTPA and expected to grow at 8% – 9% in future, backed by the thrust of Infrastructure and GDP growth. Being India’s largest Phthalic Anhydride (PAN) manufacturer with more than 2 decade of experience we feel there is a huge growth opportunities for the Company in the coming years.

I would also like to say the Company’s enduring commitment to outperform its own and the market expectations, while transforming Top-line growth into healthy Bottom-line results through our three-pillar strategy of Low Cost Production, Better Technology, and Excellence in Execution (i.e. Capacity Utilisation & Better Recovery Process).

Moving forward, we reiterate our confidence in our ability to sustain Company’s delivery of outstanding shareowner value.”



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Business Update -

- **Basic duty cut for Orthoxylene:** The Government in its Union Budget cut the duty on Orthoxylene from 2.5% to 0% which is a huge positive for the company
- **Acquisition of Maleic Anhydride Business from Mysore Petro Chemicals Limited (MPCL):** IGPL being the only source of raw material i.e. wash water for MPCL, it provides us great synergy benefits for future growth. It has been merged w.e.f. 1st April 2017

Industry Update -

- The Oil & Gas industry has been instrumental in fuelling the rapid growth of the Indian economy
- The government plan to create an integrated public sector oil company by merging all the existing state-run firms engaged in exploration and production and retailing is a positive development . It will make the Indian Market as competitive as the International Markets
- Resurging Indian economy and Infrastructure thrust will lead to pick up of demand across sectors & industries
- Indian PA industry is expected to grow at ~8% -9% annually



About IG Petrochemicals Limited

IG Petrochemicals Limited being the flagship Company of the Dhanuka Group, is the largest manufacturer of Phthalic Anhydride (PA) in India. It is one of the Lowest Cost producer of Phthalic Anhydride globally. PA is a downstream product of Orthoxylene (OX) a basic Petrochemical. PA is a versatile intermediate in organic chemistry. PA is used as an intermediate for the production of Plasticizers, Unsaturated Polyester Resins, Alkyd Resins & Polyols. PA is used in a variety of application in both consumer durables to non consumer durables. Applications for PA are increasing rapidly, driven by new Research & Innovation. The company has 3 manufacturing facilities at a single location at Taloja in Maharashtra. The annual installed capacity is 1,69,250 MT.

Safe Harbor Statement

Statements in this document relating to future status, events, or circumstances, including but not limited to statements about plans and objectives, the progress and results of research and development, potential project characteristics, project potential and target dates for project related issues are forward-looking statements based on estimates and the anticipated effects of future events on current and developing circumstances. Such statements are subject to numerous risks and uncertainties and are not necessarily predictive of future results. Actual results may differ materially from those anticipated in the forward-looking statements. The company assumes no obligation to update forward-looking statements to reflect actual results changed assumptions or other factors.

For further information, please contact

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