

# 37<sup>th</sup> Annual Report

2020-2021

*Towards a Sustainable Future*



INDIA GLYCOLS LIMITED

## Forward-looking statement

In this Annual Report we have disclosed forward-looking information to enable investors to comprehend our prospects and take informed investment decisions. This report and other statements-written and oral-that we periodically make contain forward-looking statements that set out anticipated results based on the management's plans and assumptions. We have tried wherever possible to identify such statements by using words such as 'anticipate', 'estimate', 'expects', 'projects', 'intends', 'plans', 'believes', and words of similar substance in connection with any discussion of future performance.

We cannot guarantee that these forward looking statements will be realised, although we believe we have been prudent in assumptions. The achievement of results is subject to risks, uncertainties and even inaccurate assumptions. Should known or unknown risks or uncertainties materialise, or should underlying assumptions prove inaccurate, actual results could vary materially from those anticipated, estimated or projected. Readers should bear this in mind.

We undertake no obligation to publicly update any forward-looking statements, whether as a result of new information, future events or otherwise.

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# Management



# Board of Directors



**U. S. Bhartia**

*Chairman & Managing Director*



**Jayshree Bhartia**

*Director*



**Pragya Bhartia Barwale**

*Executive Director*



**Pradip Kumar Khaitan**

*Independent Director*



**Jitender Balakrishnan**

*Independent Director*



**Ravi Jhunjunwala**

*Independent Director*



**Jagmohan N. Kejriwal**

*Independent Director*



**Sajeve Bhushan Deora**

*Independent Director*



**Shukla Wassan**

*Independent Director*



**Sudhir Agarwal**

*Executive Director*

# Leadership Team



**Rupark Sarswat**  
*Chief Executive Officer*



**Anand Singhal**  
*Chief Financial Officer*



**Prof Dr. R. K. Khandal**  
*President – R& D and Business Development*



**Sanjeev Gurwara**  
*Head Marketing*



**S. K. Shukla**  
*Head Liquor Business*



**R. S. Yadav**  
*Head Human Resources*



**Ankur Jain**  
*Head Legal & Company Secretary*



**Atul Govil**  
*CTO, Head SAP & IT*



**B. P. Singhal**  
*Head Projects & Purchase*



# Corporate Information

## Board of Directors

U.S. Bhartia	Chairman & Managing Director
Jayshree Bhartia	Director
Pragya Bhartia Barwale	Executive Director
(w.e.f. 24 <sup>th</sup> June, 2020)	
Pradip Kumar Khaitan	Independent Director
Jitender Balakrishnan	Independent Director
Ravi Jhunjunwala	Independent Director
Jagmohan N. Kejriwal	Independent Director
Sajeve Bhushan Deora	Independent Director
Shukla Wassan	Independent Director
(w.e.f. 1 <sup>st</sup> April, 2020)	
Sudhir Agarwal	Executive Director

## Audit Committee

Pradip Kumar Khaitan	Chairman
Ravi Jhunjunwala	Member
Jagmohan N. Kejriwal	Member
Sajeve Bhushan Deora	Member
Sudhir Agarwal	Member

## Stakeholders' Relationship Committee

Pradip Kumar Khaitan	Chairman
U.S. Bhartia	Member
Jagmohan N. Kejriwal	Member
Jitender Balakrishnan	Member

## Chief Executive Officer

Rupark Sarswat  
(w.e.f. 21<sup>st</sup> December, 2020)  
Rakesh Bhartia  
(till 16<sup>th</sup> June, 2020)

## Chief Financial Officer

Anand Singhal

## Company Secretary

Ankur Jain

## Statutory Auditors

K. N. Gutgutia & Co., Chartered Accountants

## Cost Auditors

R.J. Goel & Co., Cost Accountants

## Bankers

State Bank of India  
IDBI Bank Limited  
Axis Bank Limited  
Punjab National Bank  
Union Bank of India

## Registered Office

India Glycols Limited  
CIN: L24111UR1983PLC009097  
A-1, Industrial Area,  
Bazpur Road, Kashipur -244 713  
Distt. Udham Singh Nagar, Uttarakhand  
Phone : +91-5947-269000/269500  
Fax : +91-5947-275315/269535  
Website : [www.indiaglycols.com](http://www.indiaglycols.com)  
E-mail : [compliance.officer@indiaglycols.com](mailto:compliance.officer@indiaglycols.com)

## Corporate Office

3A, Shakespeare Sarani,  
Kolkata - 700 071

## Head Office

Plot No. 2B, Sector-126, Noida - 201304  
Distt. Gautam Budh Nagar,  
Uttar Pradesh

## Registrars & Transfer Agents

MCS Share Transfer Agent Limited  
F-65, 1<sup>st</sup> Floor, Okhla Industrial Area, Phase-I  
New Delhi - 110 020



# Notice

CIN: L24111UR1983PLC009097

A-1, Industrial Area, Bazpur Road, Kashipur-244713, Distt. Udham Singh Nagar, Uttarakhand

Phone : +91 5947-269000, 269500 Fax : +91 5947-275315, 269535

Website : www.indiaglycols.com, E-Mail : compliance.officer@indiaglycols.com

**Notice** is hereby given that the Thirty Seventh Annual General Meeting (“AGM”) of the members of India Glycols Limited will be held on **Friday, the 24<sup>th</sup> day of September, 2021 at 11.00 A.M. through Video Conferencing (“VC”)/ Other Audio Visual Means (“OAVM”)** to transact the following business:

## **ORDINARY BUSINESS:**

1. To receive, consider and adopt the audited financial statements (including the consolidated financial statements) of the Company for the financial year ended 31<sup>st</sup> March, 2021, together with the Reports of the Board of Directors and Auditors thereon.
2. To declare dividend of ₹ 6/- per Equity share for the financial year 2020-21.
3. To appoint a Director in place of Smt. Jayshree Bhartia (DIN: 00063018), who retires by rotation and being eligible, offers herself for re-appointment.

## **SPECIAL BUSINESS:**

4. To consider and if thought fit, to pass the following resolution as an **ORDINARY RESOLUTION:**

“**RESOLVED THAT** pursuant to the provisions of Section 148 and all other applicable provisions, if any, of the Companies Act, 2013, the Companies (Audit and Auditors) Rules, 2014 and the Companies (Cost Records and Audit) Rules, 2014, (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), remuneration payable to M/s. R.J. Goel & Co., Cost Accountants (Registration No. 000026), appointed by the Board of Directors (“the Board”) to conduct the audit of the cost records of the Company for the financial year ending 31<sup>st</sup> March, 2022, amounting to ₹ 3,00,000/- (Rupees Three Lakhs only) plus applicable tax and out-of-pocket expenses, if any, be and is hereby ratified and confirmed.

**RESOLVED FURTHER THAT** the Board (including any Committee thereof) of the Company be and is hereby authorised to do all acts and take all such steps and give all directions as it may in its absolute discretion deem necessary, proper or expedient to give effect to this resolution.”

5. To consider and if thought fit, to pass the following resolution as an **ORDINARY RESOLUTION:**

“**RESOLVED THAT** pursuant to the provisions of Section 20 and other applicable provisions, if any, of the Companies Act, 2013 (“the Act”) and rules framed thereunder (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), whereby a document may be served on any member by the Company by sending it to him/her by post or by registered post or by speed post or by courier or by electronic or other mode as may be prescribed, the approval of the Members, be and is hereby accorded to charge from the members, the fee in advance, equivalent to the estimated actual

expenses of delivery of the documents, pursuant to any request made by the member for delivery of such document to him/her, through a particular mode of service mentioned above provided such request along with requisite fee has been duly received by the Company at least one week in advance of the dispatch of document by the Company.

**RESOLVED FURTHER THAT** the Board (including any Committee thereof) of the Company be and is hereby authorised to settle any question, difficulty, doubt that may arise in respect of this regard and to do all acts, deeds, matters and things, as they may in their absolute discretion consider necessary, expedient or desirable in order to give effect to this Resolution or as otherwise considered necessary by them in the best interest of the Company.”

6. To consider and if thought fit, to pass the following resolution as a **SPECIAL RESOLUTION:**

“**RESOLVED THAT** pursuant to the provisions of Section 197, 198 and other applicable provisions, if any, of the Companies Act, 2013 (“the Act”) and Rules framed thereunder read with Schedule V of the Act (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) and subject to such other approvals as may be required, the approval of the Members of the Company be and is hereby accorded to ratify and confirm the waiver of recovery of the excess remuneration amounting to ₹ 55,08,947/- (Rupees Fifty Five Lakhs Eight Thousand Nine Hundred Forty Seven only) paid to Shri Sudhir Agarwal, (DIN:08602216) Executive Director of the Company for the financial year 2020-21, which is in excess of the limits prescribed under Section 197 of the Act read with Schedule V of the Act, however, within the limits as approved by the members of the Company at the time of his appointment.

**RESOLVED FURTHER THAT** the Board (including any Committee thereof) of the Company be and is hereby authorised to settle any question, difficulty, doubt that may arise in respect of this regard and to do all acts, deeds, matters and things, as they may in their absolute discretion consider necessary, expedient or desirable in order to give effect to this Resolution or as otherwise considered necessary by them in the best interest of the Company.”

7. To consider and if thought fit, to pass the following resolution as a **SPECIAL RESOLUTION:**

“**RESOLVED THAT** pursuant to the provisions of Section 197, 198 and other applicable provisions, if any, of the Companies Act, 2013 (“the Act”) and Rules framed thereunder read with Schedule V of the Act (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) and subject to such other approvals as may be required, the approval of the Members of the Company be and is hereby accorded to ratify and confirm the waiver of recovery of the excess remuneration amounting to ₹



1,82,88,294/- (Rupees One Crore Eighty Two Lakhs Eighty Eight Thousand Two Hundred Ninety Four only) paid/payable to Ms. Pragya Bhartia Barwale, (DIN:02109262) Executive Director of the Company for the financial year 2020-21, which is in excess of the limits prescribed under Section 197 of the Act read with Schedule V of the Act, however, within the limits as approved by the members of the Company at the time of her appointment.

**RESOLVED FURTHER THAT** the Board (including any Committee thereof) of the Company be and is hereby authorised to settle any question, difficulty, doubt that may arise in respect of this regard and to do all acts, deeds, matters and things, as they may in their absolute discretion consider necessary, expedient or desirable in order to give effect to this Resolution or as otherwise considered necessary by them in the best interest of the Company.

8. To consider and if thought fit, to pass the following resolution as a **SPECIAL RESOLUTION:**

**“RESOLVED THAT** pursuant to the provisions of Section 23, 41, 42, 62 and 71 and other applicable provisions, if any, of the Companies Act, 2013 (“the Act”) and Rules made thereunder (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (“SEBI LODR Regulations”), the Foreign Exchange Management Act, 1999 (“FEMA”), Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2017, Issue of Foreign Currency Convertible Bonds and Ordinary Shares (Through Depository Receipt Mechanism) Scheme, 1993, Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended (“SEBI ICDR Regulations”) and Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008, as amended, the consolidated FDI Policy issued by the Department of Industrial Policy and Promotion, Ministry of Commerce and Industry (“DIPP”), and the rules, regulations, guidelines, policies, notifications, circulars & clarifications issued/ to be issued by the Ministry of Finance (Department of Economic Affairs), Ministry of Corporate Affairs (“MCA”), Reserve Bank of India (“RBI”), Government of India, Registrar of Companies (“ROC”), Securities and Exchange Board of India (“SEBI”), Stock Exchanges and/or any other Regulatory / Statutory / Competent Authorities, whether in India or outside (hereinafter referred to as the “Appropriate Authorities”), from time to time and to the extent applicable, the Memorandum and Articles of Association of the Company and subject to such other approvals, consents, permissions and sanctions of the Appropriate Authorities and subject to such conditions and modifications, as may

be prescribed by any of them while granting such approvals, consents, permissions and sanctions which may be agreed to by the Board of Directors of the Company (hereinafter referred to as the “Board” which shall include any Committee authorized for the purpose), approval of the Members of the Company be and is hereby accorded to create, offer, issue and allot (including with provisions for reservation on firm and/or competitive basis, of such part of issue and for such categories of persons as may be permitted), in the course of one or more domestic or international offering(s), or a combination thereof, with or without Green Shoe option, including by way of a Qualified Institutional Placement (QIP) in accordance with Chapter VI of SEBI ICDR Regulations, to eligible investors [whether or not such investors are Members of the Company, or whether or not such investors are Indian or foreign, including Qualified Institutional Buyers (QIBs) as defined under SEBI ICDR Regulations such as mutual funds, venture capital funds, alternative investment funds and foreign venture capital investors registered with SEBI, foreign portfolio investor other than individuals, corporate bodies and family offices, public financial institutions, scheduled commercial banks, multilateral and bilateral development financial institutions, state industrial development corporations, insurance companies, pension funds and provident funds, National Investment funds, Insurance funds, systematically important non-banking financial Companies], whether by way of a public offering or by way of a private placement and whether by way of circulation of an offering circular or placement document or otherwise, securities including equity shares and/or instruments or securities convertible into equity shares of the Company, Global Depository Receipts and/or American Depository Receipts and/or convertible preference shares and/or convertible debentures or bonds (compulsorily and/ or optionally, fully and/or partly), and/or non-convertible debentures with warrants and/or securities with or without detachable / non-detachable warrants and / or warrants with a right exercisable by the warrant holder to subscribe for equity shares and/or Foreign Currency Convertible Bonds (FCCBs) convertible into equity shares at the option of the Company or the holder(s) thereof (hereinafter referred to as “Securities”), up to an aggregate amount of ₹ 250.00 Crores (Rupees Two Hundred Fifty Crores only) or its equivalent in any other currency, to be denominated in foreign currency or Indian rupees, as the case may be, which, at the option of the Company or the holders of the Securities may be surrendered for the purpose of cancellation against receipt of corresponding number of underlying equity shares of the Company, as the case may be, and such issue and allotment to be made, in one or more tranche(s), at such price or prices, at a discount or premium to market price or prices, as may be determined in accordance with relevant guidelines,



for cash or otherwise, on such terms and conditions as may be decided and deemed appropriate by the Board at the time of issue or allotment, considering the prevailing market conditions and other relevant factors and wherever necessary in consultation with lead manager(s), and/or other advisor(s) for such issue.

**RESOLVED FURTHER THAT** without prejudice to the generality of the above and subject to all applicable laws, the aforesaid issue of Securities may have all or any terms or combination of terms as are provided in issue of securities of such nature internationally including terms relating to surrender of the Securities for the purposes of cancellation against receipt of the corresponding number of underlying equity shares and the Board be and is hereby authorized to enter into and execute all such arrangements/ agreements as the case may be with any lead managers, managers, underwriters, advisors, guarantors, depositories, custodians and all such agencies as may be involved or concerned in such offerings of Securities and to remunerate all such agencies including the payment of commissions, brokerage, fees or the like, and also to seek the listing of such Securities in one or more stock exchanges outside India and the listing of equity shares underlying the Securities in one or more Stock Exchanges in India.

**RESOLVED FURTHER THAT** in the event of issue of Securities by way of Global Depository Receipts and/or American Depository Receipts or FCCBs, the relevant date on the basis of which price of the resultant equity shares shall be determined as specified under applicable laws or regulations of the Appropriate Authorities, shall be the date of the meeting in which the Board decides to open the proposed issue of such Securities.

**RESOLVED FURTHER THAT** in the event of issue of Securities by way of a QIP in terms of Chapter VI of the SEBI ICDR Regulations:

- (i) the relevant date for the purpose of pricing of the Equity Shares shall be the date of the meeting in which the Board decides to open the issue of Equity Shares and in the event the QIP entails an issuance of Securities other than Equity Shares, the Relevant Date for the purpose of pricing shall be either the date of the meeting in which the Board decides to open the issue of securities or the date on which holders of Securities other than Equity Shares become eligible to apply for Equity Shares, as may be determined by the Board.
- (ii) the same shall be issued at such price which is not less than the price determined in accordance with the pricing formula provided under Chapter VI of the SEBI ICDR Regulations (the "QIP Floor Price"). The Company may, however, in accordance with applicable laws, also offer a discount of not more than 5% or such percentage

as permitted under applicable law on the QIP Floor Price.

- (iii) the allotment of Securities shall be completed within 365 days (three hundred sixty five days) from the date of this resolution approving the proposed issue or such other time as may be allowed under the SEBI ICDR Regulations from time to time; and
- (iv) the Securities shall not be eligible to be sold for a period of one year from the date of allotment, except on a recognized stock exchange, or except as may be permitted from time to time under the SEBI ICDR Regulations.

**RESOLVED FURTHER THAT** such of Share Warrants or FCCBs as are not subscribed, may be disposed off by the Board in its absolute discretion in such a manner, as the Board may deem fit and as permissible by law.

**RESOLVED FURTHER THAT** the Board be and is hereby authorized to finalize and approve the offering circular / placement document for the proposed issue of the Securities and to authorize any director or directors of the Company or any other officer or officers of the Company to sign the above documents for and on behalf of the Company together with the authority to amend, vary or modify the same as such authorized persons may consider necessary, desirable or expedient and for the purpose aforesaid to give such declarations, affidavits, certificates, consents and/ or authorities as may, in the opinion of such authorized person(s), be required from time to time, and to arrange for the submission of the offering circular / placement document, and any amendments and supplements thereto, with any applicable stock exchanges (whether in India or abroad), government and regulatory authorities, Institutions or bodies, as may be required.

**RESOLVED FURTHER THAT** the Securities issued in foreign markets shall be treated to have been issued abroad and / or in the international market and/ or at the place of issue of the Securities in the international market and may be governed by applicable foreign laws.

**RESOLVED FURTHER THAT** in pursuance of the aforesaid resolution, the Equity Shares that may be issued (including issuance of the Equity Shares pursuant to conversion of any Securities, as the case may be in accordance with the terms of the offering) shall rank pari-passu with the existing Equity Shares of the Company in all respects.

**RESOLVED FURTHER THAT** the Board be and is hereby authorized to do such acts, deeds and things as the Board in its absolute discretion deems necessary or desirable in connection with the issue of the Securities and to give effect to these resolutions, including, without limitation, the following:

- (i) approve, adopt, modify, sign, execute, issue



and file, wherever required all documents, agreements, undertakings, deeds, declarations etc. as may be necessary in connection with the issue of the Securities including the offer documents such as Red Herring Prospectus/ Prospectus, listing application(s) with Registrar of Companies, SEBI, Stock Exchanges (whether in India or abroad) and other Appropriate Authorities;

- (ii) seeking, if required, the consent of the Company's lenders, parties with whom the Company has entered into various commercial and other agreements, all concerned government and regulatory authorities in India or outside India, and any other consents that may be required in connection with the issue and allotment of the Securities;
- (iii) appoint/engage, enter into and execute arrangements / agreements with Lead Managers / Underwriters / Guarantors / Depository(ies) / Custodians / Lawyers / Payment & Collection Agents / Advisors / Banks / Trustees / Merchant Bankers / Practicing Chartered Accountant/ Practicing Cost Accountant/ Practicing Company Secretary and all such agencies as may be involved or concerned in such offering of securities and to remunerate all such Lead Managers, Underwriters, and all other Advisors and Agencies by way of commission, brokerage, fees, expenses incurred in relation to the issue of securities and other expenses, if any or the like.
- (iv) giving or authorizing the giving, by concerned persons, of such declarations, affidavits, certificates, consents and authorities as may be required from time to time; and
- (v) settling any questions, difficulties or doubts that may arise in regard to any such issue or allotment of Securities as it may in its absolute discretion deem fit, to dispose of such securities that are not subscribed and utilisation of the issue proceeds in such manner as may be determined by the Board.

**RESOLVED FURTHER THAT** the Board be and is hereby authorized to determine the terms of issue including identification and class of investors, time, securities to be offered, number of securities, series, tranches, issue price, tenor, interest rate, creation of mortgage/charge, premium/discount, listing or otherwise howsoever, as it may think fit, take such steps and to do all such acts, deeds and things, as it may, in its absolute discretion, consider necessary, expedient or desirable including appointment of intermediaries and to sign and execute any deed(s)/ document(s)/undertaking(s)/ agreement(s)/paper(s)/ underwriting(s)/transaction document(s) and also to delegate all or any of the above powers, or as otherwise considered by the Board to be in the best

interest of the Company as may be required to give effect to this resolution and settle all questions or difficulties that may arise in regard to such Issue without being required to seek any further consent or approval of the Members or otherwise to the end and intent that the Members shall be deemed to have given their approval thereto expressly by the authority of this Resolution."

**By order of the Board  
For India Glycols Limited**

**Ankur Jain  
Company Secretary**

Place: Noida

Date : 25<sup>th</sup> June, 2021

Registered Office:

A-1, Industrial Area, Bazpur Road,  
Kashipur-244713, District Udham Singh Nagar,  
Uttarakhand

CIN: L24111UR1983PLC009097

Telephone no: +91-5947-269000, 269500

Fax: +91-5947-275315, 269535

Website: www.indiaglycols.com

e-mail: compliance.officer@indiaglycols.com

#### **NOTES:**

1. In view of the Covid-19 pandemic, the Ministry of Corporate Affairs ("MCA") has vide its circular nos. 20/2020 and 02/2021 dated 5<sup>th</sup> May, 2020 and 13<sup>th</sup> January, 2021, respectively, read together with circular nos. 14/2020 and 17/2020 dated 8<sup>th</sup> April, 2020 and 13<sup>th</sup> April, 2020, respectively, (collectively referred to as "MCA Circulars") permitted convening of the Annual General Meeting ("AGM") through Video Conferencing ("VC")/ Other Audio Visual Means ("OAVM") facility, without the physical presence of the members at a common venue. Further, Securities and Exchange Board of India ("SEBI") vide its circular nos. SEBI/HO/CFD/CMD1/CIR/P/2020/79 and SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated 12<sup>th</sup> May, 2020 and 15<sup>th</sup> January, 2021, respectively, ("SEBI Circulars") has also granted certain relaxations with respect to AGM. In view of the above circulars, the 37<sup>th</sup> AGM of the Company is being convened through VC/OAVM in compliance with the applicable provisions of the Companies Act, 2013("the Act"). Hence, members can attend and participate in the ensuing AGM through VC/OAVM only. The deemed venue for the AGM shall be the Registered Office of the Company at A-1, Industrial Area, Bazpur Road, Kashipur - 244713, Distt. Udham Singh Nagar, Uttarakhand.
2. **Pursuant to the provisions of the Act, a Member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his/her behalf and the proxy need not be a Member of the**



**Company. Since this AGM is being held through VC/OAVM facility, requirement of physical attendance of Members has been dispensed with. Accordingly, in terms of the MCA circulars and the SEBI circulars, the facility for appointment of proxies by the Members will not be available for the 37<sup>th</sup> AGM and hence, the proxy form, attendance slip and route map of the AGM venue are not annexed to this Notice.**

3. Corporate Members intending to appoint their representatives for the purpose of voting through remote e-voting, participation in the 37<sup>th</sup> AGM through VC/OAVM facility and e-voting during the 37<sup>th</sup> AGM, are requested to send to the Company a certified copy of the relevant Board Resolution authorizing their representatives. The said resolution/authorisation should be sent to the scrutinizer through its registered email addressed to ashish@asandco.net with a copy marked to compliance.officer@indiaglycols.com.
  4. A Statement pursuant to Section 102 of the Act, in respect of Special Business to be transacted at the AGM is annexed hereto and forms part of this Notice.
  5. The Members can join the 37<sup>th</sup> AGM through VC / OAVM facility 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility for joining the AGM through VC/OAVM will be available for 1,000 members on first come first served basis. However, this number does not include the large shareholders (i.e. Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit, Nomination and Remuneration and Stakeholders' Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis in term of the MCA circulars.
  6. Members attending the 37<sup>th</sup> AGM through VC/OAVM will be counted for the purpose of reckoning quorum under Section 103 of the Act.
  7. In case of joint holders attending the AGM, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote.
  8. Pursuant to the provisions of Section 91 of the Act and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, ("SEBI Listing Regulations"), the Register of Members and Share Transfer Books of the Company will remain closed from **Saturday, 18<sup>th</sup> September, 2021 to Friday, 24<sup>th</sup> September, 2021** (Both days inclusive) for determining the entitlement of the shareholders for the purpose of payment of dividend for the financial year ended 31<sup>st</sup> March, 2021 and the AGM.
- The dividend of ₹ 6/- per equity share (@ 60%), as recommended by the Board of Directors, if declared at the AGM, will be paid/dispatched within 30 days from the date of the ensuing AGM of the Company as under:**
- To all those beneficial owners holding shares in electronic form, as per the beneficial ownership data made available to the Company by National Securities Depository Limited (NSDL) and the Central Depository Services (India) Limited (CDSL) as on Friday, 17<sup>th</sup> September, 2021.
  - To all those shareholders holding shares in physical form, after giving effect to all the valid share transmission or transposition request lodged with the Company/ Share Transfer Agent, M/s MCS Share Transfer Agent Limited ("RTA"), F-65, 1<sup>st</sup> Floor, Okhla Industrial Area Phase-I, New Delhi 110020 on or before Friday, 17<sup>th</sup> September, 2021.
- Any query related to dividend should be directed to the RTA of the Company.
- Pursuant to the provisions of the Income Tax Act, 1961, as amended by the Finance Act, 2020, dividend paid or distributed by a Company on or after 1<sup>st</sup> April, 2020 shall be taxable in the hands of the Members, therefore, the Company is required to deduct tax at source at the time of making payment of dividend at the prescribed rates. For the prescribed rates for various categories, please refer to the Finance Act, 2020 and the amendments thereof as well as our detailed communication already sent to the Members through Email which is available at <https://www.indiaglycols.com/investors/downloads/communication-on-deduction-of-tax-at-source.pdf>. The Members are requested to update their PAN with their Depository Participant (if shares held in electronic form) and Company / RTA (if shares held in physical form).
9. As per the SEBI Listing Regulations, the Company shall use any electronic mode of payment approved by the Reserve Bank of India for making payment of dividend to the members. Where the dividend cannot be paid through electronic mode, the same will be paid by warrants with bank account details printed thereon. In case of non-availability of bank account details, address of the members will be printed on the warrants.
  10. Members holding shares in electronic mode may



note that bank particulars registered against their respective depository accounts will be used by the Company for payment of dividend. The Company or RTA cannot act on any request received directly from the members holding shares in electronic form for any change of bank particulars or bank mandates. Such changes are to be advised only to the Depository Participant (DP) by the members.

11. In compliance with the aforesaid MCA Circulars and SEBI Circulars, the Notice of the 37<sup>th</sup> AGM, inter-alia, indicating the process and manner of voting through electronic means alongwith the Annual Report 2020-21 is being sent only through electronic mode to those Members whose e-mail addresses are registered with the Company/Depositories.

**To obtain copy of Annual Report for FY 2020-21 through electronic mode, the Members are requested to register/update their e-mail IDs by following the below procedure:-**

- (i) **Members holding shares in physical mode are requested to register/update their email addresses by writing to the RTA at F-65, 1<sup>st</sup> Floor, Okhla Industrial Area, Phase-I, New Delhi 110020 or email at admin@mcsregistrars.com along with the copy of the signed request letter mentioning the name, folio number and address of the Member, self-attested copy of the PAN card, self-attested copy of Aadhar and copy of share certificate (front & back).**
- (ii) **Members holding shares in dematerialized mode are requested to register/ update their email addresses by following the process mentioned above for Physical Holding and send 16 digit DPID & Client ID in place of Folio No. along with scanned copy of self-attested Client Master copy or consolidated Demat Account Statement.**

**However, for permanent registration of your email address, members should contact their respective Depository Participants.**

**After successful registration of the e-mail address, a copy of the Notice alongwith the Remote E-voting user ID and password will be sent to your registered e-mail address.**

**In case of any queries/difficulties in registering the e-mail address or any other matter related to this Notice, Members may write to the Company at [compliance.officer@indiaglycols.com](mailto:compliance.officer@indiaglycols.com).**

The Notice convening the 37<sup>th</sup> AGM has been uploaded on the website of the Company at [www.](http://www.indiaglycols.com)

[indiaglycols.com](http://www.indiaglycols.com) under Investor relations Section and can also be accessed from the websites of the Stock Exchanges i.e. BSE Limited and the National Stock Exchange of India Ltd at [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com), respectively and the same is also available on the website of NSDL (agency for providing the Remote e-Voting facility) i.e. [www.evoting.nsdl.com](http://www.evoting.nsdl.com).

12. In pursuance to the provisions of Section 124 and 125 of the Act read with Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, as amended, ("IEPF rules") read with relevant circulars, the amount of dividend remaining unpaid /unclaimed for a period of seven years from the due date is required to be transferred to the credit of the Investor Education and Protection Fund ("the IEPF") established by the Central Government. The Company had accordingly, during the financial year 2020-21 transferred ₹ 25,93,928/- and ₹ 11,27,558/- being interim dividend for FY 2012-13 and final dividend for FY 2012-13, respectively. Further, pursuant to the applicable provisions, all shares in respect of which dividend had remained unpaid/unclaimed for seven consecutive years or more shall be transferred to the designated demat account of the IEPF Authority ("IEPF Account"). Accordingly, during the FY 2020-21, 16,421 equity shares (connected with Interim dividend) and 18,185 equity shares (connected with final dividend) of ₹ 10/- each, on which the dividend remained unpaid/unclaimed for seven consecutive years, were transferred to the IEPF Account, after completing all the procedural formalities in this regard.

The Company has uploaded the details of unpaid and unclaimed dividends lying with the Company on the website of the IEPF i.e. [www.iepf.gov.in](http://www.iepf.gov.in). These details along with details of shareholders whose shares were transferred to the IEPF authority have also been uploaded on the website of the company at [http://www.indiaglycols.com/investors/investor\\_index.htm](http://www.indiaglycols.com/investors/investor_index.htm).

Members may note that the due date of transfer of unclaimed/unpaid final dividend for the FY 2013-14 and the concerned shares is 18<sup>th</sup> October, 2021. Therefore, Members who have not encashed the dividend warrants so far in respect of the aforesaid period(s), are requested to claim the same before the above due date to avoid transferring the unpaid/unclaimed dividend and respective shares to the IEPF Authority and IEPF Account, respectively.

The Members may note that no claim shall lie against the Company in respect of said dividend(s) and shares, upon their transfer to IEPF. However, the



same can be claimed back from them after complying with the procedure prescribed under the IEPF rules by visiting the weblink: <http://iepf.gov.in/IEPF/refund.html>. For any related information, the RTA [e-mail: [admin@mcsregistrars.com](mailto:admin@mcsregistrars.com)] or the Company may also be contacted.

13. Smt. Jayshree Bhartia, Director shall retire by rotation at the 37<sup>th</sup> AGM and is eligible for re-appointment as per Item No. 3 of this notice. Smt. Jayshree Bhartia is interested in the ordinary business as set out in item No. 3 with regard to her re-appointment. Shri U.S. Bhartia and Ms. Pragya Bhartia Barwale, Directors being related to Smt. Jayshree Bhartia, as spouse and daughter, respectively, may be deemed to be interested in item No. 3 of the Notice.

Smt. Jayshree Bhartia (DIN: 00063018), aged 64 years (DOB: 9<sup>th</sup> September, 1956), is a member of Board of Directors of the Company since 28<sup>th</sup> May, 1999. She holds a Bachelor's degree in Arts from the University of Calcutta. She is a business woman and also has keen interest in Social work activities and is associated with various renowned Social welfare organizations. She holds Directorship in various companies namely IGL Finance Limited, Kashipur Holdings Limited, Ajay Commercial Co. Private Limited, Facit Commosales Private Limited, IGL Infrastructure Private Limited, J. Boseck & Co. Private Limited, JB Commercial Co. Private Limited, JB Trustee Private Limited, Lund & Blockley Private Limited, PB Trustee Private Limited, PJ Trustee Private Limited, Supreet Vyapaar Private Limited and USB Trustee Private Limited. She is a member of Stakeholders' Relationship Committee of Kashipur Holdings Limited.

Smt. Bhartia holds 2,29,003 shares in the Company as on 31<sup>st</sup> March, 2021. Shri U.S. Bhartia, Chairman and Managing Director and Ms. Pragya Bhartia Barwale, Executive Director are related to her as spouse and daughter, respectively. She has attended all the five Board Meetings held during FY 2020-21 and was paid sitting fees of ₹ 3 lakhs and is entitled for commission of ₹ 7.5 lakhs for FY 2020-21. She will be paid sitting fees for attending Board and Committee Meetings and commission as per the Nomination and Remuneration policy of the Company. As per the resolution passed by the shareholders at the AGM held on 18<sup>th</sup> September, 1999, she was appointed as Director, liable to retire by rotation.

14. At the 33<sup>rd</sup> AGM held on 1<sup>st</sup> September, 2017, the member approved appointment of M/s K.N. Gutgutia & Co., Chartered Accountants (Registration No. 304153E) ["KNG"] as Statutory Auditors of the

Company, to hold office for a period of 5 years till the conclusion of 38<sup>th</sup> AGM, subject to ratification of the appointment at every AGM, if required.

Pursuant to the amendments made to Section 139 of the Act, the requirement of ratification of Statutory Auditor's appointment by the members, every year has been dispensed with by the Companies (Amendment) Act, 2017 effective from 7<sup>th</sup> May, 2018. Accordingly, approval of the Members for the ratification of Auditor's appointment is not being sought at the 37<sup>th</sup> AGM.

The Company has received the consent letter and a certificate under Section 139 of the Act from KNG to the effect that continuation of their appointment shall be in accordance with the applicable provisions of the Act and the Rules made thereunder.

15. The Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of the Act and the Register of Contracts or Arrangements in which the Directors are interested under Section 189 of the Act will be available electronically for inspection by the members during the 37<sup>th</sup> AGM, upon log-in to NSDL e-Voting system at <https://www.evoting.nsdl.com>.
16. All the relevant documents referred to in the Notice Convening 37<sup>th</sup> AGM and the Explanatory Statement shall be made available electronically for inspection by the members upto the date of 37<sup>th</sup> AGM. Members who wish to inspect the same may write to the Company at [compliance.officer@indiaglycols.com](mailto:compliance.officer@indiaglycols.com).
17. **Voting through electronic means and joining of AGM electronically:**

I. In compliance with provisions of Section 108 of the Act and Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended, Regulation 44 of SEBI Listing Regulations, as amended and MCA Circulars, the Company is pleased to provide the Members facility to exercise their right to vote by electronics means on all the resolutions set forth in the notice convening the 37<sup>th</sup> AGM. The facility of casting the votes by the members using an electronic voting system from a place other than venue of the AGM ("remote e-voting") as well as e-voting facility on the day of AGM will be provided by National Securities Depository Limited ("NSDL"). Resolution(s) passed by Members through remote e-voting is/ are deemed to have been passed as if they have been passed at the AGM.

II. The Members who have casted their vote by remote e-voting prior to the AGM may also attend/participate in the AGM through VC/OAVM



but shall not be entitled to cast their vote again at the AGM.

- III. **The remote e-voting period will commence on Monday, 20<sup>th</sup> September, 2021 (9:00 A.M.) and end on Thursday, 23<sup>rd</sup> September, 2021 (5:00 P.M.). During this period, Members of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of Friday, 17<sup>th</sup> September, 2021, may cast their vote by remote e-voting. The remote e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the Member, he/she shall not be allowed to change it subsequently or cast the vote again.**
- IV. Members can opt for only one mode of voting i.e. remote e-voting or e-voting system at the 37<sup>th</sup> AGM.
- V. **The process and manner for remote e-voting and attending General Meeting are as under:**

**Process and manner for remote e-voting:**

The way to vote electronically on NSDL e-Voting system consists of “Two Steps” which are mentioned below.

Step 1: Access to NSDL e-Voting system.

Step 2: Cast your vote electronically and join General Meeting on NSDL e-Voting system.

**Step 1: Access to NSDL e-Voting system**

**A) Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode.**

In terms of SEBI circular dated 9<sup>th</sup> December, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Login method for Individual shareholders holding securities in demat mode is given below.

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode	1. Existing IDeAS user can visit the e-Services website of NSDL Viz. <a href="https://eservices.nsd.com">https://eservices.nsd.com</a> either on a Personal Computer or on a mobile. On the e-Services

with NSDL.

home page click on the “Beneficial Owner” icon under “Login” which is available under ‘IDeAS’ section, this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on “Access to e-Voting” under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

2. If you are not registered for IDeAS e-Services, option to register is available at <https://eservices.nsd.com>. Select “Register Online for IDeAS Portal” or click at <https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp>.
3. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsd.com/> either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.



	<p>4. Shareholders/Members can also download NSDL Mobile App “<b>NSDL Speede</b>” facility by scanning the QR code mentioned below for seamless voting experience.</p> <p style="text-align: center;">NSDL Mobile App is available on</p> <p style="text-align: center;">  App Store             Google Play       </p> <div style="display: flex; justify-content: space-around;">   </div>
<p>Individual Shareholders holding securities in demat mode with CDSL</p>	<ol style="list-style-type: none"> <li>Existing users who have opted for Easi / Easiest, they can login through their user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are <a href="https://web.cdslindia.com/myeasi/home/login">https://web.cdslindia.com/myeasi/home/login</a> or <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on New System Myeasi.</li> <li>After successful login of Easi/Easiest the user will be also able to see the E Voting Menu. The Menu will have links of <b>e-Voting service provider i.e. NSDL</b>. Click on NSDL to cast your vote.</li> <li>If the user is not registered for Easi/Easiest, option to register is available at <a href="https://web.cdslindia.com/myeasi/Registration/EasiRegistration">https://web.cdslindia.com/myeasi/Registration/EasiRegistration</a></li> <li>Alternatively, the user can directly access e-Voting page by providing demat Account Number and PAN No. from a link in <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page. The system will authenticate the user by sending OTP on registered Mobile &amp; Email as recorded in the demat Account. After successful authentication, user will be provided links for the respective ESP i.e. <b>NSDL</b> where the e-Voting is in progress.</li> </ol>

<p>Individual Shareholders (holding securities in demat mode) login through their depository participants</p>	<ol style="list-style-type: none"> <li>You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility.</li> <li>Upon logging in, you will be able to see e-Voting option.</li> <li>Click on e-Voting option, you will be redirected to NSDL/ CDSL Depository site after successful authentication, wherein you can see e-Voting feature.</li> <li>Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</li> </ol>
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**Important note:** Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

**Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. NSDL and CDSL.**

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a> or call at toll free no.: 1800 1020 990 and 1800 22 44 30
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or contact at 022- 23058738 or 022-23058542-43

**B) Login Method for e-Voting and joining virtual meeting for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.**

How to Log-in to NSDL e-Voting website?

- Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.



2. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholders’ section.
3. A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen. Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsd.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.
4. Your User ID details are given below:

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12*****
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN 101456 then user ID is 101456001***

5. Password details for shareholders other than Individual shareholders are given below:
  - a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
  - b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the ‘initial password’ which was communicated to you. Once you retrieve your ‘initial password’, you need to enter the ‘initial password’ and the system will force you to change your password.
  - c) How to retrieve your ‘initial password’?
    - (i) If your email ID is registered in your demat account or with the Company, your ‘initial password’ is

communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your ‘User ID’ and your ‘initial password’.

- (ii) If your email ID is not registered, please follow steps mentioned below in process for those shareholders whose email ids are not registered.
6. If you are unable to retrieve or have not received the “initial password” or have forgotten your password:
  - a) Click on “**Forgot User Details/ Password?**” (If you are holding shares in your demat account with NSDL or CDSL) option available on [www.evoting.nsd.com](http://www.evoting.nsd.com).
  - b) “**Physical User Reset Password?**” (If you are holding shares in physical mode) option available on [www.evoting.nsd.com](http://www.evoting.nsd.com).
  - c) If you are still unable to get the password by aforesaid two options, you can send a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) mentioning your demat account number/ folio number, your PAN, your name and your registered address.
  - d) Members can also use the OTP (one Time Password) based login for casting the votes on the e-voting system of NSDL.
7. After entering your password, tick on Agree to “Terms and Conditions” by selecting on the check box.
8. Now, you will have to click on “Login” button.
9. After you click on the “Login” button, Home page of e-Voting will open.

**Step 2: Cast your vote electronically and join General Meeting on NSDL e-Voting system:**

How to cast your vote electronically and join General Meeting on NSDL e-Voting system?

1. After successful login at Step 1, you will be able to see all the companies “EVEN” in which you are holding shares and whose voting cycle and General Meeting is in active status.
2. Select “EVEN” of **India Glycols Limited** for which you wish to cast your vote during the remote e-Voting period and casting your vote during the General Meeting. For joining virtual



- meeting, you need to click on “VC/OAVM” link placed under “Join General Meeting.
3. Now you are ready for e-Voting as the Voting page opens.
  4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/ modify the number of shares for which you wish to cast your vote and click on “Submit” and also “Confirm” when prompted.
  5. Upon confirmation, the message “Vote cast successfully” will be displayed.
  6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
  7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

#### **General Guidelines for shareholders**

- (a) Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to ashish@asandco.net with a copy marked to evoting@nsdl.co.in.
- (b) It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the “Forgot User Details/Password?” or “Physical User Reset Password?” option available on www.evoting.nsdl.com to reset the password.
- (c) In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on toll free no.: 1800 1020 990 and 1800 22 44 30 or send a request to Ms. Soni Singh, Assistant Manager at evoting@nsdl.co.in

#### **Process for those shareholders whose email ids are not registered with the depositories for procuring user id and password and registration of e mail ids for e-voting for the resolutions set out in this notice:**

1. In case shares are held in physical mode, please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to compliance.officer@indiaglycols.com or to the RTA at admin@mcsregistrars.com.

2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) to compliance.officer@indiaglycols.com or to the RTA at admin@mcsregistrars.com. If you are an Individual shareholder holding securities in demat mode, you are requested to refer to the login method explained at **step 1 (A) above i.e. Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode.**
3. Alternatively shareholder/members may send a request to evoting@nsdl.co.in for procuring user id and password for e-voting by providing above mentioned documents.
4. In terms of SEBI circular dated 9<sup>th</sup> December, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

#### **Process and manner for e-voting on the day of the 37<sup>th</sup> AGM**

1. The procedure for e-Voting on the day of the 37<sup>th</sup> AGM is same as the instructions mentioned above for remote e-voting.
2. Only those Members/ shareholders, who will be present in the 37<sup>th</sup> AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the 37<sup>th</sup> AGM.
3. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the AGM shall be the same person mentioned for Remote e-voting.

#### **Process and manner for attending the AGM through VC/OAVM:**

1. Member will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned above for **Access to NSDL e-Voting system**. After successful login, you can see link of “VC/OAVM link” placed under “**Join General meeting**” menu against company name. You are requested to click on VC/OAVM link placed under Join General Meeting menu. The link for VC/OAVM will be



- available in shareholder/member login where the EVEN of Company will be displayed. The members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush.
2. Member who need assistance before or during the AGM, can contact NSDL on toll free nos.: 1800 1020 990 and 1800 22 44 30 or send a request to Ms. Soni Singh, Assistant Manager at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in).
  3. Members are encouraged to join the Meeting through Laptops for better experience.
  4. Further, Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
  5. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
  6. Members who would like to express their views or ask questions during the 37<sup>th</sup> AGM may register themselves as a speaker by sending their request from their registered e-mail address mentioning their name, demat account number/folio number, email id, mobile number at [compliance.officer@indiaglycols.com](mailto:compliance.officer@indiaglycols.com) from **Saturday, 18<sup>th</sup> September, 2021 (9:00 A.M.) to Tuesday, 21<sup>st</sup> September, 2021 (5:00 P.M.)**.
  7. Those members who have registered themselves as a speaker will only be allowed to express their views/ask questions during the 37<sup>th</sup> AGM. The Company reserves the right to restrict the number of speakers depending on the availability of time for the AGM.
18. Members may submit their queries, if any, on the financial statements or on any agenda item proposed in this notice **at least 7 days prior to the date of the 37<sup>th</sup> AGM** from their registered e-mail address, mentioning their name, DP ID and Client ID number/folio number and mobile number at Company's e-mail address at [compliance.officer@indiaglycols.com](mailto:compliance.officer@indiaglycols.com) or write to the Company's Head Office at Plot No. 2-B, Sector-126, Distt. Gautam Budh Nagar, Noida-201304, Uttar Pradesh. Such queries by the Members shall be suitably replied by the Company.
  19. **The voting rights of members shall be in proportion to their share in the paid up equity share capital of the Company as on the cut-off date of Friday, 17<sup>th</sup> September, 2021. A person who is not a member as on the cut-off date should treat this notice for information only.**
  20. Any person, who acquires shares of the Company and becomes member of the Company after the Company sends the Notice of the 37<sup>th</sup> AGM and holds shares as on the cut-off date i.e. **Friday, 17<sup>th</sup> September, 2021**, may obtain the User ID and password by sending a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) or to the RTA at [admin@mcsregistrars.com](mailto:admin@mcsregistrars.com). However, if you are already registered with NSDL for remote e-voting then you can use your existing user ID and password for casting your vote. If you forgot your password, you can reset your password by using "Forgot User Details/Password?" or "Physical User Reset Password?" option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
  21. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date i.e. **Friday, 17<sup>th</sup> September, 2021**, only shall be entitled to avail the facility of remote e-voting or voting at the 37<sup>th</sup> AGM through e-voting system.
  22. Shri Ashish Saxena (C.P. No. 7096) of Ashish Saxena & Co., Company Secretaries, having their office at A-32, Nyay Khand-I, Indirapuram, Ghaziabad-201014, Uttar Pradesh has been appointed as the Scrutinizer to scrutinize the remote e-voting process and casting voting through e-voting system during the 37<sup>th</sup> AGM in a fair and transparent manner.
  23. The Chairman shall, at the AGM, at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of Scrutinizer, by use of e-voting system for all those members who are participating in the AGM but have not cast their votes by availing the remote e-voting facility.
  24. The Scrutinizer shall after the conclusion of voting at the 37<sup>th</sup> AGM, unblock the votes cast through remote e-voting and e-voting system at the AGM, in the presence of at least two witnesses not in the employment of the Company and shall make a consolidated scrutinizer's report of the total votes cast in favour or against, invalid votes, if any, and whether the resolution has been carried or not, and such Report shall then be submitted to the Chairman or a person authorized by him in writing, within 48 (forty eight) hours from the conclusion of the 37<sup>th</sup> AGM, who shall countersign the same and declare the result of the voting forthwith.
  25. The Results declared along with the report of the Scrutinizer shall be placed on the website of the Company [www.indiaglycols.com](http://www.indiaglycols.com) and on the website of NSDL [www.evoting.nsdl.com](http://www.evoting.nsdl.com) and the results shall also be immediately forwarded to the BSE Limited (BSE) and the National Stock Exchange of India Limited (NSE).
  26. **MEMBERS ARE REQUESTED TO:**
    - a. Note that SEBI has mandated registration of Permanent Account Number (PAN) and bank accounts details such as bank account number, name of the bank and branch details, MICR code, IFSC code etc. of all security holders. Members holding shares in physical form are therefore, requested to submit their PAN and Bank account details to RTA/Company by sending a duly signed



letter along with self-attested copy of PAN Card and original cancelled cheque. Members holding shares in demat form are requested to submit the aforesaid information to their respective depository participant (DP).

Further, pursuant to MCA General Circular 20/2020 dated 5<sup>th</sup> May, 2020 companies are directed to credit the dividend of the shareholders directly to the bank accounts of the shareholders using Electronic Clearing Service. Accordingly, Members are requested to provide/update their bank details with the respective depository participant for the shares held in dematerialized form and with the RTA in respect of shares held in physical form.

- b. Immediately notify any change of address, e-mail address, change of name, contact numbers, bank details, bank mandates, nominations, power of attorney etc. and their PAN to their DP with whom they maintain their demat account and to the RTA in respect of their holding in physical form. Non-resident Indian members are requested to immediately inform the RTA/respective DP, immediately of change in their residential status on return to India for permanent settlement and the particulars of their bank account maintained in India with complete name, branch, account type, account number and address of the bank with pin code number, if not furnished earlier.
- c. Note that SEBI has mandated that requests for effecting transfer of securities (except in case of transmission or transposition of securities) of listed companies shall not be processed from 1<sup>st</sup> April, 2019 unless the securities are held in dematerialized form. Therefore, the Company/ RTA has stopped accepting any fresh request for transfer of shares in physical form w.e.f. 1<sup>st</sup> April, 2019. Also, SEBI vide circular no. SEBI/HO/MIRSD/RTAMB/CIR/P/2020/166 dated 7<sup>th</sup> September, 2020 has fixed 31<sup>st</sup> March, 2021 as the cut-off date for re-lodgment of transfer request and has stipulated that such transferred shares shall be issued only in demat mode. However, members can continue holding shares in physical form. Therefore, members are advised to dematerialize shares of the Company held by them in physical form.
- d. **Note that in order to receive faster communication and enable the Company to serve the members better and to promote the “Green Initiative”, members are requested to register their e-mail address(es) and changes therein, from time to time, by directly sending the relevant e-mail address along with the details of name, address, Folio No., shares held:**
  - i. To the RTA for shares held in physical form and;
  - ii. In respect of shares held in demat mode,

**also provide DP ID/ Client ID with the above details and register the same with their respective Depository Participants.**

Upon registration of the e-mail address(es), the Company proposes to send Notices, Annual Report and other documents/ communication to those Members via electronic mode/e-mail.

27. SEBI vide its circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 9<sup>th</sup> December, 2020 in order to increase the efficiency of the voting process, had decided to enable e-voting to all the demat account holders, by way of a single login credential, through their demat accounts/ websites of Depositories/ Depository Participants. Demat account holders would be able to cast their vote without having to register again with the e-voting service providers (ESPs), thereby, not only facilitating seamless authentication but also enhancing ease and convenience of participating in e-voting process which will be implemented in a phased manner.

Accordingly, the members holding shares in demat mode are requested to support this initiative of the SEBI by registering/ updating the e-mail id/ mobile numbers with their respective depositories. Further, shareholders holding shares in physical forms are requested to dematerialise their shares and register/ update their e-mail id and mobile numbers in order to support and take benefit of the above initiative of the SEBI for effective participation in the voting process. For more details members are requested to refer the aforesaid SEBI circular or may contact the Company or RTA for any assistance in this regard.

28. As per the provisions of Section 72 of the Act, the facility for making nomination or cancellation/ variation in nomination already made is available for the Members in respect of the shares held by them. Members who have not yet registered their nomination are requested to register the same by submitting Form No. SH-13 for making nomination and Form SH-14 for cancellation/ variation as the case may be. The said forms can be downloaded from the Company's website [www.indiaglycols.com](http://www.indiaglycols.com) (under 'Investor Relations' section). Members holding shares in physical form may submit the same to RTA. Members holding shares in electronic form may submit the same to their respective depository participant(s).

## **EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013**

The following statement sets out all the material facts related to the Special Businesses mentioned under item Nos. 4 to 8 of the Notice dated 25<sup>th</sup> June, 2021.

### **ITEM NO. 4**

The Board of Directors (“the Board”) of the Company on the recommendation of the Audit Committee, approved



the appointment of M/s R.J. Goel & Co., Cost Accountants to conduct the audit of cost records of the Company for the financial year ending 31<sup>st</sup> March, 2022.

Pursuant to the provisions of Section 148 of the Companies Act, 2013 read with Rule 14 of the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditor, as recommended by the Audit Committee and approved by the Board has to be ratified by the members of the Company.

Accordingly, consent of the members is being sought by way of an ordinary resolution for ratification of the remuneration payable to the cost auditor for the financial year 2021-22.

None of the Directors/Key Managerial Personnel of the Company or their respective relatives are in any way, concerned or interested, financially or otherwise, in the Ordinary Resolution at Item No. 4 of the Notice.

The Board recommends the resolution set out at Item No. 4 of this notice for approval of the members as an Ordinary Resolution.

#### **ITEM NO. 5**

In pursuance to the provisions of Section 20 of the Companies Act, 2013 ("the Act"), a document may be served on any member by sending it to him/her by post or by registered post or by speed post or by courier or by delivering at his/her office or address, or by such electronic or other mode as may be prescribed.

Further, in pursuance to the proviso to Section 20(2) of the Act, a member may request for delivery of any document through a particular mode, for which the member shall pay such fees as may be determined by the Company in its Annual General Meeting. Since the cost of providing documents may vary according to the mode of service, weight and its destination etc., it is, therefore, proposed that a sum equivalent to the estimated actual expense of delivery of the documents through a particular mode, in case a request has been made by any member for delivery of such documents to him/her through such particular mode of service, be taken in advance to cover the cost of such delivery.

Accordingly, consent of the members is being sought by way of an ordinary resolution for the resolution as set out at Item No. 5 of the Notice.

None of the Directors/Key Managerial Personnel of the Company or their respective relatives are in any way, concerned or interested, financially or otherwise, in the Ordinary Resolution at Item No. 5 of the Notice.

The Board recommends the resolution set out at Item No. 5 of this notice for approval of the members as an Ordinary Resolution.

#### **ITEM NOS. 6 & 7**

The Company, inter-alia, has 3 directors on its Board who have been appointed in the category of whole-time directors namely Shri U.S. Bhartia, Chairman and Managing Director, Shri Sudhir Agarwal and Ms. Pragya Bhartia Barwale, Executive Directors.

In pursuance to the provisions of Section 197 of the Companies Act, 2013 ("the Act"), total managerial remuneration payable by the Company to its directors, including managing director and whole-time director and its manager in respect of any financial year shall not exceed 11% (eleven percent) of the net profits of the Company calculated as per the provisions of Section 198 of the Act, wherein, the total remuneration payable to Executive Directors i.e. managing director or whole-time director or manager shall not exceed 10% (ten percent) of the net profits of the Company if there are more than one such director and the remuneration to non-executive directors shall not exceed 1% (one percent) of the net profits of the Company.

Further, in pursuance to the provisions of Section 197 as amended by the Companies (Amendment) Act, 2017 with effective from 12<sup>th</sup> September, 2018, the above limit of 10% can be increased with the approval of the shareholders. The shareholders vide their Special Resolution dated 22<sup>nd</sup> August, 2019 had approved the remuneration of Shri U.S. Bhartia, Chairman and Managing Director for a period of 2 years i.e. for FY 2019-20 and FY 2020-21 allowing the same to be in excess of the limits as specified in Section 197 of the Act and other applicable provisions including SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") which has been paid by the Company. Further, the shareholders vide Ordinary Resolution and Special Resolution (as applicable) dated 24<sup>th</sup> September, 2020 had also approved the appointment and remuneration of Shri Sudhir Agarwal, and Ms. Pragya Bhartia Barwale, Executive Directors for a period of 3 years and 5 years w.e.f. 1<sup>st</sup> December, 2019 and 24<sup>th</sup> June, 2020, respectively and the remuneration was to be paid within the limits prescribed under Section 197 of the Act, accordingly, the same has been paid by the Company.

As per the financials for the FY 2020-21, the Company earned profit before tax for an amount of ₹ 165.50 Crores for FY 21 against ₹ 187.51 Crores in last year. The decrease was mainly due to impact of operations in initial months due to nationwide lockdown as declared by the Government authorities, on account of Covid 19 Pandemic. Further, due to certain one-time adjustments made by the Company during FY 2020-21, the profits calculated under Section 198 of the Act were reduced. Accordingly, the managerial remuneration paid/payable for financial year 2020-21 to Shri Sudhir Agarwal and Ms. Pragya Bhartia Barwale, Executive Directors exceeds the overall thresholds prescribed under the provisions of Section 197 of the Act. The shareholders of the Company had already approved and allowed the remuneration of Shri Bhartia in excess of the applicable limits of Section 197 vide a special resolution passed on 22<sup>nd</sup> August, 2019, hence, there was no excess payment of remuneration for Shri Bhartia for FY 21 which requires shareholders' approval.

The remuneration and commission to the both these executive directors for the financial year 2020-21 are as under:-



(Amount in ₹)

S. No.	Name of Director	Remuneration	Commission	Total
1	Shri Sudhir Agarwal	55,08,947/-	N. A.	55,08,947/-
2	Ms. Pragya Bhartia Barwale	88,28,294/-	94,60,000/*	1,82,88,294/-
	<b>Total</b>	<b>1,43,37,241/-</b>	<b>94,60,000/-</b>	<b>2,37,97,241/-</b>

\*@2% p.a. (payable from 24<sup>th</sup> June, 2020, the date of appointment)

The above was as per their terms of appointment as approved by the members of the Company in terms of the applicable laws.

Further, Section 197(9) of the Act, inter-alia, allows that the remuneration paid to whole-time directors by the Company in excess of the limits as prescribed by Section 197, shall be refunded to the Company and until such sum is refunded, the same shall be held by such director in trust for the Company. Further, in pursuance to the provisions of Section 197(10) of the Act, the Company can waive of the recovery of such sum refundable by such directors, if the shareholders of the Company passes a special resolution within two years from the date the sum becomes refundable.

The shareholders may also note that the Company is not in default in payment of dues to any bank or public financial institution or any other secured creditor.

Shri Sudhir Agarwal (DIN: 08602216), aged about 59 years is a Chemical Engineer graduated from HBTI Kanpur in 1985, is having a total professional experience of about 35 years in the field of Plant Operations and Project Management. He started his career with a Public Sector Undertaking, M/s National Fertilizers Limited in 1985 as Graduate Engineer Trainee and rose to the level of Chief Manager. He has vast experience of handling various aspects of plant operation, project management etc. in a large Natural Gas based Ammonia / Urea complex. After joining the Company's Kashipur Unit as Vice President (Operations) in July, 2014 and was elevated to the position of Site Head of Kashipur Plant in May, 2018 before his appointment as Executive Director of the Company. He has been involved in day to day management of Kashipur Unit. During all this period, he has played a key role in implementing various initiatives for Productivity improvement, Energy optimization, Water conservation and Environment preservation.

He has been discharging his functions and duties in the best interest of the Company and has been entrusted with the role and responsibilities as the Occupier of all 3 plants of the Company at Kashipur and Dehradun (Uttarakhand) and Gorakhpur (Uttar Pradesh). Even during the challenging Covid-19 Pandemic time, he has handled the plant operations well.

Further, Shri Agarwal fulfills all the conditions to be a professional managerial Personnel in terms of the provisions of Section 197, Schedule V of the Act and rules made thereunder.

Ms. Pragya Bhartia Barwale (DIN: 02109262), aged 39 years holds a Bachelor of Arts degree in Economics and International Relations from Brown University, USA and a Master of Science degree in Development Economics from the University of Oxford, U.K. She has a total professional experience of over 13 years in the field of Strategic Planning and Project Management.

She was appointed as President-Business Development of the Company in August, 2008 and has been a part of the Ennature Biopharma Division since its inception in 2009. She has worked closely on all aspects of the division from operations to product development, strategic partnerships, marketing and overall strategy. The Ennature Biopharma Division of the Company under her guidance, has grown manifold and provides adequate support to the revenue as well as the profitability of the Company. The division has registered a consistent growth in all these years due to her consistent guidance. The sales of Colchicine and Nicotine API's were significantly increased during FY 2020-21. Also, the Company increased the market share of Colchicine in European markets. Further, under her guidance, a new plant for Nicotine API was commissioned in the month of December, 2020 at Dehradun Plant. She has also been playing an important role in devising the business strategies and policies for the Company. She has built credibility with investors/ customers and employees and has created a right balance between ownership and management.

The Board is of the opinion that both these Executive Directors contributes in the deliberations of the Board/ Committee meetings and further believes that the remuneration as previously approved by the members of the Company and paid/ payable to Shri Sudhir Agarwal and Ms. Pragya Bhartia Barwale, Executive Directors for the FY 2020- 21 is justified in terms of their key role within the Company. Furthermore, the Company continues to be on the growth path in during the relevant year in all the businesses despite Covid-19 Pandemic.

Accordingly, in view of the above, it is proposed to waive off the recovery of excess remuneration aggregating to ₹ 2,37,97,241/- (₹ 55,08,947/- for Shri Sudhir Agarwal and ₹ 1,82,88,294/- for Ms. Pragya Bhartia Barwale) as detailed above and is over and above the prescribed limit of managerial remuneration as per limits mentioned in Section 197 of the Act for the financial year 2020-21 paid/ payable to Shri Sudhir Agarwal and Ms. Pragya Bhartia Barwale, Executive Directors.

In pursuance to the applicable provisions of the Act, the Board of Directors, on recommendation of Nomination and Remuneration Committee, in its meeting held on



25<sup>th</sup> June, 2021 had approved the waiver of the excess remuneration paid to them and recommend the same for approval of the Members. Also, this being a transaction with related parties, the same has been approved by the Audit Committee.

Accordingly, consent of the members is being sought by way of Special resolution for the resolutions as set out at Item Nos. 6 and 7 of the Notice.

Shri Sudhir Agarwal and Ms. Pragya Bhartia Barwale, Executive Directors are concerned or interested in their respective proposed resolution to the extent of the remuneration being waived. Also, Shri U.S. Bhartia, Chairman and Managing Director and Smt. Jayshree Bhartia being related to Ms. Pragya Bhartia Barwale are interested in the special resolution as set out at item No. 7 of the Notice.

Except mentioned above, none of the Directors/Key Managerial Personnel of the Company or their respective relatives are in any way, concerned or interested, financially or otherwise, in the Special Resolutions as set out at Item Nos. 6 and 7 of the Notice.

The Board recommends the resolutions set out at Item Nos. 6 and 7 of this notice for approval of the members as Special Resolutions.

#### **ITEM NO. 8**

The Company has during the year under review explored and evaluated its position and business strategy to remain competitive. The growth plans of the Company envisage promotion of Green technology based Chemicals and expansion in other areas of operation. These projects will necessitate external infusion of funds at different points of time in the future.

With a view to raise long term finance as well as meeting Company's fund requirements for expansion, capital expenditure, general corporate purposes and for other expenditures as permitted under the prevailing guidelines in this regard, the Company proposes to raise funds through issue of Equity Shares and/or instruments or securities convertible into equity shares of the Company such as Global Depository Receipts and/or American Depository Receipts and/ or convertible preference shares and/or convertible debentures or bonds (compulsorily and/ or optionally, fully and/or partly), and/ or nonconvertible debentures with warrants and/or securities with or without detachable / non-detachable warrants and/ or warrants with a right exercisable by the warrant-holder to subscribe for equity shares and/or Foreign Currency Convertible Bonds (FCCBs) convertible into equity shares at the option of the Company or the holder(s) thereof, (the "Securities"), including by way of a Qualified Institutions Placement ("QIP") in accordance with Chapter VI of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 ("SEBI ICDR Regulations") in one or more tranches, up to an aggregate

principal amount of ₹ 250.00 Crores (Rupees Two Hundred Fifty Crores) or its equivalent in any other currency on the terms and conditions as stated in resolution at item No. 8 of this Notice. Further, the proceeds of the proposed issue shall be utilized for any of the aforesaid purposes to the extent permitted by law.

The above issue would be subject to the approval of the Government of India (GOI), Reserve Bank of India (RBI), Securities and Exchange Board of India (SEBI) and other authorities concerned, wherever applicable.

The pricing of the equity shares to be issued pursuant to the resolution to be approved at a Meeting upon exercise of the option of conversion of the FCCBs will be in accordance with the prescribed guidelines under Foreign Currency Convertible Bonds and Ordinary Shares (Through Depository Receipt Mechanism) Scheme, 1993 as amended as also in accordance with the terms of offering

These FCCBs may be listed on Stock Exchange(s), abroad, as may be deemed fit by the Board. The equity shares issued and allotted upon exercise of the option available on the FCCBs shall be listed on the Stock Exchanges in India where the Company's securities are listed.

This resolution is proposed as an enabling resolution to authorize the Board of Director ("the Board") including any Committee thereof to raise long term funds as well as meeting Company's fund requirements for expansion, capital expenditure, general corporate purposes and for other expenditures as the Board may decide and as permitted under the prevailing guidelines in this regard and shall be utilized for permitted business purpose as may be decided by the Board of Directors. This resolution also gives adequate flexibility in respect of working out the modalities of issue as also to issue including QIP or FCCBs in such tranches, at such times as the Board may in its absolute discretion deem fit to any eligible person, including Qualified Institutional Buyers ("QIBs") as defined under the SEBI ICDR Regulations in accordance with Chapter VI of the SEBI ICDR Regulations, or otherwise, foreign/resident investors (whether institutions, incorporated bodies, mutual funds, individuals or otherwise), venture capital funds (foreign or Indian), alternate investment funds, foreign institutional investors, foreign portfolio investors, qualified foreign investors, Indian and/or multilateral financial institutions, insurance companies, non-resident Indians, pension funds and/or any other categories of investors, whether they be holders of equity shares of the Company or not as may be decided by the Board.

Further, if any issue of securities is made by way of QIP, the Board may also offer a discount of not more than 5% or such other percentage as permitted on the QIP Floor price calculated in accordance with the pricing formula provided under SEBI ICDR Regulations. The "Relevant Date" for this purpose will be the date of the meeting in which the



Board decides to open the issue of Equity Shares and in case Eligible Securities are eligible convertible securities, then either the date of the meeting in which the Board decides to open the issue of same or the date on which holder of Eligible Securities become eligible to apply for Equity Shares, as may be determined by the Board.

Pursuant to the provisions of Section 41, 42, 62 and 71 of the Companies Act, 2013, SEBI ICDR Regulations read with SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”), a Company proposing to issue Securities to persons other than the existing members required to obtain the approval of the members by way of a Special Resolution.

As the Securities may be offered to the persons other than the existing members, it is proposed to obtain the approval of members by way of a special resolution in pursuance to the provisions of Section 62 and other applicable provisions, if any, of the Act, SEBI ICDR Regulations and SEBI Listing Regulations.

The Directors or Key managerial Personnel of the Company and their relatives may be deemed to be concerned or interested in resolution at item No. 8 of the Notice to the

extent of securities that may be subscribed by the entities in which they are directors or members.

The Board recommends the resolution set out at item No. 8 of this Notice for approval of the Members as a Special Resolution.

**By order of the Board  
India Glycols Limited**

Place: Noida  
Date : 25<sup>th</sup> June, 2021

**Ankur Jain  
Company Secretary**

Registered Office:  
A-1, Industrial Area, Bazpur Road,  
Kashipur-244713, District Udham Singh Nagar,  
Uttarakhand  
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e-mail: [compliance.officer@indiaglycols.com](mailto:compliance.officer@indiaglycols.com)



# Board's Report

## To The Members

Your Directors are pleased to present the 37<sup>th</sup> Annual Report on the business and operations of the Company, together with the Audited Financial Statements of your Company for the financial year ended 31<sup>st</sup> March, 2021.

### Financial Results\*

(₹ in Crores)  
(except earnings per share)

Particulars	Year ended 31.03.2021	Year ended 31.03.2020
<b>Gross Sales and other income**</b>		
- Continuing operations:	5,402.08	5,207.80
- Discontinued operations:	668.07	755.55
<b>Total</b>	<b>6,070.15</b>	<b>5,963.35</b>
<b>Earnings before interest, taxes, depreciation and amortization</b>		
- Continuing operations:	269.58	289.77
- Discontinued operations:	88.96	113.14
<b>Total</b>	<b>358.58</b>	<b>402.91</b>
<b>Profit /(loss) before tax</b>		
- Continuing operations:	120.32	126.33
- Discontinued operations:	45.18	61.18
<b>Total</b>	<b>165.50</b>	<b>187.51</b>
<b>Provision for tax</b>		
- Continuing operations:	58.43	37.87
- Discontinued operations:	22.77	21.38
<b>Net profit/(loss)</b>		
- Continuing operations:	61.89	88.46
- Discontinued operations:	22.41	39.80
<b>Total</b>	<b>84.30</b>	<b>128.26</b>
<b>Earnings per share (in ₹) (Basic and Diluted)</b>		
- Continuing operations:	19.99	28.57
- Discontinued operations:	7.24	12.86
- Continuing & discontinued operations	27.23	41.43
Dividend on Equity Shares	18.58 <sup>##</sup>	18.58 <sup>#</sup>
Tax on dividend	###	3.82

\*As the Company had executed a Business Transfer Agreement and Joint Venture Agreement on 11<sup>th</sup> March, 2021, for its "BioEO (Speciality Chemicals) Business", the same has been disclosed as discontinued operations in the Standalone financial results for the FY 2020-21, in pursuance to the provisions of Indian Accounting Standards (Ind-AS).

\*\* Includes State Excise Duty, as applicable.

<sup>#</sup>Interim Dividend declared during FY 20. <sup>##</sup>Final Dividend declared for FY21.

<sup>###</sup>Dividend shall be taxable in the hands of the shareholders and is subject to deduction of tax at source at applicable rates.

### Dividend

Your Directors are pleased to recommend a dividend of ₹ 6/- (Rupee Six Only) per equity share of face value of

₹ 10/- each (i.e. 60%) for the financial year ended 31<sup>st</sup> March, 2021 subject to the approval of the Shareholders in the ensuing Annual General Meeting ("AGM"). The total outgo on account of dividend will be ₹ 18.58 Crores.

In view of the changes made under the Income-tax Act, 1961 by the Finance Act, 2020, dividend paid or distributed by the Company shall be taxable in the hands of the Shareholders. The Company shall, accordingly, make the payment of the final dividend after deduction of tax at source.

### Dividend Distribution Policy

In pursuance to the provisions of Regulation 43A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("SEBI Listing Regulations"), the Board of Directors of your Company at their meeting held on 25<sup>th</sup> June, 2021 has approved and adopted the Dividend Distribution Policy ("Policy") in compliance with SEBI Listing Regulations. The Policy contains broad parameters and factors that would be, inter-alia, considered by the Board before recommendation/declaration of dividend(s). The Policy is available on the Company's website at <https://www.indiaglycols.com/investors/downloads/Dividend-distribution-policy.pdf>.

### Performance Review

FY 2020-21 was a challenging year for the economy in general and the business. The world and India were impacted by the onslaught of Covid-19 Pandemic leading to lockdowns impacting businesses in a big way. However, despite the challenges, your Company's overall performance for the FY 2020-21 remained resilient, consistent and satisfactory. The highlight of the year for the Company was entering into a Joint Venture Agreement on 11<sup>th</sup> March, 2021 with IGL Green Chemicals Private Limited ("IGCPL"), a wholly owned subsidiary and Clariant International Limited related to the Company's BioEO (Speciality Chemicals) Business which will be beneficial for the stakeholders in the future times.

During the FY 2020-21, on a standalone basis, your Company recorded total revenue of ₹ 6,070 Crores as compared to ₹ 5,963 Crores in FY 2019-20, a marginal increase over last year's revenue. The profit after depreciation and tax for the FY 2020-21 was ₹ 84 Crores as compared to ₹ 128 Crores earned during the FY 2019-20, a decrease of about 34%. The decrease was due to low volume (due to Covid-19) and price of Bio MEG globally throughout the year. Also, during the year under review, the Company adopted the new tax regime as introduced by the Tax Laws (Amendments), Ordinance, 2019 resulting in a one-time non-cash adjustment. This, however, will ultimately be tax beneficial in future years. Also, there was an impact on the Company's operations during the initial period of Q1/FY 2020-21 due to the



lockdown. The Company, however, largely made up for the impact during the balance period.

Despite the initial business restrictions on account of lockdown due to the pandemic, the Potable Spirits business performed very well and remained a major contributor to the bottom line. The global chemicals markets also remained adversely affected due to, inter-alia, prolonged US-China trade war, continued low crude prices and, restrictive trade policies during Covid-19 Pandemic. The Ennature Biopharma (Nutraceuticals) Business faced a revenue decline of about 17% over the previous year, however, the profit margin remained healthy.

The Company steadily procured its green feedstock molasses throughout the year at competitive prices to keep its inventory under control. The Company continued to import its principal raw material, ethyl alcohol, at an attractive price resulting in cost savings.

Under the current scenario, the outlook for the near future remains positive.

During the year under review, no amount was transferred to reserves.

During the year under review, in recognition and appreciation for the Company's commitment to secure the International supply chain and ensuring compliance with the WCO's SAFE framework of standards, the Central Board of Indirect Taxes and Customs (CBIC) certified our Company and granted the prestigious Authorised Economic Operator -T2 Certificate to the Company on 2<sup>nd</sup> September, 2020, which is valid till 1<sup>st</sup> September, 2023.

#### **Covid-19 Pandemic**

The Covid-19 Pandemic changed the way world functions drastically. The economic toll from the pandemic was unprecedented. The business and economic activities remained under pressure throughout FY 2020-21 as prolonged Covid-19 Pandemic impacted supply chains across the globe.

During first few days of Q1 of FY 21, all three plants of the Company i.e. Kashipur and Dehradun in Uttarakhand and Gorakhpur in Uttar Pradesh had to be shut down due to the nationwide lockdown. The operations were resumed in a phased manner after obtaining the required approvals from the authorities.

Thereafter, the Company adhered to various guidelines and advisories issued by the authorities from time to time including maintaining social distancing at all its plants and offices.

The Company took a number of measures at its offices and manufacturing sites to ensure employee safety and support. This includes Work from Home policy for

its employees across all its office locations, regular sanitization, temperature monitoring, social distancing, online meetings through web based platforms, and restriction of visitors and several other safety protocols of employees, contractors as well as visitors. Free vaccination was arranged for employees and immediate family members. The Company also took care of the medical expenses of employees and their family members who suffered due to the Covid-19 infection. It was due to these consistent efforts and Company's adaptability to the rapidly changing requirements that the Company continued to carry out its operations smoothly and efficiently during the last year including the big resurgence in the second wave.

The Company also contributed to the State Government's relief funds and distributed Hand Sanitizers and food packets etc. as community welfare measures. Further, as a prompt measure, the Company quickly converted all its industrial grade Liquid Oxygen to medical grade during second Covid 19 wave and provided Oxygen tankers to Government of Uttarakhand as well as other neighbouring states by running the plant continuously at full capacity.

The Company has considered the possible effects that may result from the pandemic relating to Covid-19 on the carrying amounts of receivables, inventories, property, plant and equipment and intangible assets and has also taken into account the future cash flows. On the basis of evaluation and current indicators of future economic conditions, the Company expects to recover the carrying amounts of these assets and does not anticipate any impairment to these financial and non-financial assets. However, the impact assessment of Covid-19 is a continuing process, given the uncertainties associated with its nature and duration. The Company will continue to monitor any material changes to future economic conditions.

#### **Material Changes and Commitments Affecting the Financial Position of the Company**

There were no material changes and commitments affecting the financial position of the Company between the end of financial year and date of this report. There has been no change in the nature of the business of the Company.

#### **Credit Ratings**

During the year under review, India Ratings & Research ("Ind-Ra"), a credit rating Agency affirmed the Company's Long-term Issuer Rating as 'IND A-' and Outlook is stable. Also, Ind-Ra had placed Company's Long-term Issuer Rating of 'IND A-' on Rating Watch Positive ("RWP"). The instrument wise ratings are as follows:



Instrument Type	Rating/Rating Watch	Rating Action
Term Loan	IND A- /RWP	Placed on RWP
Proposed Term Loan	IND A-/RWP	Placed on RWP
Fund-based Limit	IND A- /RWP/IND A2+/RWP	Placed on RWP
Non Fund based Limit	IND A- /RWP/IND A2+/RWP	Placed on RWP

### Transfer of Business Undertaking and Execution of Joint Venture Agreement with Clariant International

In order to remain ahead of the competition in business and enhance shareholders value in the Company, the Board of Directors of the Company at their meeting held on 24<sup>th</sup> June, 2020, inter-alia, approved to transfer of the BioEO (Speciality Chemicals) Business to a wholly owned subsidiary of the Company which was also approved subsequently by the Shareholders vide their resolution dated 24<sup>th</sup> September, 2020. Accordingly, the Board of Directors in its meeting held on 11<sup>th</sup> March, 2021 approved transfer of Company's BioEO (Speciality Chemicals) Business to IGL Green Chemicals Private Limited ("IGCPL") for a lump sum consideration of ₹ 646 Crores (Rupees Six Hundred Forty Six Crores) subject to adjustment in accordance with the business transfer agreement executed on 11<sup>th</sup> March, 2021. Out of the above Business Transfer Consideration, ₹ 454.9 Crore (Rupees Four Hundred Fifty Four Crores Ninety Lakhs) (subject to adjustment for working capital and net debt at the time of subscription) will be paid by IGCPL to the Company at the time of transfer of the BioEO (Speciality Chemicals) Business and the remaining amount of approximately ₹ 191 Crores (Rupees One Hundred Ninety One Crores) will remain payable to the Company by IGCPL over a period of 3 years (or such extended time as may be agreed).

In the same meeting, the Board of Directors had also approved entering into a joint venture with IGCPL and Clariant International Ltd. ("Clariant"), in connection with, inter alia, investment of ₹ 587.74 Crores (Rupees Five Hundred Eighty Seven Crores Seventy Four Lakhs) by Clariant in IGCPL and issuance of subscription shares by IGCPL, as consideration for subscription, allotment and issuance of equity shares by IGCPL such that post-issuance Clariant will hold 51% (fifty one per cent) shareholding in IGCPL, whereas the Company and/or its affiliate(s) shall hold 49% (forty nine per cent) shareholding. Pursuant to the discussions between the Company and Clariant, it has been agreed that Clariant and its affiliates shall contribute the business of distribution of products forming part of the 'Industrial and Consumer Specialities' business and certain other assets to IGCPL. The Shareholders of the Company had also approved the aforesaid transaction by

way of a Special Resolution passed through Postal Ballot on 25<sup>th</sup> April, 2021.

This joint venture shall result in a viable and sustainable structure for the Company and should assist in creating a platform that will enable the Company to implement its long term strategy to achieve, inter-alia, combining synergies with Clariant in technology, accelerating product premiumisation, enhancing operational efficiency of the BioEO (Speciality Chemicals) Business, consolidating its position as one of the leading manufacturers and distributors of Ethylene Oxide derivative products in India.

The Company is in the process of obtaining requisite approvals and is in the process of completion of Condition Precedents of the said transaction as identified in the agreements. The Company expect the same to be completed during FY 22. Once operational, the JV is expected to become a leading supplier of renewable Ethylene Oxide (EO) Derivatives products.

### Chemicals (Bio-Based Specialities and Performance Chemicals)

The Company is the largest manufacturer of Bio-based glycols made from renewable feedstock i.e. molasses and Bio-based ethanol. Bio-based MEG is the largest selling product in this category. Bio-based MEG has a much lower carbon footprint and therefore helps companies reduce their carbon footprint targets as one of the measures to combat climate change as has been set out in the UNSDGs – United Nations Sustainability Development Goals. Amongst many end applications Bio-based MEG is used for making PET for packing containers like PET bottles that are used for packaging beverage products. It is also used for making polyester for more sustainable fabrics.

Ethylene Oxide Derivatives produced by the Company are used by diverse industries like Textile, Home & Personal Care, Agrochemicals, Pharmaceuticals, Oil Field, Automotive and Paints & Coatings industries.

The global green chemical market remained adversely affected not only because of economic slowdown caused by Covid-19 Pandemic but also because the crude oil prices remained abysmally low for the major part of the last year. The Bio-MEG sales grew in far East markets but experienced a slowdown in US/European markets. In domestic market, the sales of MEG was restricted due to low prevailing MEG prices and realization.

Sales of Glycol Ethers increased due to Company's strategy to push more volumes into China which fetched better price realization. Sales of Glycols [Monoethylene Glycol (MEG), Diethylene Glycol (DEG), Triethylene Glycol (TEG), Heavy Glycols and Glycols Ether] have decreased from 1,04,779 MT during the FY 2019-20 to



75,767 MT in FY 2020-21 and whereas, the sales value was at ₹ 1,114 Crores and ₹ 1,024 Crores, respectively.

Sales under Ethylene Oxide Derivatives (EODs / Speciality Chemicals & Ethoxylate) business decreased to 65,682 MT in FY 2020-21 from 74,037 MT during previous year and the sales value was ₹ 668 Crores and ₹ 756 Crores, respectively.

During the year, your Company produced 75,615 MT of Glycols compared to 1,03,558 MT last year. Ethylene Oxide Derivatives (EODs) production has been 64,192 MT compared to 75,883 MT last year.

#### **Personal Hygiene - Hand Sanitizer**

With the onset of the Covid-19 pandemic towards the end of FY 2019-20 there was a surge in demand for disinfectant and hygiene products. Your Company promptly started manufacturing of premium quality Hand Sanitizer from its Kashipur and Gorakhpur plants and successfully launched the brand "HandSantol®" which got a very good response from the market.

The best quality Hand Sanitizers were offered to the Indian market and the widest range of products in various pack sizes were made available. The pack sizes ranged from a 2 ml sachet to 20 litre retail pack as well as in bulk packing such as Barrel, Tankers etc., to cater to the needs of different Indian consumers through Company's Retail & Institutional sales network. Your Company is also proud to be manufacturing Hand Sanitizers for some of the leading consumer brands in India.

Subsequently, with the opening up of exports for Hand Sanitizers (in Bulk) by the Indian Government, IGL forayed into exporting the same to USA (post approval of FDA). The Hand Sanitizer is of world class and competes with the best brands in the US market. This export opportunity promises to be a major volume churner in the future times.

During the year under review, the Company achieved a sales value of ₹ 41.36 Crores.

#### **Exports**

Amid Covid 19 Pandemic, the exports were impacted. The Company registered a lower sales value of ₹ 645 Crores during the year under review as compared to ₹ 747 Crores during previous year.

The Company continues to hold the 'Three Star Export House' status as granted by Government of India.

#### **Ethyl Alcohol (Potable Spirits) & Extra Neutral Alcohol**

During the year, your Company registered gross sales value of ₹ 3,718 Crores as compared to ₹ 3,014 Crores last year in the Potable Spirits division. The Company has been focusing to develop the export market for Extra Neutral Alcohol (ENA) which is a price sensitive market. With IGL known for being a premium quality supplier in

the international markets and with persistent efforts to develop more business, the Company could successfully export larger volumes of ENA at good realization and is gradually trying to increase its market share. The existing tie-up with Bacardi for bottling of their products at the Kashipur bottling unit continues to grow in strength.

Your Company has the license for operations and sale of branded Country Liquor in the States of Uttar Pradesh and Uttarakhand. The Company remained the leader in the Country Liquor market in the States of Uttar Pradesh and Uttarakhand. With the intent of upgrading the products in the Country Liquor segment the government recently approved a new policy for U P Made Liquor (UPML) – UPML Policy of the Government of Uttar Pradesh. In view of this opportunity and IGL's strength in producing superior liquor, the Company launched Dabang Gold®, a grain based superior liquor.

The Company also rolled out brands of Indian Made Foreign Liquor ("IMFL") from its Gorakhpur unit in addition to the existing supplies of IMFL from its Kashipur unit and a few tie-up units. The Company strategically focused on brand extension of the Bunty® family and launched several new IMFL brands in the Bunty® brand category. This was a huge success in the Uttar Pradesh market. Encouraged with this, Rum, Whisky, Orange Vodka in Tetra Pack (180 ML) were also launched in the Bunty® brand which helped the Company in achieving large market share (over 40%) in the Flavored Vodka category in the economy segment.

Following the strategy of premiumisation in the Potable Spirits segment, premiumisation, the Company plans to launch three variants under the Amazing Vodka brand. These are in Plain, Green Apple and Orange flavours. In the semi-premium Whisky segment the Company would be launching Single Reserva which is blended with Indian Single Malt Whisky and would be launched in the State of Uttar Pradesh before targeting other markets like Uttarakhand and a few other northern States.

The Company is a registered supplier to the Indian Defense forces through CSD & Para Military Forces with the flagship brand "Beach House XXX Premium Rum". The Company now also plans to introduce premium new Whisky and Vodka brands thus further strengthening the Company's brand portfolio.

#### **Power Alcohol (Bio-Fuels)**

The Company had setup Power Alcohol plants at Kashipur and Gorakhpur units each with a capacity of 100 KL per day. During the year under review, the Company produced and supplied from its Kashipur and Gorakhpur units, Power Alcohol to Oil Manufacturing companies ("OMC's") as Government of India's Ethanol Blending Programme for blending in Petrol as per Govt.



During the year under review, the Company registered a revenue of ₹ 74 Crores from sale of Power Alcohol as compared to ₹ 143 Crores during previous year.

#### **Ennature Bio-Pharma (Nutraceuticals)**

The Ennature Bio-pharma division of the Company is operating in the space of Plants based API's Nutraceuticals, Phytochemicals Health Supplement Ingredients. It is a leader in high-value complex phytochemicals chemistry in India. Ennature Biopharma is also the global leader in Thiocolchicoside API, a highly potent muscle relaxant. It has a strategic partnership with Algatechnologies (Part of the Solabia Group, France) for highly specialized Astaxanthin and Fucoxanthin ingredients.

The manufacturing facility is located at Dehradun and is accredited with EU written confirmation, WHO GMP, Current Good Manufacturing Practices (cGMP), ISO 9001, ISO 22000, Hazard Analysis and Critical Control Points (HACCP), Kosher and Halal. Also, in order to further reach aggressively the regulated market of several European countries, the Company had also applied for EUGMP certification from the European agency-EDQM, which is underway for audit from the European drug agency.

The unit has an advanced production facility, including organic certified Super Critical CO<sub>2</sub> Fluid Extraction (SCFE) & bio-based solvents' extraction facility, for production of standardized botanical extract, phytochemicals, food supplements, spice extracts and active pharmaceuticals ingredients (APIs) of natural plant origin. During the year, a new plant for Nicotine API was commissioned to meet the increased demands of the product. The Company is also focusing on some specialized derivatives of a certain API.

The APIs derived from plant sources have been doing exceedingly well with some of the molecules having gained significant growth and captured major market share in the burgeoning global pharmaceutical market. The Company increased its market penetration for an API in the US and few European markets.

Your Company is continuously working on several new APIs such as -Hyoscine Butyl Bromide processed from Dubosia leaves, used to treat crampy abdominal pain, esophageal spasms, renal colic, and bladder spasms and Vinpocetine. Two more products are in advanced stages of development- Enoxolone and Glaberdin with possible uses in the pharmaceutical and cosmeceutical industries, respectively.

The division has achieved sales of ₹ 148 Crores for FY 2020-21, as compared to ₹ 178 Crores over previous year. Due to Covid-19 Pandemic, there was a decreased

demand for a few APIs from the major international markets which led to overall decline in sales compared to last year. However, with focus on recovery and efficiency improvements, the margins remained healthy.

Some of the products developed successfully in the recent past include Liquid Nicotine & various salts, for the cigarette replacement therapy. Additionally, the Company has developed another good molecule Asiaticoside/ Madecassosides apart from existing Centella Asiatica for skin repair and is poised to do well. The Company has also launched Maxicura (a curcumin formulation) in nanotized form which is more bioavailable than curcumin itself and is proven in the preclinical trials on animal models. The Company has undertaken major business development activities to leverage the branded nutraceutical ingredient market with the help of Maxicura. The Company is growth & result oriented with an objective & concern for environment, transforming lives through green technology for isolation & purification of phytochemicals and is putting the best possible strategy in place to garner more growth and profitability in this segment in near future.

#### **Industrial Gases**

During the year under review, on account of surge in demand of Liquid Oxygen in Covid-19 Pandemic for usage in medical treatment, the production and sale of Liquid Oxygen was all time high. The Company from its Air separation unit produced 19,212 MT of Liquid Oxygen and 1,168 MT of Liquid Nitrogen. Both Liquid Oxygen and Liquid Nitrogen were sold in the market and also used for in house requirements. In addition, Argon of 2,232 MT was also produced and its sales were 2,283 MT.

The Industrial Gas Division also produced Beverage and Industrial Grade Liquid Carbon Di-oxide (LCO<sub>2</sub>) at Kashipur. During the year, your Company has produced 27,284 MT of LCO<sub>2</sub> and its sale was 26,441 MT.

Your Company also produced ETO (Ethylene Oxide & Carbon Dioxide Gas Mixtures) under the trade name IGL-STERI GAS at its Kashipur Plant. It is suitable for sterilization of disposable surgical & medical devices, spices and packing substances like rubber, plastic etc.

The Company has an in house facility for production of EO and LCO<sub>2</sub> which are also used in the production of ETO. It is the only plant in India to have such manufacturing facility which manufactures both these gases and gives us a distinct edge over other suppliers in the market. During the year under review, the Company has sold 1,181 MT of Steri Gas as compared to 1,132 MT in the last year.

Further, the Industrial Gases segment registered total sales of all gases of ₹ 41 Crores during FY 2020-21 against a sale of ₹ 40 Crores during the last year.



### **Biomass**

India's first multi feedstock continuous flow plant is installed at India Glycols Ltd., Kashipur site with a capacity of 10 ton per day biomass processing based on DBT-ICT Technology.

This Technology is based on various agricultural residues like Bagasse, Rice Straw, Wheat Straw, Bamboo, Cotton Stalk, Corn Stover, Wood chips etc. with optimum product yields.

So far, your Company has determined optimal plant performance and finally validated this technology for feed stocks like Bagasse, Rice Straw & Wheat Straw & cotton stalk. The Company has also generated detailed performance data sufficient to transform into full scale commercial plant. Altogether, this plant is capable of building a sugar platform which can further be transformed into various value added sugar based chemicals through biotech (green) route, other than Alcohol. In the last financial year, your Company had successfully demonstrated trials on Rice Straw and Cotton Stalk (procured from Punjab region) to HPCL and their various allied agencies. Consequently, IGL became globally the first ever Company who demonstrated this technology on Cotton Stalk.

### **Future Outlook for Expansion, Modernization and Diversification**

IGL has been at the forefront of taking initiatives to create a new paradigm in reducing the carbon footprint and also helping companies in meeting the sustainability objectives. In today's context IGL's sustainable products and processes are a great enabler for the much needed circular economy and thus enabling progress on the UNSDGs (United Nations Sustainability Development Goals).

The Company has identified the following the three broad focus areas to drive the growth strategy, innovation as well as partnerships:

- I. Bio-based Specialities and Performance Chemicals
- II. Potable Spirits
- III. Ennature Biopharma – Nutraceuticals and Plant based API's

With this vision and keeping in mind the future sustainability requirements, the Company is continuously engaged in designing the performance oriented products such as Green Solvents for Industrial and household applications, Bio-based and environmentally friendly Ingredients and Performance Chemicals for various end markets like Personal Care, Home Care, Brake Fluids, FMCG products, Oil Field, Crop Care, Automotive and other applications.

FY 2020-21 has been a year of hardships and challenges for the entire world, for the country as well as the industry. Pandemic-induced shifts in consumer behavior could also have a huge and permanent impact on the way we live and do business. The pandemic has led to high growth in the consumption of Health Care products and flexible packaging for food and e-commerce goods, leading to rising demand for certain petrochemical products. This will lead to high prospects of growth of various industry sectors being served by IGL.

IGL has already established itself as a reliable partner for its customers with strong sustainability credentials, strength in process development & manufacturing, R&D and application development as well as service. Given the end markets we serve as well as the emerging needs of the customers and consumers we believe IGL is well placed to seize the opportunities that are arising as result. The consumers globally are looking for products which are made from renewable & sustainable resources, CarbonSmart feedstocks, alternatives to fossil fuels and therefore help in combating the global challenges of climate change and environmental damage. Well aware of this potential opportunity for the business as well as the need of the day, IGL continues to work on exploring cost-effective alternative feed-stocks for specialty applications and exploring new applications for existing products.

Further, converting this challenge times into opportunity, your Company started producing green disinfectant/hygiene products i.e. hand sanitizers of superior quality and meeting global standards.

Some of the notable product development achievements are given below:

- a. Your Company has partnered with a leading international technology innovator to use ethanol made from recycled industrial carbon emissions and convert into MEG and Ethoxylates. This low carbon path of Ethanol to MEG and Ethoxylates has great acceptability with consumer brands looking to bring sustainable sourced recycled carbon into their supply chain.
- b. Hand sanitizers with more than a dozen variants suiting the needs of a wide cross section of consumers as well as the health care industry. The facilities to manufacture these products under international regulatory guidelines of CGMP are being put in place, in order to capture global market, especially, in the USA.
- c. A range of disinfectants for establishments, floor, institutional and households have been designed for future launch.



- d. Designing of a high value product with complex as well as novel chemistry first time in the world for applications of enhanced oil recovery in oil and gas industry in collaboration again with a leading multinational company. This is a high volume product which will be manufactured by your Company in the near future. This will be for usage in oil-fields across the globe.
- e. Replacement products for several Alkyl Phenol based surfactants which are banned for most of the applications, across the world.

The Company also designed various products based on purple ethanol. These products have been manufactured at commercial scale, scaling up from pilot scale. With this, your Company has got the distinction of being the first company in the world to manufacture purple surfactants.

In order to reduce forex outgo, increase incomes in the farm sector, utilize the damaged stock of grains as well reduce pollution, the Indian government is very keen to significantly increase the extend of ethanol blending in petrol to achieve 20% blending of ethanol with fuel by year 2025 through its ethanol blending programme (“EBP”). In order to support and participate in the Government’s objective for ethanol blending, the Company is also exploring to install Grain based Distilleries for production of power alcohol as a Bio-Fuel. In addition to this opportunity, it will also be a good source of ethanol for sale as ENA as well as another source of Bio-based Specialities and Performance Chemicals.

#### Finance

During the year under review, your Company has raised term loan amounting to ₹ 289.49 Crores. The Company renewed the EPBG advance for USD 45.59 million (₹290.52 Crores) after meeting repayment obligations for FY 2020-21. The Company repaid an amount of USD 13.53 million (₹ 86.21 Crores) to the customers against the commitments reducing the total liability to USD 45.59 million (₹ 290.52 Crores) as on 31<sup>st</sup> March, 2021. Further, the Company has re-paid, upon maturity, term loan of ₹164.17 Crores during the year.

The Company has been regular in meeting its obligations towards payment of principal/interest to Banks/NBFCs.

Details of the Loans, Guarantees and Investments covered under the provisions of Section 186 of the Companies Act, 2013 (“the Act”) are provided in the notes to the standalone financial statements which form part of the Annual Report. The Company had discontinued its fixed deposits scheme in the FY 2009-10 and has not accepted any fresh deposits covered under Chapter V of the Act during the year. There are no overdue deposits as on 31<sup>st</sup> March, 2021. During the year under review,

no unclaimed deposit was required to be transferred to Investor Education and Protection Fund (IEPF).

For the Company, Ind-AS is applicable from 1<sup>st</sup> April, 2016 with a transition date of 1<sup>st</sup> April, 2015. The financial statements of the Company (including of subsidiaries) have been prepared in accordance with the recognition and measurement principles laid down under Ind-AS as presented under Section 133 of the Act read with the relevant rules issued thereunder and the other accounting principles generally accepted in India as applicable.

#### Internal Financial Controls and their Adequacy

The Company has in place adequate internal financial controls commensurate with the size, scale and complexity of its operations. The Company periodically discusses and reviews at its Audit Committee and with its auditors the effectiveness of the internal financial control measures implemented by the Company including with reference to the Financial Statements of the Company.

The Company has a proper and adequate system of internal financial controls which includes the policies and procedures for ensuring the orderly and efficient conduct of its business, including adherence to Company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records and the timely preparation of reliable financial information.

During the year under review, the Company updated the delegation of authority matrix/ manual to make it in line with the changes in the business environment and underlying systems and processes.

#### Listing of Securities

The shares of the Company are listed on BSE Limited (BSE) and the National Stock Exchange of India Limited (NSE). The respective stock code no. and symbol of the Company are 500201 and INDIAGLYCO. The annual listing fees for the year 2021-22 have been paid in advance to the Stock Exchanges.

#### Subsidiary Companies and Joint Venture and Consolidated Financial Statements

As on 31<sup>st</sup> March, 2021, the Company had Six (6) subsidiaries and One (1) Joint Venture Company. During the year under review, two (2) new wholly-owned subsidiaries namely IGL Green Chemicals Private Limited and IGL Chemicals and Services Private Limited were incorporated. A brief of each of them is given below:

#### Shakumbari Sugar and Allied Industries Limited

The Company has a sugar manufacturing plant in the state of Uttar Pradesh through its subsidiary Company Shakumbari Sugar and Allied Industries Ltd. (“SSAIL”) with a crushing capacity of 5,500 tons crushed per day (TCD) along with a modern distillery of 65 KL per day (KLPD)



producing high quality rectified spirit and an internal bagasse fired co-generation plant of 11 MW catering to the captive power needs of the sugar and distillery units.

During the year under review, SSAIL's operations remain discontinued. However, SSAIL continues to evaluate and explore options in consultation with expert(s) and stakeholders for restructuring/revival/disinvestment.

During the year ended 31<sup>st</sup> March, 2021, SSAIL has earned a profit of ₹ 10,232.91 Lakhs.

#### **IGL Finance Limited**

IGL Finance Ltd. ("IGLFL") is a 100% subsidiary of the Company. IGLFL had invested funds in short term commodity financing contracts of the National Spot Exchange Ltd. ("NSEL").

NSEL has defaulted in settling the contracts on due dates, for which IGLFL has initiated legal and other action. IGLFL is confident of recovery of its dues from NSEL over a period of time in view of the measures which have so far been taken for and pending before the Government and other agencies. During the year ended 31<sup>st</sup> March, 2021, IGLFL has incurred a loss of ₹ 0.50 Lakh.

#### **IGL Chem International Pte. Ltd.**

IGL Chem International Pte. Ltd. is a 100% subsidiary of the Company in Singapore to augment its activities in South Eastern region and help the marketing of products from Chemical Plant, Natural Gums Plant and Supercritical Fluid Extraction facility to large buyers in US, Europe and South East Asia. During the year ended 31<sup>st</sup> March, 2021, IGL Chem International Pte. Ltd. incurred a loss of ₹ 12.82 Lakhs.

#### **IGL Chem International USA LLC**

Your Company has also set up a 100% subsidiary Company in USA named as IGL Chem International USA LLC with the main objective of marketing of the Company's products and related activities in the American and Latin American regions. During the year ended 31<sup>st</sup> March, 2021, IGL Chem International USA LLC has earned profits of ₹ 87.24 Lakhs.

#### **IGL Green Chemicals Private Limited**

During the year under review, your Company had incorporated a 100% subsidiary namely, IGL Green Chemicals Private Limited ("IGCPL") vide certificate of incorporation dated 26<sup>th</sup> August, 2020 issued by the Registrar of Companies on 6<sup>th</sup> September, 2020 with an objective to transfer Company's BioEO (Speciality Chemicals) Business, as earlier approved by the Board of Directors on 24<sup>th</sup> June, 2020. Further, post approval by the Board of Directors at their meeting held on 11<sup>th</sup> March, 2021, the Company entered into a Business Transfer Agreement dated 11<sup>th</sup> March, 2021 to transfer its BioEO (Speciality Chemicals) Business to IGCPL. In the same meeting, the Board of Directors had also approved entering

into a joint venture with IGCPL and Clariant International Ltd. ("Clariant"), in connection with, inter alia, investment by Clariant in IGCPL and issuance of subscription shares by IGCPL to Clariant, which will result in IGCPL becoming a 51:49 joint venture, in which 51% stake will be held by Clariant and the remaining 49% stake will be held by the Company. More details of the transaction are mentioned earlier in this Report.

During the year ended 31<sup>st</sup> March, 2021, IGCPL incurred a loss of ₹ 0.99 Lakh.

#### **IGL Chemicals and Services Private Limited**

During the year under review, your Company has incorporated another 100% subsidiary namely, IGL Chemicals and Services Private Limited ("ICSPL") vide certificate of incorporation dated 3<sup>rd</sup> March, 2021 issued by the Registrar of Companies on 5<sup>th</sup> March, 2021 with objectives, inter-alia, of manufacturing, distribution and sale of various chemicals and ancillary items and providing related services, utilities etc.

#### **Kashipur Infrastructure and Freight Terminal Private Limited**

Kashipur Infrastructure and Freight Terminal Private Limited (KIFTPL) is a joint venture of your Company and Apollo Logisolutions Limited ("ALS"), serves as a multi-modal logistic facility for both EXIM and domestic cargo handling. KIFTPL owns state-of-art infrastructure and provides railway based logistic services and other facilities through its Private Freight Terminal and Inland Container Depot at Bazpur Road, Kashipur, Uttarakhand.

As on 31<sup>st</sup> March, 2021, your Company along with its affiliates hold 48.92% of the share Capital (42.31% by the Company and 6.61% by the affiliates) of KIFTPL while 51% of the share capital is held by ALS. ALS is an integrated logistics service provider and provides complete and comprehensive services relating to container freight station, transportation of containers, cargo handling and has the requisite technical expertise to operate and manage inland container depot.

During the year under review, KIFTPL has registered sales turnover of ₹ 2,025 Lakhs as compared to ₹ 1,740 Lakhs in previous year, an increase of about 16% over the previous year. During the year ended 31<sup>st</sup> March, 2021, KIFTPL has earned a profit of ₹ 169.90 Lakhs.

The consolidated financial statements of the Company and its subsidiaries, joint venture for the FY 2020-21, prepared in accordance with the applicable provisions of the Act, SEBI Listing Regulations and applicable accounting standards notified by Ministry of Corporate Affairs ("MCA"), Govt. of India, forms part of the Annual Report. Pursuant to the provisions of Section 136 of the Act, financial statements of the subsidiary companies are



not required to be sent to the members of the Company. The Company will provide a copy of separate annual accounts in respect of each of its subsidiary/associate to any member of the Company if so desired and said annual accounts will also be kept open for inspection at the registered office of the Company.

Further, the audited annual accounts of the subsidiary companies are also available on the website of the Company viz. [www.indiaglycols.com](http://www.indiaglycols.com).

A separate statement containing salient features of the financial statements of subsidiaries and Joint venture under first proviso to sub-section (3) of section 129 in Form AOC-1 forms part of the financial statements.

#### **Board of Directors and Key Managerial Personnel (KMP)**

During the year under review, on the recommendation of Nomination and Remuneration Committee ("NRC"), the Board of Directors appointed Ms. Pragma Bhartia Barwale (DIN: 02109262) as an Additional Director and Executive Director and Key Managerial Personnel in the category of Whole time Director of the Company for a period of five (5) consecutive years w.e.f. 24<sup>th</sup> June, 2020 till 23<sup>rd</sup> June, 2025 which was also approved by the members of the Company at their 36<sup>th</sup> Annual General Meeting ("AGM") held on 24<sup>th</sup> September, 2020. The members have also approved appointments of Shri Sudhir Agarwal (DIN: 08602216) who was appointed as an Additional Director and Executive Director and Key Managerial Personnel in the category of Whole time Director of the Company for a period of three (3) consecutive years w.e.f. 1<sup>st</sup> December, 2019 till 30<sup>th</sup> November, 2022 and Smt. Shukla Wassan (DIN: 02770898) who was appointed as an Additional Director in the category of Independent Director for a period of five (5) consecutive years from 1<sup>st</sup> April, 2020 till 31<sup>st</sup> March, 2025.

Also, on the recommendation of NRC, the Board of Directors of the Company re-appointed Shri U.S. Bhartia (DIN: 00063091) as Chairman & Managing Director and Key Managerial Personnel of the Company in the category of Whole time Director of the Company, for a further period of 5 (Five) years w.e.f. 1<sup>st</sup> April, 2021 till 31<sup>st</sup> March, 2026 which was also approved by the members of the Company by Special Resolution passed through Postal Ballot on 25<sup>th</sup> April, 2021.

Furthermore, Smt. Jayshree Bhartia (DIN: 00063018), Director of the Company is retiring by rotation at the ensuing AGM and being eligible, offers herself for re-appointment. Your Directors also recommends the re-appointment of Smt. Jayshree Bhartia, the retiring Director, for your approval.

The Company has received requisite declarations as

required under Section 152(4) of the Act from Smt. Bhartia along with the intimation that she is not disqualified under Section 164 of the Act to act as Director.

Brief resume of the Director retiring by rotation along with the other details as stipulated under SEBI Listing Regulations and Secretarial Standard on General Meetings (SS-2), are provided in the Notice convening AGM.

Further, during the year under review, on the recommendation of NRC, the Board of Directors at its meeting held on 6<sup>th</sup> November, 2020 had appointed Shri Rupark Sarswat as the Chief Executive Officer and Key Managerial Personnel of the Company. Shri Sarswat joined the Company w.e.f. 21<sup>st</sup> December, 2020. Earlier, Shri Rakesh Bhartia tendered his resignation and accordingly, ceased to be the Chief Executive Officer and Key Managerial Personnel of the Company w.e.f. 16<sup>th</sup> June, 2020 (close of business hours).

Except as mentioned above, there is no change in the Key Managerial Personnel during the year under review.

All the Independent Directors have furnished declarations that they fulfill the criteria of Independence and conditions as prescribed under Section 149(6) of the Act and Regulation 16(I)(b) of SEBI Listing Regulations and confirmed regarding their enrollment with the Indian Institute of Corporate Affairs (IICA) for inclusion of their name in the Data Bank of Independent Directors. There was no change in the circumstances effecting their status as Independent Director. In terms of Regulation 25(8) of SEBI Listing Regulations, the Independent Directors have confirmed that they are not aware of any circumstance or situation which exists or may be reasonably anticipated that could impair or impact their ability to discharge their duties. The Board is of the opinion that all Independent Directors are independent of the Company's management and meets the requirement of integrity, expertise and experience (including proficiency).

During the Financial Year 2020-21, Five (5) Board Meetings were held. The details of the Board meetings and the attendance of the Directors thereat are provided in the Corporate Governance Report and forms part of this Report.

As on 31<sup>st</sup> March, 2021, the Board has 5 (five) committees namely: the Audit Committee, the Corporate Social responsibility Committee, the Nomination & Remuneration Committee, the Risk Management Committee, the Stakeholder's Relationship Committee.

The detailed note on the composition of the Board and its committees is provided in the Corporate Governance report of the Company. During the year, all the recommendations made by the Committees were approved by the Board.



### **Board Evaluation**

Pursuant to the applicable provisions of the Act and SEBI Listing Regulations, the Board has carried out the annual performance evaluation of its own performance, the Directors individually as well as the evaluation of Committees. The evaluation was carried out based on parameters such as level of engagement and contribution, independence of judgement, safeguarding the interest of the Company and all stakeholders etc.

The performance evaluation of the Independent Directors was done by the entire Board excluding the Directors being evaluated in pursuance to the applicable provisions of SEBI listing Regulations. The performance evaluation of the Chairman, Board as a whole and the Non-Independent Directors was carried out by the Independent Directors.

The Board of Directors expressed their satisfaction with the evaluation process.

### **Nomination and Remuneration Policy**

The Nomination and Remuneration Policy containing, inter-alia, guiding principles for payment of remuneration to Directors, Senior Management, Key Managerial Personnel and other employees along with criteria for determining qualifications, positive attributes, independence of Directors and Board evaluation are provided in the Corporate Governance Report and forms part of the Annual Report. The said policy is available on the website of the Company i.e. [www.indiaglycols.com](http://www.indiaglycols.com) under link <http://www.indiaglycols.com/investors/downloads/NRE.pdf>

### **Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013**

In accordance with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 ("Prevention of Sexual Harassment Act"), the Company has constituted an Internal Complaints Committee where any grievance of sexual harassment at workplace can be reported. No complaint pertaining to sexual harassment at workplace has been reported to the Committee during the financial year ended 31<sup>st</sup> March, 2021.

The Company has also adopted policy on prevention of Sexual Harassment at workplace. The objective of the policy is to provide its women employees, a workplace, free from harassment/discrimination and that every employee is treated with dignity and respect.

The said policy is available on the website of the Company i.e. [www.indiaglycols.com](http://www.indiaglycols.com) under link: <http://www.indiaglycols.com/investors/downloads/policy-for-prevention-and-redressal-of-sexual-harrasment-of-women-at-workplace.pdf>

The Company periodically conducts sessions for

employees across the organization to build awareness about the policy and the provisions of the Prevention of Sexual Harassment Act. Also, in compliance to the circular issued by District Magistrate, Gautam Buddha Nagar, Uttar Pradesh, in respect of Prevention of Sexual Harassment Act, the Company is a registered entity at the designated website and, has also submitted/uploaded the periodic reports as per the applicable guidelines.

### **Vigil Mechanism/ Whistle Blower Policy**

In terms of provisions of Section 177 of the Act read with Rules thereunder and SEBI Listing Regulations, the Company has established a Vigil Mechanism/Whistle Blower Policy to deal with the instances of fraud and mismanagement. The Policy also facilitates all employees of the Company to report an instance of leak of unpublished price sensitive information.

The details of the Vigil Mechanism/ Whistle Blower Policy are provided in the Corporate Governance Report and also hosted on the website of the Company i.e. [www.indiaglycols.com](http://www.indiaglycols.com) under link <http://www.indiaglycols.com/investors/downloads/vigil-mechanism-policy.pdf>

As on 31<sup>st</sup> March, 2021, the Audit Committee comprises Four Non-Executive Independent Directors, namely, Shri Pradip Kumar Khaitan (Chairman), Shri Ravi Jhunjunwala, Shri Jagmohan N. Kejriwal, Shri Sajeve Bhushan Deora and one Executive Director, Shri Sudhir Agarwal.

The details of the Audit Committee meetings and the attendance of the members thereat are provided in the Corporate Governance Report and forms part of this Report. During the year, all the recommendations made by Audit Committee were accepted by the Board.

### **Directors' Responsibility Statement**

In terms of provisions of Section 134(5) of the Act, to the best of their knowledge and ability, your Directors confirm that:

- (a) in the preparation of the annual accounts for the year ended 31<sup>st</sup> March, 2021, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- (b) they have selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31<sup>st</sup> March, 2021 and the profit and loss of the Company for that period;
- (c) they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;



- (d) they have prepared the annual accounts on a going concern basis;
- (e) they have laid down the internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively; and
- (f) they have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

#### **Management Discussion and Analysis**

The Management Discussion and Analysis Report as required under SEBI Listing Regulations forms part of this Report

#### **Corporate Governance**

The Corporate Governance Report, as stipulated under Schedule V(C) of SEBI Listing Regulations forms part of this Report.

The requisite certificate from the Statutory Auditors of the Company, M/s K. N. Gutgutia & Co., Chartered Accountants, confirming compliance with the conditions of corporate governance as stipulated under the aforesaid clause is attached to Corporate Governance Report.

#### **Business Responsibility Report**

In pursuance to the provisions of Regulation 34 (2)(f) of SEBI Listing Regulations, the Business Responsibility Report describing the initiatives taken by the Company from an environmental, social and governance perspective, in the prescribed format, forms part of the Annual Report.

#### **Statutory Auditor & Audit Report**

##### **Statutory Auditor**

As per Section 139 of the Companies Act, 2013, read with the Companies (Audit and Auditors) Rules, 2014, M/s K.N. Gutgutia & Co., Chartered Accountants (Registration No. 304153E) [“KNG”] were appointed as the Statutory Auditors of the Company with the approval of members at the 33<sup>rd</sup> AGM held on 1<sup>st</sup> September, 2017 for a period of 5 years to hold office till the conclusion of 38<sup>th</sup> AGM, subject to ratification of the appointment at every AGM, if required.

Pursuant to the amendments made to Section 139 of the Act by the Companies (Amendment) Act, 2017 effective from 7<sup>th</sup> May, 2018, the requirement of ratification of Statutory Auditor's appointment by the shareholders, every year has been dispensed with. In view of the above, KNG shall continue as Statutory Auditors till the conclusion of 38<sup>th</sup> AGM to be held in the year 2022. Hence, approval of the Members for the ratification of Auditor's appointment is not being sought at the 37<sup>th</sup> AGM.

The Company has received the consent letter and a

certificate under Section 139 of the Act from KNG to the effect that continuation of their appointment shall be in accordance with the applicable provisions of the Act and the Rules made thereunder.

##### **Audit Report**

The Report given by M/s K.N. Gutgutia & Co., Chartered Accountants (Registration No. 304153E), Statutory Auditors on the financial statements of the Company for the financial year 2020-21 is part of the Annual Report.

The notes on financial statements referred to in the Auditor's Report are self-explanatory and do not call for any further comments.

There has been no qualification, reservation or adverse remark or disclaimer in their Report on standalone and consolidated financial statements for FY 2020-21.

During the year under review, the Auditors have not reported any matter under Section 143 (12) of the Act.

##### **Secretarial Auditor & Secretarial Audit Report**

The Board appointed M/s Mukesh Agarwal & Co., Company Secretaries (CP No.- 3851) as Secretarial Auditor for the Financial Year 2020-21 in terms of provisions of Section 204 of the Act. The Secretarial Audit Report for the financial year ended 31<sup>st</sup> March, 2021 was considered by the Board in its meeting held on 25<sup>th</sup> June, 2021 and is enclosed as “Annexure A” to this report. The Secretarial Audit Report does not contain any qualification, reservation or adverse remark which needs any explanation or comment of the Board.

During the year under review, the Company has complied with all the applicable mandatory Secretarial Standards as issued by the Institute of Company Secretaries of India.

##### **Cost Records and Cost Auditors**

The Cost records as required to be maintained under Section 148 (1) of Act are duly made and maintained by the Company.

The Company has appointed M/s R.J. Goel & Co., Cost Accountants (FRN 000026) as Cost Auditors of the Company for the financial year 2021-22 under section 148 of the Act read with the Companies (Cost Records and Audit) Rules, 2014 including amendments, if any. The Cost Auditors have confirmed that they are eligible under Section 141 (3) of the Act for re-appointment.

The Cost Auditor's Report for the year 2019-20 was filed with Central Government within the prescribed time.

##### **Related Party Transactions**

During the FY 2020-21, Related Party transactions (RPTs) as defined under Section 188 of the Act read with rules made thereunder and the SEBI Listing Regulations, were at arm's length and in ordinary course of business.

Pursuant to the provisions of Section 177 of the Act



read with Regulation 23 of SEBI Listing Regulations, all transaction with related parties were reviewed and approved by the Audit Committee and were in accordance with the policy on RPTs as formulated by the Company. The said policy has been uploaded on the Company's website at the following link- <http://www.indiaglycols.com/investors/downloads/Related-party-transactions-Policy.pdf>

Pursuant to Regulation 23(9) of SEBI Listing Regulations, disclosures of related party transactions on a consolidated basis for the half year ended 31<sup>st</sup> March, 2020 and 30<sup>th</sup> September, 2020 were submitted to the Stock Exchanges and also hosted on the website of the Company.

Further, the details of material RPTs executed during the year under review are disclosed in Form AOC-2 which is enclosed as “**Annexure B**” to this report. The disclosures pertaining to RPTs including with entity belonging to the promoter group which hold(s) 10% or more shareholding in compliance with the applicable Accounting Standards have been given in Note no. 56 of the Standalone financial statements forming part of the Annual Report.

#### **Conservation of Energy, Technology Absorption, Foreign Exchange Earnings & Outgo**

Your Company works actively on various projects efficiently, approaching and targeting reduction in Green House Gases (GHG) emissions.

The Company has installed unique technology for converting distillery spent wash into fuel at both the plants viz. Kashipur and Gorakhpur. Through this technology, the spent wash is concentrated through five effect evaporator. The concentrate is utilized as fuel to substitute coal in a specifically designed boiler. The high pressure steam so generated is passed through the turbine for power generation and low pressure steam after turbine is utilized in the plant for processes. Due to this, your Company is saving fossil fuel in terms of coal and substituting the essential power generation through DG sets.

Your Company has received certification of Energy Management System (ISO 50001:2018) under integrated management system.

The information in accordance with the provisions of Section 134(3)(m) of the Act read with the Rule 8 of the Companies (Accounts) Rules, 2014 is given at “**Annexure C**” to this report.

#### **Corporate Social Responsibility**

Corporate Social Responsibility ('CSR') is a way of conducting business, by which corporate entities visibly contribute to the social good and the welfare of society at large with an aim to improve quality of life of people. The Company feels that the essence of CSR is to integrate economic, environmental and social objectives with the Company's operations and growth. CSR is the process

by which an organization thinks about and evolves its relationships with society for the common good and demonstrates its commitment by giving back to the society for the resources it used to flourish by adoption of appropriate business processes and strategies. To give further impetus to this cause, the Company endeavours to manage its operations with an emphasis on Sustainable development to minimize impact on environment and promotes inclusive growth.

The Company had an average profit of ₹ 6,769.32 lakhs in terms of Section 198 of the Act during the last 3 financial years. Therefore, in pursuance to the provisions of Section 135 of the Act, the Company was required to spend ₹ 135.39 lakhs towards CSR activities during the financial year 2020-21. However, keeping in view its social responsibility commitments, the Company has voluntarily contributed an amount of ₹ 156.66 lakhs on the CSR activities during the financial year ended 31<sup>st</sup> March, 2021. The CSR policy of the Company is available on the website of the Company at <http://www.indiaglycols.com/investors/downloads/csr-policy.pdf>.

The Company's CSR policy statement and the annual report on CSR activities undertaken during the financial year ended 31<sup>st</sup> March, 2021, in accordance with the provisions of Section 135 of the Act read with the Companies (Corporate Social Responsibility Policy) Rules, 2014, is given at “**Annexure D**” to this Report.

The CSR Committee comprises two Executive Directors namely Shri U.S. Bhartia (Chairman) and Shri Sudhir Agarwal and two Non-Executive Independent Directors namely, Shri Pradip Kumar Khaitan and Shri Jitender Balakrishnan.

The details of the CSR Committee meetings and the attendance of the members thereat are provided in the Corporate Governance Report and forms part of this Report.

#### **Risk Management Policy**

The Company had already voluntarily constituted a Risk Management Committee ("RMC") to monitor the Risk Management Plan and to mitigate the risks attached to the business of the Company before it was made mandatory by the SEBI listing Regulations w.e.f. 5<sup>th</sup> May, 2021. The RMC consists of Directors and the senior management personnel of the Company, details whereof are provided in the Corporate Governance Report and forms part of this Report. Also, in pursuance to the amended provisions of the SEBI Listing Regulations, the Board of Directors at its meeting held on 25<sup>th</sup> June, 2021 approved the revised terms of reference/role and responsibilities of the RMC and on the recommendation of the RMC, approved the revised Risk Management Policy and the risk matrix/library to align these with the said amendments.



Your Company's objective of risk management is to have a meaningful identification, measurement, prioritization of risks or exposures to potential losses on a continual basis through active participation of all members of the Company and accordingly establish controls and procedures to build a visible & structured enterprise-wide risk management framework; reduce the risk levels and mitigate their effects in the likelihood of a risk event with an aim to protect the Company from harm; and have a contingency plan to manage risks having high probability and high impact.

Risk management framework is created to ensure that risk management principles are implemented and integrated all over the organization and that information retrieved from the risk management process are correctly reported.

This framework provides a stable foundation for the risk management work, orient the organizational arrangements properly in order to have a clear risk strategy across the organization & share information, experiences amongst different sites of the Company.

Considering the importance of keeping the risk management process dynamic, a periodical review of the risks is carried out across sites and departments for necessary key risks and risk management strategies are communicated to the Board of Directors for their assessment for minimization of effects of risk. The details of the Risk Management Committee meeting and the attendance of members thereat are provided in the Corporate Governance Report and forms part of this Report.

#### **Annual Return**

The Annual Return of the Company is available on the website of the Company at <https://www.indiaglycols.com/investors/downloads/annual-return-AGM2021.pdf>

#### **Court/Tribunal Orders**

During the year under review, there were no significant material orders passed by the regulators or courts or tribunals impacting the going concern status of the Company and its future operations.

#### **Particulars of Employees**

The required information as per Section 197 of the Act read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is given at “**Annexure E**” to this Report.

#### **Acknowledgement**

Your Directors expresses their gratitude for the continued support, co-operation and encouragement received from Central Government, the State Governments of Uttarakhand and Uttar Pradesh, other governmental authorities, Bankers, customers, lenders, suppliers, vendors, dealers, members, other stakeholders and business associates during the year under review.

Your Director place on record the sincere appreciation for employees at all the levels for their hard work, efforts and dedication. The Company look forward for their continued support in the future.

**For and on behalf of the Board**

Place : Noida

Dated : 25<sup>th</sup> June, 2021

**U.S. Bhartia**

*Chairman and Managing Director*

DIN: 00063091



## Annexure A

**FORM NO. MR-3**  
**SECRETARIAL AUDIT REPORT**  
FOR THE FINANCIAL YEAR ENDED MARCH 31, 2021  
[Pursuant to Section 204(1) of the Companies Act, 2013  
and Rule No. 9 of the Companies (Appointment and  
Remuneration of Managerial Personnel) Rules, 2014]

To,  
The Members,  
**INDIA GLYCOLS LIMITED**  
CIN : L24111UR1983PLC009097  
A-1, Industrial Area, Bazpur Road,  
Kashipur-244713, Udham Singh Nagar, Uttarakhand

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **INDIA GLYCOLS LIMITED** (hereinafter called the "Company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended March 31, 2021, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2021 according to the provisions of:

- (i) The Companies Act, 2013 and the rules made thereunder.
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder.
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder.
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings (ECB). **(Not Applicable to the Company during the Audit Period)**
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
  - a. The Securities and Exchange Board of India

(Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

- b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  - c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018; **(Not Applicable to the Company during the Audit Period)**
  - d. The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014; **(Not Applicable to the Company during the Audit Period)**
  - e. The Securities and Exchange Board of India (Issue and Listing of Non-convertible Redeemable Preference shares) Regulations, 2013; **(Not Applicable to the Company during the Audit Period)**
  - f. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; **(Not Applicable to the Company during the Audit Period)**
  - g. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client. **(Not Applicable to the Company during the Audit Period)**
  - h. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009. **(Not Applicable to the Company during the Audit Period)**
  - i. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998. **(Not Applicable to the Company during the Audit Period)**
- (vi) The management has confirmed that other laws applicable to the Company are complied with.

We have also examined compliance with the applicable clauses of the following:

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India and notified by Ministry of Corporate Affairs;
- (ii) The SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

During the period under review the Company has duly complied with the provisions of the Act, Rules, Regulations, Guidelines, etc. mentioned above.

### **We further report that:**

The Board of Director of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors, Independent Directors and Women Director. The changes in the composition of the Board of Directors



which took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all Directors to schedule the Board Meetings, Agenda and detailed notes on Agenda were sent to the Directors at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

All decisions at Board Meetings and Committee Meetings are carried out unanimously as recorded in the minutes of the meetings of the Board of Directors or Committee(s) of the Board, as the case may be.

We further report that based on the information received and

records maintained by the Company, there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

**For Mukesh Agarwal & Co.**

**Mukesh Kumar Agarwal**

Proprietor

FCS No.: 5991

C. P. No.: 3851

UDIN: F005991C000452305

**Place** : Delhi

**Date** : 12<sup>th</sup> June, 2021

Note: This report is to be read with our letter of even date which is annexed as "Annexure-A" and forms an integral part of this report.

#### Annexure A

To,  
The Members,  
**India Glycols Limited,**  
CIN : L24111UR1983PLC009097  
A-1, Industrial Area, Bazpur Road,  
Kashipur-244713, Udham Singh Nagar, Uttarakhand

The Secretarial Audit Report of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.
4. Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

**For Mukesh Agarwal & Co.**

**Mukesh Kumar Agarwal**

Proprietor

FCS.: 5991

C. P. No.: 3851

UDIN: F005991C000452305

**Place** : Delhi

**Date** : 12<sup>th</sup> June, 2021



**Annexure B**

**Form No. AOC-2**

**[Pursuant to clause (h) of sub-section (3) of Section 134 of the Companies Act, 2013 and Rule 8(2) of the Companies (Accounts) Rules, 2014]**

Disclosure of particulars of contracts/arrangements entered into by the Company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arm's length transactions under fourth (erstwhile third) proviso thereto.

- 1. Details of contracts or arrangements or transactions not at arm's length basis: Nil**
- 2. Details of material contracts or arrangement or transactions at arm's length basis:**

<b>Name(s) of the related party and nature of relationship</b>	<b>Nature of contracts/arrangements/transactions</b>	<b>Durations of the contracts/arrangements/transactions</b>	<b>Salient terms of the contracts or arrangements or transactions including the value, if any</b>	<b>Date(s) of approval by the Board, if any</b>	<b>Amount paid as advances, if any</b>
IGL Green Chemicals Private Limited ("IGCPL"), Wholly owned Subsidiary	Business Transfer Agreement	One time	Transfer of Company's BioEO (Speciality Chemicals) Business. Consideration: ₹ 646 Crores (subject to adjustment for working capital and net debt at the time of subscription), of which ₹ 191 Crores shall remain payable by IGCPL to the Company over a period of 3 years (or such extended time as may be agreed).	24 <sup>th</sup> June, 2020 and 11 <sup>th</sup> March, 2021	Nil
	Supply Agreement(s)	20 years and extendable for a further period of 10 years.	*Supply of Ethylene Oxide at arm's length price.	11 <sup>th</sup> March, 2021	Nil
			*Supply of Diethylene Glycol at arm's length price.	11 <sup>th</sup> March, 2021	Nil
			*Supply of utilities at arm's length price.	11 <sup>th</sup> March, 2021	Nil
			*Supply of power from captive power plant at arm's length price.	11 <sup>th</sup> March, 2021	Nil
Services Agreement		*Providing services at site at arm's length price.	11 <sup>th</sup> March, 2021	Nil	

\*All the above Agreements marked with an asterisk (\*) would be effective post completion of certain condition precedents and actions as identified in these Agreements. Further, all the above Agreements marked with an asterisk (\*) set out the rates at which the supply will be undertaken on the basis of purchase orders to be raised from time to time, and the supplies of material/ utilities / services would be made on the basis of the purchase order / request of the purchaser on the terms and conditions provided in these Agreements and hence, presently, no value is ascertainable.

**Note:** All transactions with IGL Green Chemicals Private Limited have been disclosed irrespective of whether they are covered under Section 188 of the Companies Act, 2013 or not.

**On behalf of the Board**

**Place :** Noida  
**Date :** 25<sup>th</sup> June, 2021

**U.S. Bhartia**  
Chairman & Managing Director  
DIN: 00063091



**Annexure C**

**PARTICULARS AS REQUIRED UNDER SECTION 134(3)(m) OF THE COMPANIES ACT, 2013 AND THE COMPANIES (ACCOUNTS) RULES, 2014**

**(A) CONSERVATION OF ENERGY**

**(a) Steps taken or impact on Energy Conservation:**

1. Auto Spill back control system installed for CO<sub>2</sub> gas blowers to avoid tripping of gas blower and compressor due to low gas suction pressure; resulting in power savings.
2. MP steam replaced with LP steam in Acetate Plant R202 reactor; resulting in higher power generation from steam turbine.
3. Ethoxylate hot water circulation rate increased with additional pump for improved heat recovery.
4. VFD provided in cooling tower fan and cooling tower pump resulting in power savings.
5. Effluent evaporator condensate pumps capacity increased by replacing with higher size impeller resulting in power savings due to stoppage of one pump.
6. Distillery Spent lees pump replaced with a higher efficiency pump, resulting in power savings.
7. Installation of LED lights in place of conventional lights.
8. LPG cylinders replaced with pipeline natural gas in canteen/guest house resulting in reduced losses in the system.
9. Online IOT system installed for real time monitoring of critical plant performance parameters of Boilers, Steam turbine and production units i.e. MEG and Surfactant.

**(b) Steps taken by the Company for utilizing alternate sources of energy:**

Utilization of Slops (concentrated Spent wash), Rice husk & Herbal waste.

**(c) Capital Investment on energy conservation equipments:**

During the year, the Company invested ₹ 23.93 lakhs in energy conservation equipments.

**(B) TECHNOLOGY ABSORPTION-**

**(a) The efforts made towards technology absorption:**

Development of new cost effective feed stock (RM) source.

**(b) Benefits derived like product improvement, cost reduction, product development or import substitution:**

1. Development of 100% Biodegradable Industrial Chemicals and Surfactants derived from renewable alternative feedstock.
2. Development of Bio- polishing enzyme based product and New generation silicon base finishing agent for Textile.
3. Development of Environment friendly surfactants for "ZC" formulations for crop protection.
4. Eco-friendly adjuvants for micronutrients to be stabilized in aqueous medium for crop protection.
5. Development of surfactants for capsule suspension- Controlled Release Application for Agrochemicals for crop protection.
6. New generation Low temperature & low dose demulsifier for quick separation of water from crude oil emulsion.
7. Unique and innovative, New Generation Surfactant for Enhance oil recovery from oil well.
8. Development of Specialty amines for Refineries as corrosion protection.
9. Development of Eco-friendly surfactant based on renewable resources (Vegetable oil based) for pigment dispersions.
10. Developed New generation high performance Borate-Ester base-Brake fluid component for high end vehicles.
11. Development of Sodium Isothionate for skin care and is a unique surfactant for hard surface cleaning agent.
12. Developed Unique Green product for Polyurethane foam; used in cosmetic tool application.
13. Development of construction chemicals - Specialty green Ethoxylate for Poly carboxylate as water reducing agent & strength improver and Green surfactant for Bitumen emulsification for Road Construction.
14. Development of Guar based Eco-friendly and biodegradable surfactant used in Oil-Gas for enhanced Oil Recovery and Personal care application.
15. Developed Specialty Guar derivative for various applications like Effluent treatment, Oil-Gas and Personal Care.
16. Developed sanitizer products.
17. Process developed for Extraction of carotenoids and Omega three fatty acid from Micro algae Nanochloropsis.
18. Extraction and enrichment of Astaxanthin from the raw material samples received from Iceland and enriched biomass sample received aiming for 93% active recovery.
19. Process development for isolation of fatty acids from Pomegranate seed.
20. Process development for enrichment of Astaxanthin to 25-28%.
21. Process developed for removal of residual solvents from marigold extract to comply the international requirement for residual solvents.
22. Stabilization of commercial process in SCF-CO<sub>2</sub> process to create a widest product portfolio such as Micro algae extract from Nanochloropsis & Chlorella; Astaxanthin (Algamo) from Haematococcus pluvialis; Pomegranate seed oil from Pomegranate seed which contains Omega 3,6, and 9 Fatty acid; Astaxanthin from Haematococcus pluvialis and Turmeric oil from Turmeric extract.

**(c) In case of imported technology (imported during the last 3 years reckoned from the beginning of the financial year)**

- |   |     |
|---|-----|
| (a) Details of technology imported  | Nil |
| (b) Year of import  | Nil |
| (c) Whether the technology been fully absorbed  | NA  |
| (d) If not fully absorbed, areas where absorption has not taken place and the reasons thereof | NA  |

**(d) Expenditure incurred on Research and Development-**

Sl. No.	Division/Place/Plant for which incurred	Nature of expenses (₹ In lakhs)	
		Capital	Recurring
1.	Chemical, Kashipur	-	283.91
2.	Ennature Bio Pharma, Dehradun	-	252.54
	<b>Total</b>	-	<b>536.45</b>

**(e) Foreign Exchange Earning and Outgo:**

(₹ In lakhs)

Sl. No.	Particulars	2020-21	2019-20
1.	Foreign Exchange earnings	61,396.39	73,283.30
2.	Foreign Exchange outgo	1,17,386.16	1,66,005.88

For and on behalf of the Board

Place : Noida  
Dated : 25<sup>th</sup> June, 2021

**U.S. Bhartiya**  
Chairman and Managing Director  
DIN: 00063091



**Annexure D**

**ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES  
for the financial year ended 31<sup>st</sup> March, 2021**

**1. Brief outline on CSR Policy of the Company:**

Corporate Social Responsibility (CSR) is a way of conducting business, by which corporate entities visibly contribute to the social good and the welfare of society at large with an aim to improve quality of life of people. India Glycols Limited (“the Company”) feels that the essence of CSR is to integrate economic, environmental and social objectives with the Company’s operations and growth. CSR is the process by which an organization thinks about and evolves its relationships with society for the common good and demonstrate its commitment by giving back to the society for the resources it used to flourish by adoption of appropriate business processes and strategies. To give further impetus to this cause, the Company endeavours to manage its operations with an emphasis on Sustainable development to minimize impact on environment and promotes inclusive growth.

**2. The composition of the CSR committee:**

Sl. No.	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1.	Shri U.S. Bhartia	Chairman / Executive Director	4	4
2.	Shri Pradip Kumar Khaitan	Member / Independent Director	4	4
3.	Shri Jitender Balakrishnan	Member / Independent Director	4	4
4.	Shri Sudhir Agarwal	Member / Executive Director	4	4

**3. Provide the web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company:**

Particular	Web-link
Composition of CSR Policy	<a href="https://www.indiaglycols.com/investors/downloads/board-committees.pdf">https://www.indiaglycols.com/investors/downloads/board-committees.pdf</a>
CSR Policy	<a href="https://www.indiaglycols.com/investors/downloads/csr-policy.pdf">https://www.indiaglycols.com/investors/downloads/csr-policy.pdf</a>
CSR Projects approved by the Board	No specific projects were approved during FY2020-21 but expenses incurred on various heads/activities are as per Schedule VII of the Companies Act, 2013.

**4. Provide the details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social responsibility Policy) Rules, 2014, if applicable (attach the report):**  
Not applicable

**5. Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any:**

Sl. No.	Financial Year	Amount available for set-off from preceding financial years (in ₹)	Amount required to be setoff for the financial year, if any (in ₹)*
1.	2017-18	24.21 lakhs	-
2.	2018-19	65.87 lakhs	-
3.	2019-20	24.17 lakhs	-

*\*the Company has not availed any setoff benefits.*

**6. Average net profit of the company as per section 135(5): ₹ 6,769.32 Lakhs**

**7. (a) Two percent of average net profit of the company as per section 135(5): ₹ 135.39 Lakhs**

**(b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years: Nil**

**(c) Amount required to be set off for the financial year, if any: Nil**



(d) Total CSR obligation for the financial year (7a+7b-7c): ₹ 135.39 Lakhs

8. (a) CSR amount spent or unspent for the financial year:

Total Amount Spent for the Financial Year (in ₹)	Amount Unspent (in ₹)				
	Total Amount transferred to Unspent CSR Account as per section 135(6).		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5).		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
1,56,66,362	NIL	NA	NA	NIL	NA

(b) Details of CSR amount spent against ongoing projects for the financial year: No ongoing projects, hence not applicable.

(c) Details of CSR amount other than ongoing projects for the financial year:

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	
Sl. No.	Name of the Project	Item from the list of activities in schedule VII to the Act	Local area (Yes/ No)	Location of the project		Amount spent for the project (in ₹)	Mode of implementation Direct (Yes/No)	Mode of Implementation - Through Implementing Agency	
				State	District			Name	CSR registration number
1.	Installation of Hand Pumps	Sanitation and safe drinking water	Yes	Uttarakhand	Udham Singh Nagar	1,77,226	Yes	-	-
2.	Medical camps including distribution of medicines	Health care & Sanitation	Yes	Uttarakhand	Udham Singh Nagar	1,71,150	Yes	-	-
				Uttar Pradesh	Gorakhpur	30,13,154			
3.	Scholarships/ Prize distribution to poor students School Renovation/ Building Development	Promoting education	Yes	Uttarakhand	Udham Singh Nagar	8,08,971	Yes	-	-
				Uttar Pradesh	Gorakhpur	11,750			
4.	Restoration of buildings and sites of historical importance	Restoration of buildings and sites of historical importance	No	Uttar Pradesh	Ayodhya	1,13,12,111	No	Contributed through Trust	-
5.	Repair & Construction work in Canal	Conservation of natural resources	Yes	Uttarakhand	Udham Singh Nagar	1,72,000	Yes	-	-
<b>TOTAL</b>						<b>1,56,66,362</b>			



- (d) Amount spent in Administrative Overhead: Nil  
 (e) Amount spent on Impact Assessment, if applicable: Not applicable  
 (f) Total amount spent for the Financial Year (8b+8c+8d+8e): ₹ 1,56,66,362/-  
 (g) Excess amount for set off, if any:

Sl. No.	Particular	Amount (in ₹)
(i)	Two percent of average net profit of the company as per section 135(5)	1,35,39,000
(ii)	Total amount spent for the Financial Year	1,56,66,362
(iii)	Excess amount spent for the financial year [(ii)-(i)]	21,27,362
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	-
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	21,27,362

**9.(a) Details of Unspent CSR amount for the preceding three financial years:**

Sl. No.	Preceding Financial Year	Amount transferred to Unspent CSR Account under section 135 (6) (in ₹)	Amount spent in the reporting Financial Year (in ₹)	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any.			Amount remaining to be spent in succeeding financial years (in ₹)
				Name of the Fund	Amount (in ₹)	Date of transfer	
Not Applicable							

**(b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s):**

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Sl. No.	Project ID	Name of the Project	Financial Year in which the project was commenced	Project duration	Total amount allocated for the project (in ₹)	Amount spent on the project in the reporting Financial Year (in ₹)	Cumulative amount spent at the end of reporting Financial Year (in ₹)	Status of the project - Completed /Ongoing
Not Applicable								

**10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year (asset-wise details):**

- (a) Date of creation or acquisition of the capital asset(s): Not Applicable  
 (b) Amount of CSR spent for creation or acquisition of capital asset: Not Applicable  
 (c) Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc: Not Applicable  
 (d) Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset): Not Applicable

**11. Specify the reason(s), if the company has failed to spend two percent of the average net profit as per section 135(5):** Not Applicable

For and on behalf of the Board

**U.S. Bhartia**  
 Chairman and Managing Director  
 Chairman, CSR Committee  
 DIN: 00063091

Dated : 25<sup>th</sup> June, 2021  
 Place : Noida



## Annexure E

### Details pertaining to remuneration as required under Section 197(12) of the Companies Act, 2013 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

The remuneration paid by the Company to its employees including Directors, Key Managerial Personnel is in line with the Nomination and Remuneration policy of the Company. The guiding principles of the Nomination and Remuneration policy of the Company is that the level and composition of the remuneration be reasonable and sufficient to attract, retain and motivate Directors, Key Managerial Personnel and other senior officials.

- (i) The percentage increase in remuneration of each Director, Chief Executive officer, Chief Financial Officer, Company Secretary in the financial year 2020-21 in comparison to the financial year 2019-20 and ratio of remuneration of each Director to the median remuneration of the employees of the Company:

Name of Directors/ KMPs	Remuneration 2019-20 (in ₹)	Remuneration 2020-21 (in ₹)	% increase in Remuneration in the financial year 2020-21	Ratio of Remuneration to MRE <sup>§</sup> for the financial year 2020-21
Shri U. S. Bhartia, Chairman & Managing Director	12,94,73,694	7,91,98,411*	(38.83)	178.30
Ms. Pragya Bhartia Barwale, Whole-time Director (w.e.f. 24 <sup>th</sup> June, 2020)	N.A.	1,82,88,294**	^	41.17
Shri Sudhir Agarwal, Whole-time Director	22,58,150	55,08,947 <sup>@</sup>	^	12.40
Smt. Jayshree Bhartia, Promoter Director	17,30,000	10,50,000*	(39.31)	2.36
Shri Pradip Kumar Khaitan, Independent Director	30,00,000	21,40,000*	(28.67)	4.82
Shri Jagmohan N. Kejriwal, Independent Director	17,60,000	13,40,000*	(23.86)	3.02
Shri Ravi Jhunjhunwala, Independent Director	20,30,000	13,60,000*	(33.00)	3.06
Shri Jitender Balakrishnan, Independent Director	17,80,000	11,00,000*	(38.20)	2.48
Shri Sajeve Bhushan Deora, Independent Director	19,30,000	13,00,000*	(32.64)	2.93
Smt. Shukla Wassan, Independent Director (w.e.f. 1 <sup>st</sup> April, 2020)	N.A.	10,10,000*	^	2.27
Shri Rakesh Bhartia, Chief Executive Officer (till 16 <sup>th</sup> June, 2020)	2,03,42,689	87,04,191 <sup>##</sup>	^	19.60
Shri Rupark Sarswat, Chief Executive Officer (w.e.f. 21 <sup>st</sup> December, 2020)	N.A.	1,61,71,987	^	36.41
Shri Anand Singhal, Chief Financial Officer	73,17,528	65,68,533	(10.24)	14.79
Shri Ankur Jain, Company Secretary	43,16,268**	39,07,140	(9.48)	8.80

<sup>§</sup>Median Remuneration of Employees

Notes:

- (a) \*Remuneration includes commission which relates to FY 2020-21 and which will be paid during FY 2021-22.  
 (b) # Entire Remuneration (including commission of ₹ 94,60,000) is subject to confirmation and waiver of the members at the ensuing AGM, in pursuance to provisions of section 197 (10) of the Companies Act, 2013.  
 (c) @ Subject to confirmation and waiver of the members at the ensuing AGM, in pursuance to provisions of Section 197(10) of the Companies Act, 2013.  
 (d) ^ Increase/decrease in remuneration is not reported as the concerned Directors/KMP's were only for a part of the year under review or previous year.  
 (e) ## Includes amount of gratuity of Rs. 20,00,000 and leave encashment of ₹ 28,08,435.  
 (f) \*\* Includes allowances pertaining to earlier years, paid in FY 2019-20 in accordance with the Company's policy.
- (ii) There was an increase of (0.52) % in the median remuneration of employees in the financial year 2020-21.  
 (iii) Number of permanent employees on the rolls of the Company as on 31<sup>st</sup> March, 2021 were 1330.  
 (iv) Average percentile increase made in the salaries of the employees other than managerial personnel in the last financial year was (5.09) % whereas percentile increase in the managerial remuneration was (69) % for the same financial year.  
 (v) It is affirmed that the remuneration paid to the Directors, Key Managerial personnel and other Employees is as per the Nomination and Remuneration Policy of the Company.



**Information regarding employees in accordance with the provisions of Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014**

**A. Top Ten Employees of the Company in terms of remuneration drawn:**

SR. NO.	NAME	AGE IN YEARS	DESIGNATION	NATURE OF EMPLOYMENT	#GROSS REMUNERATION (IN ₹)	QUALIFICATIONS	TOTAL EXPERIENCE (YEARS)	DATE OF COMMENCEMENT OF EMPLOYMENT WITH THE COMPANY	PREVIOUS EMPLOYMENT
1	Shri U.S. Bhartia	67	Chairman and Managing Director	Contractual	7,91,98,411	B.Com (Hons.)	42	29.11.1996	Managing Director, India Glycols Ltd.
2	Ms. Pragya Bhartia Barwale	39	Executive Director (w.e.f. 24.06.2020)	Contractual	1,89,22,901*	B.A. (Economics & International Relations), M.Sc (Development Economics)	13	01.08.2008	President-Business Development, India Glycols Ltd. (till 23.06.2020)
3	Shri Rupark Sarswat (w.e.f. 21.12.2020)	49	Chief Executive Officer	Permanent	1,61,71,987	B. Tech (Chemical Engineering), 3TP Senior Leaders General Management Program	26	21.12.2020	Managing Director, Transpek-Silox Industries Private Limited
4	Shri Rakesh Bhartia (till 16.06.2020)	52	Chief Executive Officer	Permanent	1,23,80,114*	CA, CS, ICWA	29	31.07.2009	CEO, Bajaj Hindustan Ltd.
5	Shri Rakesh Kumar Khandal	63	President-R&D and Business Development	Permanent	80,95,476	M.Sc (Chemistry), PHD (Applied Chemistry)	40	12.05.2015	Vice-Chancellor, Uttar Pradesh Technical University
6	Shri Anand Singhal	54	CFO	Permanent	65,68,533	CA	31	02.01.2008	Chief Financial Officer, Abhishek Industries Ltd.
7	Shri Sanjeev Gurwara	60	President-Marketing	Permanent	58,69,884	M.Sc (Organic Chemistry), MBA (Marketing)	37	22.08.1994	Branch Manager Marketing, S.M. Dyechem Ltd.
8	Shri Sudhir Agarwal	59	Executive Director	Contractual	55,08,947##	B.Tech (Chem.)	36	10.07.2014	National Fertilizers Ltd, Chief Production Manager
9	Shri Shashi Kant Shukla	56	Business Head - Gorakhpur	Permanent	47,91,708	MBA	32	20.12.2004	Saraya Distillery, Gorakhpur
10	Shri R. K. Sharma	57	Head - Sustainability	Permanent	46,87,338	BE (Fire Engineering), M.Sc (Chemistry), Ph.D. (Environmental Science), MBA (Quality Management)	35	11.11.1988	Station Officer, B.A.R.C. Mumbai.

**B. Employed throughout the year and in receipt of remuneration not less than ₹ 1,02,00,000/- per annum:**

Covered in Point (A) above.

**C. Employed for part of the year and in receipt of Remuneration not less than ₹ 8,50,000/- per month: Covered in Point (A) above.**

**NOTES:**

- #Gross Remuneration shown above includes salary, house rent allowance, Company's contribution to Provident Fund and other perquisites. Value of Perquisites have been calculated on the basis of Income Tax Act, 1961.
- The remuneration of Chairman and Managing Director is inclusive of Commission of ₹ 2,46,00,000 which relates to FY 2020-21 and will be paid in FY 2021-22.
- \* Includes an amount of ₹ 6,34,607 as President-Business Development till 23.06.2020. Also, an amount of ₹ 1,82,88,294 as Executive Director w.e.f 24.06.2020 which includes a Commission of ₹ 94,60,000 relating to FY 2020-21 and shall be paid during FY 2021-22. The entire amount of remuneration of ₹ 1,82,88,294 is subject to confirmation and waiver of the members at the ensuing AGM, in pursuance to provisions of Section 197(10) of the Companies Act, 2013.
- ^Includes ₹ 87,04,191 as CEO till 16.06.2020 and thereafter as non-CEO till 31.08.2020.
- ## Subject to confirmation and waiver of the members at the ensuing AGM, in pursuance to provisions of Section 197(10) of the Companies Act, 2013.
- None of the employee mentioned above is related to any Director of the Company other than Shri U.S. Bhartia who is related to Smt. Jayshree Bhartia as spouse and Ms. Pragya Bhartia Barwale is daughter of Shri U.S. Bhartia and Smt. Jayshree Bhartia.
- There is no employee who was in receipt of remuneration in excess of that drawn by the Managing Director or Whole-time Director and holds not less than two percent of the equity shares of the Company by himself or alongwith his spouse and dependent children, falling under the provisions of Section 197 read with Rule 5(2)(iii) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

**For and on behalf of the Board**

Place : Noida  
 Dated : 25<sup>th</sup> June, 2021

**U.S. Bhartia**  
 Chairman and Managing Director  
 DIN: 00063091

# Management Discussion & Analysis





# Management Discussion & Analysis Report

## Economy and Industry Overview

The contraction of activity in FY 2020-21 resulting due to the global Covid-19 pandemic has been unprecedented in living memory in its speed and synchronized nature and continues to impact human life and economies, across the globe. The global economy recorded a de-growth of 3.3% and the growth stress was witnessed by the advanced and emerging economies too. It is estimated that the contraction could have been more severe had it not been for the swift policy support from the central banks and governments globally albeit varied across countries.

The global economy has been showing signs of recovery since the harsh lockdowns imposed across the world to curb the spread of Covid-19. As per International Monetary Fund's (IMF), World Economic Outlook Update, the growth of global economy is projected at 6% in 2021 and at 4.4% in 2022. The global trade volumes are forecasted to grow at about 8% in 2021, before moderating down to 6% in 2022.

As per the Economic Survey 20-21, India's real GDP is projected to record a growth of 11% in 2021-22 and nominal GDP by 15.4 per cent. These conservative estimates are due to the continued normalisation in economic activities as the rollout of Covid-19 vaccines gathers traction and further support from easing of regulations, push to infrastructural investments, boost to manufacturing sector through the Productivity Linked Incentive Schemes and pick up in credit given adequate liquidity and low interest rates. These projection are in line with IMF estimate of real GDP growth of 12.5% in 2021-22 for India. India is expected to emerge as the fastest growing economy in the next two years as per IMF.

Even though, the impact of the Covid-19 pandemic on the Indian economy has been severe, the Government of India's measures such as announcing economic stimulus packages, implementing a nationwide lockdown and launching the vaccination drive, resulted in the country progressing towards a V-shaped recovery. The presence of a strong domestic market coupled with a large working population, a stable political environment, positive outlook towards reducing emissions and focus on innovation make India a promising manufacturing destination.

The chemical industry is a critical and integral part of the growing Indian economy. It is also a crucial component of agricultural and industrial development in India, and provides the building blocks for various other important downstream industries. There are several opportunities to be explored within the Indian chemical industry, and its high potential is well-recognized globally. Indeed, India has emerged as one of the most preferred destinations for investment in this area and ranks 63<sup>rd</sup> in the World Bank's Ease of Doing Business Index.

As per Cefic, India has one of the largest global chemical markets and is ranked sixth in the world and fourth in Asia in terms of global sale of chemicals. India accounts for 2.5% of the world's global chemical sales. As per FICCI report, India's chemical industry is one of the fastest

growing in the world. Chemicals industry in India is highly diversified, covering more than 80,000 commercial products and providing employment to over 2 million people. Between 2006 and 2019, the compounded annual growth rate (CAGR) in total returns to shareholders (TRS) for India's chemical companies was 15 percent, much higher than the global chemical-industry return, with a CAGR of 8 percent, and the overall global equity market, with a CAGR of 6 percent. The Indian chemicals industry is projected to be worth \$304 billion by 2025 and has a huge role to play to make India a \$5 trillion economy.

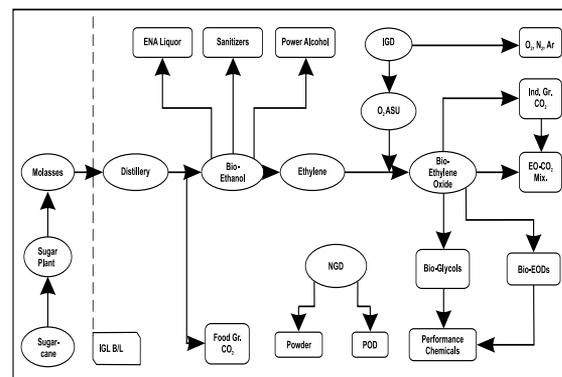
India Glycols Limited being the only Bio-based ingredients and Performance Chemicals Company of its kind, figures in the list of leading chemical manufacturers in the country.

## Products

INDIA GLYCOLS LIMITED is one of the leading manufacturers with its presence in Glycols (Bio-Based Specialities and Performance Chemicals), Ethyl Alcohol (Potable Spirits), Plant based APIs and Nutraceuticals, Natural Gums (Bio Polymers) and Derivatives and Industrial Gases. The Bio-based Ethylene Oxide Derivatives business is being transferred to a JV company, details whereof are given under the heading Ethylene Oxide Derivatives (EODs) in this report. Our state-of-the-art manufacturing facilities are working to provide sustainable value added products using the best technologies.

The manufacturing building blocks are as presented below:

### Manufacturing Building Blocks



The Company has organised its business into:

#### A. Chemicals having following segments:-

- Bio-based Glycols (MEG, DEG, TEG and Heavy Glycols), Glycol Ethers, Glycol Ether Acetates.
- Ethylene Oxide Derivatives (EODs) (this business is being transferred to a JV company, details whereof are given under the heading Ethylene Oxide Derivatives (EODs) in this report).
- Power Alcohol (Bio Fuel), Industrial Gases, Natural Gum (Bio Polymers) etc.

#### B. Ethyl Alcohol (Potable Spirits) and Extra Neutral Alcohol (ENA).

#### C. Ennature Biopharma (Nutraceuticals)



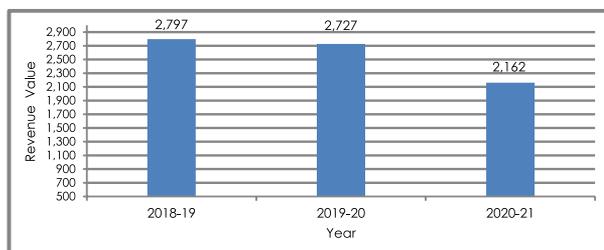
The segment wise business share is indicated as below:-

Segment	Gross Revenue 2020-21 (₹ In Crores) (Domestic + Exports)	% Share
A. Chemicals	2,162	35.69
B. Ethyl Alcohol (Potable)	3,745	61.82
C. Nutraceuticals	151	2.49
<b>TOTAL</b>	<b>6,058</b>	<b>100.00</b>

### Chemical Segment

Gross revenue in chemical segment has decreased from ₹ 2,727 Crores in FY 2019-20 to ₹ 2,162 Crores in FY 2020-21. This segment has contributed about 35.69% of the gross revenue of the Company.

FY	2018-19	2019-20	2020-21
Chemical Gross Revenue (₹ in Crores)	2,797	2,727	2,162



### Glycols (Bio-Based)

Sales of Glycols [Monoethylene Glycol (MEG), Diethylene Glycol (DEG), Triethylene Glycol (TEG), Heavy Glycols and Glycols Ether] has decreased from 1,04,779 MT in FY 19-20 to 75,767 MT in FY 20-21 and resultantly, the sales value also decreased from ₹ 1,114 Crores to ₹ 1,024 Crores, respectively. In domestic market, the sales of MEG was restricted due to low prevailing MEG prices and realization. Also, some large key clients decided on reduced offtake of Bio-MEG and showed inclination to shift to recycled PET for their PET bottles. The Company is keeping a close watch on such developments and efforts are being made to develop new markets for growth of volumes in this segment. The sales was affected primarily in Glycol Ethers & Acetates segment due to surplus availability of low priced Butyl Glycol & PMA, in the International market.

Innovation is crucial at IGL and the Company introduced a range of disinfectants/ hygiene products under the Brand HandSantol® towards end of the last financial year. Not only did the Company offer sanitizers in multiple pack sizes for the Indian market under its brand but also manufactured premium quality sanitizers for major Indian brands such as HUL Lifebuoy, Diversey, Berger and Reliance Retail. The Company also started exporting Hand Sanitizers to the USA. It was also doing our bit as a socially responsible corporate in helping to deal with the global pandemic.

### Ethylene Oxide Derivatives (EODs)

Sales under Ethylene Oxide Derivatives (EOD/Speciality Chemicals & Ethoxylate) business was decreased from 74,037 MT in FY 19-20 to 65,682 MT during FY 20-21 and whereas the sales value was registered as ₹ 756 Crores and ₹ 668 Crores, respectively.

Ethylene Oxide Derivatives produced by the Company are used by diverse industries like Textile, Agrochemicals, Detergents, Pharmaceuticals & Personal Care, Oil Field and Automotive industry, paint & coating industry etc.

In order to consolidate its position as one of the leading manufacturers and distributors of EOD products, the Company during the year under review, entered into a JV agreement with Clariant International Limited (“Clariant”) and IGL Green Chemicals Private Limited (“IGCPL”), a wholly owned subsidiary, for forming a 49:51 JV, wherein 49% shall be held by the Company and 51% shall be held by Clariant. The Company through JV intends to further increase its EOD business by developing new products and applications combining its synergies with Clariant in technology. For further details of the transaction, Board Report be referred.

### Surfactants and Speciality Chemicals

In order to meet the requirements of various industry sectors, India Glycols has been developing specialty surfactants as well as specialty chemicals for niche applications. These products are sold based mainly on their performance.

### Bio-Ethoxylates

The large MNCs in the Surfactants and Ethoxylates business are becoming more and more focused on products with bio/green origin. The international market of Bio-Ethoxylates is growing fast and offers a great opportunity for IGL to build new markets for its Bio-ethoxylates made from green EO. This market not only will be able to absorb larger volumes but also offer better realization.

### Opportunities & Challenges

MEG consumption for the Polyester Industry for 2020-21 has been around 3.1 million tonne. The limiting factor in the growth was the lower demand in the market due to Covid, resulting in an overall growth of about 4-5 % in the Polyester Industry. There was addition of new capacities and expansion in the Polyester Film & POY segment leading to increased price competition in India. Globally, the continued trade restrictions imposed by China & US on each other and addition of around 2 Million capacity of MEG has further led to intense competition in price and easy availability of MEG stocks world over.

Domestic production of MEG was around 1.80 million tonne primarily from Reliance & IOC and the balance demand has been met through imports. Overall demand supply balance has not been favourable for MEG producers in the world market in 2020-21 with prices averaging around US\$ 550 during the financial year ended 31<sup>st</sup> March, 2021.

In order to ensure that the new products are delivered in time as per the needs of the customers, in the Pandemic times, the Company identified new growth areas and introduced new Disinfectants and Hygiene products. Several improvements in cost of many of our large-volume



products were done through process validation to improve yield, production efficiency and usage of alternative Raw Materials. In addition, multiple initiatives have been taken to develop more Green products to meet the rising demand of environment-friendly surfactants and specialty chemicals based on renewable resources.

We are promoting our Bio-based Glycols to potential customers who are keen on producing sustainable products from renewable resources and improve their carbon foot print in line with the Global UNSDGs (United Nations Sustainable Development Goals). We have converted this concept into a good business opportunity which will enable higher capacity utilisation with better realisation. The Company is also embarking upon manufacturing Amine based EO derivatives in the near future. This will further add to the diversified portfolio of the Company and will give a competitive edge.

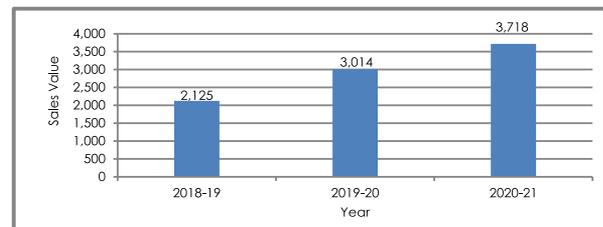
### Ethyl Alcohol (Potable Spirits) and Extra Neutral Alcohol (ENA)

During the year, your Company registered total sales value of ₹ 3,718 Crores as compared to ₹ 3,014 Crores last year in the Ethyl Alcohol (Potable) division. The Company has three state-of-the-art distilleries (Kashipur-Uttarakhand, Gorakhpur-Uttar Pradesh, and Saharanpur-Uttar Pradesh (through its subsidiary)) with a total distillery capacity of 280,000 KLPA for the production of ethyl alcohol, out of which, 80,000 KLPA is for potable alcohol. The Kashipur facility is considered one of the most efficient distilleries in the country. Apart from producing industrial alcohol for its captive consumption, IGL is also one of the biggest exporters of international quality ENA (Extra Neutral Alcohol). Due to the persistent efforts for export of high quality ENA, the Company has gained the position of a premium supplier of quality ENA in the international markets. The Company has been certified by CONTROLUNION, an International certifying agency, for “Bonsucro MB ‘Chain of Custody’ Standard” for ENA- Special Sprit. The year 2020-21 witnessed the spread of Covid-19 pandemic leading to higher demand for ENA for manufacture of sanitizers. The Company is proud to have supplied ENA to various well known hand sanitizer manufacturers and met the market requirement in the hour of crisis. The Company is a major player in North India for domestic pharma markets and is a trusted and reliable supplier to many well established companies manufacturing homeopathic medicines.

Kashipur is the only bottling plant in India to adopt ISO 22000 (food safety management systems) quality standards in addition to ISO 9000, 14000 and 18000. In Uttar Pradesh IGL’s “Bunty Babli®” brand is the highest selling brand in the country liquor segment. With consistent efforts, IGL has emerged to become the largest supplier of country liquor with highest market share in the states of Uttar Pradesh and Uttarakhand. During the year under review, the Company launched Indian Made Foreign Liquor (IMFL) from the Gorakhpur Unit and intends to launch a few more premium brands of IMFL in the time to come. With success of new launches, the Company enjoys the largest market share (over 40%) in the flavored Vodka category in the economy segment. The Company is a registered supplier to the Indian Defense Forces through CSD & Para Military Forces, and under premiumisation

aims to introduce a new range of Whisky & Vodka brands. In high spirits, with improved quality and packaging, IMFL brands scores over the competitive market. India Glycols is also embarking on IMFL enhancement and going to launch new brands such as Amazing Vodka and Single Reserve Whisky in semi premium category with superior quality.

FY	2018-19	2019-20	2020-21
ENA Sales Value (₹ In Crores)	2,125	3,014	3,718



### Power Alcohol (Bio- Fuels)

In our continued thrust towards offering sustainable and renewable ingredients, the Company has set-up Power Alcohol plants at Kashipur and Gorakhpur each with a capacity of 100 KL per day. During the year under review, consequent to receipt of necessary approvals, production and supplies of Power Alcohol to Oil Manufacturing companies (“OMC’s”) for blending in Petrol as per Govt. Policy were also started by the Company from its Gorakhpur Unit. Kashipur Unit has already been producing and supplying the same for some time now. The Company registered a revenue of ₹ 74 Crores during financial year 2020-21 as compared to ₹ 143 Crores last year from sale of Power Alcohol.

### Industrial Gases

IGL’s Kashipur Plant has a capacity of Liquid Oxygen of 60 MT/day, out of which 20 MT/day is Medical grade and 40 MT/day is Industrial grade. During the resurge of Covid in April, 2021, the Company voluntarily converted the Industrial grade Liquid Oxygen to Medical grade and supplied 60 MT/day of Liquid Oxygen of Medical grade to the hospitals/refillers as per Government allotments.

During the year under review, the Company, from its Air separation unit, produced 19,212 MT of Liquid Oxygen and 1,168 MT of Liquid Nitrogen. Both Liquid Oxygen and Liquid Nitrogen were sold in the market and also used for in-house requirements. In addition, Argon of 2,232 MT was also produced and its sales were 2,283 MT.

Industrial Gas Division also produced Beverage and Industrial Grade Liquid Carbon Di-oxide (LCO2) at Kashipur. During the year, your Company has produced 27,284 MT of LCO2 and its sale was 26,441 MT.

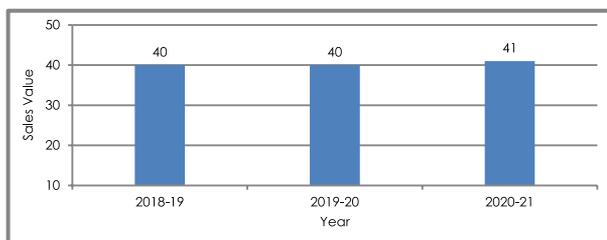
Your Company also produced ETO (Ethylene Oxide & Carbon Dioxide Gas Mixtures) under the trade name IGL-STERI GAS at its Kashipur Plant. It is suitable for sterilization of Disposable Surgical & Medical Devices, spices and packing substances like rubber, plastic etc. The Company has in-house facilities for production of EO and LCO2 which are used in production of ETO and as



such it is the only plant in India to have such manufacturing facility, which gives us a distinct edge over other suppliers in the market. During the year under review, the Company has sold 1,181 MT of STERI Gas as compared to 1,132 MT in the last year.

Further, the Industrial Gases segment registered total sales of all gases of ₹ 41 Crores as compared to ₹ 40 Crores during the last year.

FY	2018-19	2019-20	2020-21
Sales Value (₹ In Crores)	40	40	41



### Ennature Biopharma (Nutraceuticals)

During the year, your Company registered sale value of ₹ 148 Crores as compared to ₹ 178 Crores last year in the Ennature Bio-pharma (Nutraceuticals) division. In spite of declined sales, the margins remained healthy.

Some of the products developed successfully in the recent past include Liquid Nicotine & various salts, for the cigarette replacement therapy. The Company has developed another good molecule Asiaticoside/ Madecassosides apart from existing Centella Asiatica for skin repair. The Company has also launched Maxicura (a curcumin formulation) in nanotized form which is more bioavailable than Curcumin itself, proven in the preclinical trials on animal models. Considering the future growth of the division, during the year under review, a new plant for Nicotine API was commissioned. Under the Covid 19 Pandemic, the market focus is more on health & health supplements, making this segment look promising in the time to come.

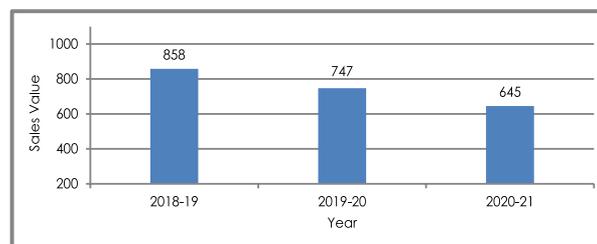
### Exports

With an objective to create a niche market for its green chemicals, the Company has been focusing on exports as one of its key areas for future growth. For the past few years the effort has been to create product differentiation and market segmentation on the basis of the green low carbon attributes of Bio-MEG. This has positioned the Company as a 'Green Chemicals' Company in the international market and is today a well-known supplier of bio-glycols and bioethoxylates. The Company is working with a strategy to cater to the global high value added green market constituting multinationals & large corporates, who have a special concern for the environment and have their internal CSR objectives of moving towards sustainable products and reducing their carbon footprint. As result of sustained efforts, IGL now enjoys the trust and confidence of world renowned companies in segments like Beverage, Packaging, Textiles, Personal Care and Pharma and is a regular exporter of Bio-MEG, Bio-based Ethoxylates and Nutraceuticals amongst others.

IGL is a well-known and well established name in the domestic Speciality Ethoxylates category. Leveraging its wide experience and trusted credentials, IGL intends to give a strong and focused thrust to exports of its green products in the international market. The Company enjoys competitive advantage over its competitors with its bio-based ethoxylates/ surfactants. FY 2020-21 was a difficult year for the chemicals business. There was an economic slowdown leading to drastic fall in consumption. The global green chemicals markets remained adversely affected not only because of economic slowdown but also because the crude oil prices remained abysmally low for the major part of the year. This increased the price gap between green "petrochemicals" and conventional crude based petrochemicals and had a direct adverse impact on the business volume of Bio-MEG. Also there was some reduction in exports sales volume, due to low offtake by our Bio-MEG customers.

During the year under review, your Company has recorded export sales value of ₹ 645 Crores as compared to ₹ 747 Crores during last year. The Company continues to hold the 'Three Star Export House' status as granted by Government of India.

FY	2018-19	2019-20	2020-21
Exports Sales Value (₹ In Crores)	858	747	645



### Financial Review

FY 2020-21 started with Covid-19 Pandemic and businesses across world were impacted due to lockdown and trade restrictions. Under these challenging conditions, the Company's overall performance remained consistent and satisfactory. During the FY 2020-21 on a standalone basis, your Company recorded total revenue of ₹ 6,070 Crores as compared to ₹ 5,963 Crores in FY 2019-20. Whereas, the profits after depreciation and tax for the FY 2020-21 were ₹ 84 Crores as compared to ₹ 128 Crores during the FY 2019-20.

The Company remained the market leader in Country Liquor segment in the States of Uttar Pradesh and Uttarakhand. Also, the potable spirit business performed well. Due to prolonged US-China trade war, low crude prices for most of the year and Covid-19, MEG demand and prices remained low and impacted revenue and profits of the Chemical business. The nutraceutical business was declined by about 17% due to lesser export of few API's but the margin remained healthy.

The Company steadily procured its green feedstock molasses throughout the year at good prices to keep its inventory under control. Also, the Company continued



to import its principal raw material-ethyl alcohol at an attractive price resulting savings in cost.

During FY 2020-21, the Company exercised the option available under section 115BAA of the Income Tax Act, 1961 as introduced by the Taxation Laws (Amendment) Ordinance, 2019 for A.Y. 2020-21 onwards and recognised the tax provision for the year ended 31<sup>st</sup> March, 2021 basis the rates prescribed in that section. The tax expense for the year ended 31<sup>st</sup> March, 2021 include one-time net-non cash adjustment of ₹ 3,038 Lakhs on account of re-measurement of deferred tax assets/ liabilities and write off MAT credit entitlement of ₹ 15998.12 Lakhs.

During the year under review, the Gross Fixed Assets has increased to ₹ 2,659 Crores in FY 2020-21 from ₹ 2,453 Crores in FY 2019-20.

The Company has been regular in meeting its obligations towards timely payment of principal/interest to the financial Institutions and Banks.

#### Key Financial Ratios:

There is no significant change (i.e. 25% or more) in the key financial ratios viz. Debtors Turnover, Inventory Turnover, Interest Coverage, Current Ratio, Debt Equity ratio, Net Profit Margin and Operating Profit Margin during FY 2021.

For the Company, Ind-AS is applicable from 1<sup>st</sup> April, 2016 with a transition date of 1<sup>st</sup> April, 2015. The financial statements have been prepared in accordance with the recognition and measurement principles laid down under Ind-AS as presented under Section 133 of the Companies Act, 2013 read with the relevant rules issued thereunder and the other accounting principles generally accepted in India, as applicable.

#### Covid- 19 Pandemic

Covid-19 has come with a lot of uncertainties about the future and so far the Company has handled the situation successfully. Post resumption of operations at all the plants (in early April, 2020) after brief shutdown due to nationwide lockdown, the Company has ensured following of all the government regulations and protocols across its operational facilities and offices and all business activities were carried on by the Company without any major concerns and remained smooth in general.

On the basis of evaluation and current indicators of future economic conditions, the Company does not anticipate any major challenge in respect of liquidity position in the coming years to meet its commercial commitments and business continuity.

The Company will continue to monitor any material changes to future business and economic conditions and is confident to adapt the changes in order to respond suitably to stakeholders requirements.

#### Outlook

Globally, India is the sixth largest producer of chemicals and the growing demand from various industries is driving the development of various segments in the chemicals market. The domestic chemicals sector is expected to achieve a revenue growth of 18-23% in FY 2022 due to improvement in domestic demands and high realization due to high prices of chemicals.

Considering the supply chain disruption under Covid

19 Pandemic and with many countries now seeking to decrease their dependence on China, many countries and companies are looking at India as an additional source of chemicals going forward. The chemical sector in India, therefore, has the opportunity for significant growth. The Central Government has also recognized the chemical industry as the one of the key growth areas and in its budget for FY 2021-22 has increased the allocation for the Department of Chemicals and Petrochemicals to ₹ 233.14 crores. Even though, the industry has been affected due to the pandemic-related lockdowns and other trade restrictions, there has been an increased demand for hygiene & disinfectant and related products being catered by chemical Sector. The chemical sector is expected to perform well, going forward. With significant increase in vaccination being achieved across globe, the scenario and outlook is expected to become more positive.

Being the only green petrochemical Company of its kind, better business opportunities in different industrial sectors await the Company in the coming years. To enhance future growth prospects and unlock value for the benefits of its stakeholders during Q4/FY 2021-22, the Company has entered into a Joint Venture with Clariant International Limited which is going to prove beneficial for the Company in the coming years.

#### Sustainability-Health, Safety, Environment and Management Systems

India Glycols Limited prioritize employee's Safety, Health and Environment to enhance its reputation as a responsible corporate. The Company has signed on to Responsible Care® Guiding Principles to become signatory to Indian Chemical Council's Responsible Care® initiative. These Principles apply to the Company globally. Being a Responsible Care® signatory, Company is committed for continual improvement of the performances in the fields of environmental protection, occupational safety and health protection, process safety, product stewardship and logistics, as well as to continuously improve dialog with the neighbours and the public.

#### Health

Your Company accords very high priority to provide healthy and safe working environment. Company has a medical centre at factory site with basic amenities; two qualified and experienced doctors with trained and experienced para-medical personnel are available round the clock to meet any contingency. The Company also has a qualified Occupational Health Physician. Company also has ambulances to provide necessary assistance in case of any emergency. All employees are required to undergo annual medical check-up for early diagnosis of any health problem. Company has made arrangements for treatment of employees and their dependents under the mediclaim insurance policy, which allows employee to avail treatment from any of the listed hospitals without having to make any immediate cash payments. This provides the employees much needed emotional and financial security. The Company organizes blood donation camp as part of community welfare activities.

The Company also organizes medical camps at nearby villages and organize/assist in National health related programs in the nearby villages as part of community welfare activities.



## Safety

Your Company has set up elaborate safety systems to ensure proper safe work environment. Emphasis is given to prevention of any accident. As a result of strict safety norms being followed Company has been able to maintain good safety record and has received various prestigious national and international safety awards recognizing the safe working environment available at the factory.

A Central Safety Committee has been constituted to continuously review and upgrade the safe working practices. Emergency management plan is in place for mitigating any kind of emergency. Proper systems have been set up to record and report any accident, which is thoroughly investigated and corrective action taken for future prevention.

At work place appropriate protective equipment and gears are provided to the employees and usage of the same is strictly monitored to ensure high level of safety. Safety training programs are regularly conducted for training the employees in proper use of safety equipment and following the safe work practices.

The Company always encourage internal and external stakeholder by conducting motivational program on safety by celebration of National Safety Day, Fire Service Day and Transport safety awareness program to promote safe work practices and environment inside and outside premises.

Various incentive schemes are in operation for motivating the employees to ensure working in the safe environment. The Company has its own Fire Station fully equipped with Fire Tenders, modern communication facilities and elaborate auto fire hydrant system and other equipment which are manned and supervised by trained experts. There is also auto fire alarm system covering all the areas. Live fire training drills are organized to provide hands-on training to the employees.

## Environmental Stewardship

Environmental stewardship refers to responsible use and protection of the natural environment through conservation and sustainable practices.

Your Company uses molasses, residue product of sugar mills generated in the process of manufacturing of sugar. The molasses converted into alcohol in the captive distillery and thereafter used in the process to make ethylene oxide and its products. Company has set up elaborate systems by making substantial capital investments for proper treatment of the effluent generated and meets all the requirements in this regard. The Company has also installed Rain Water Harvesting systems and keeps on working for reduction of water footprint (WFP).

To make the system more environmental friendly, Company has developed a green belt all around its factory by growing approx. 1,20,000 trees of different species some of which are fruit bearing in addition to providing green cover. All possible efforts are being made to preserve the environment and improve the same as far as possible.

The Company has already achieved zero effluent discharge from their Ethanol Plants by having concentrated effluent burning in specially designed Boilers.

The liquid effluent from Distillery is concentrated in the evaporator system to generate concentrated spent wash (slop). The Slop (concentrated spent wash) from the

evaporator is used as fuel for the generation of steam and electricity. This is a novel boiler that has been developed for utilization of concentrated spent wash and generation of steam there from.

## Sustainable Environment and Climate Change Initiatives

India Glycols Sustainable Solutions makes it easy for customers to identify, evaluate and select the right materials.

There are number of sustainable solutions and product grades. The raw material, properties, performance and/or content of these materials make a significant contribution to reduced environmental impact, from lowering carbon emissions and minimize use of the earth's limited resources.

Sustainable solutions are based on number of defined action plans and standard based on Life Cycle Assessment (LCA) methodologies. India Glycols Sustainable Solutions enable customers to confidently choose high-performance materials that advance their environmental and business goals.

Your Company is continuously working for integrating the life cycle perspective in management system, as per revised Environmental Management System for bringing product and process in a more sustainable direction.

The Company believes in life cycle approach which directs business to consider responsibility on environmental protection from raw material procurement to product use. Company has conducted comparative Life Cycle Assessment (LCA) study of Bio-Mono Ethylene Glycol (Bio-MEG) based on ISO 14044-2006 standards and determining several Environmental Impacts (including Carbon Foot-Print) from its Renewable Manufacturing Approaches and conclude that "Manufacturing MEG through Renewable based raw materials is a better option than adopting Conventional Petro route approaches in India, US and Europe". The LCA study was conducted on a purchased software-SIMAPRO and report of "LCA on Bio-MEG" got Peer Reviewed.

In continuation Company has also conducted Life Cycle Assessment (LCA) study for its other products such as Bio-Ethanol, Bio-Ethylene Oxide, Bio-Glycols and Bio-Poly Ethylene Glycols etc. Company is working continuous on Life Cycle Assessment (LCA) study for its other products such as Ethylene Oxide derivatives and specialty chemicals.

Your company has become key partner in supply chain for innovative process of MEG, Ethylene Oxide and derivatives production by utilizing biotechnological converted Ethanol from industrial carbon emissions.

The Company always encourages stakeholders' by conducting motivational program on environment by celebration of World Environmental Day. The focus of the World Environment Day Program was to promote environmental stewardship practices. Special campaign was taken up with communities, employees and individuals to come together and explore sustainable alternatives to reduce Air Pollution and encourage to participate in water conservation practices. The Company has taken up several initiatives in promoting climate change and environment-sustainable projects. Your Company's Gorakhpur plant has got its Large scale CDM project (Title: Biomass based Cogeneration Project activity taken up by IGL at Gorakhpur, U.P.; Annual CE ₹: 110,157 MT CO<sub>2</sub> equivalent) registered at UNFCCC.



## Management Systems

### • Integrated Management System

Your Company is having Integrated Management System (IMS) comprising of Quality Management System, Environmental Management System, Occupational Health & Safety Management System, Food Safety Management System, Food Safety System Certificate, Energy Management System and Social Accountability. Your Company is successfully certified against the new revised High Level Structure (HLS) of Quality Management System (ISO 9001:2015), Environmental Management System (ISO 14001:2015), Occupational Health & Safety Management System (ISO 45001:2018), Energy Management System (ISO 50001:2018), Social Accountability (SA 8000:2014), Food Safety Management System (ISO 22000:2018), Food Safety System Certificate (FSSC 22000 ver-5), as applicable. All these are comprised under Integrated Management System and accreditation done by M/DNV, a renowned certification agency.

Special emphasis on risk-based thinking has been the new focus of Quality Management System & Environmental Management System. This risk based thinking enables to determine the factors that could cause deviation in processes and thereby in management systems, which may pose business risk in turn. This risk-based thinking offers opportunity to put necessary controls, to mitigate and minimize the premature risks, in place. Furthermore, preventive actions can be implemented to avoid any potential business risk. Value addition to Environmental Management System is its new focus and emphasis on Life Cycle Perspective to achieve sustainable development by balancing three pillars Environment, Society and Economy which are essential to meet the present day need of sustainable business without compromising ability of future generation and rendering them impaired. Integrated Management System has been upgraded to cover RC 14001:2015 standard. Responsible Care helps companies to not only improve their environmental, health, safety and security performance, but also to improve their business operations. As per requirement of the standard, emphasis on risk-based thinking is given. Focus for security is also considered in addition to Quality, Health, Safety & Environment system. The Company also has HALAL and KOSHER certificates for the defined products. The Company has worked for "Bonsucro MB 'Chain of Custody' Standard" for the Extra Neutral Alcohol (ENA)- Special Sprit and successfully certified by CONTROLUNION. The Company focused on responsible sourcing and process 'Roundtable on Sustainable Palm Oil' (RSPO) certification for Lauryl Alcohol based Larydate series products. The Company uses an established ERP system of SAP S/4 HANA which is built on a robust IBM hardware platform and has helped the Company to achieve inter-alia, faster performance, improved user experience through simplified data structure, smaller data footprint & embedded analytics. The Company is practicing Behaviour Based Safety (BBS) under name "BHAVISHYA BANAYE SURAKSHIT".

### • Process Safety Management System

India Glycols is working towards implementation of Process Safety Management (PSM) along with RC in the organization to ensure systematic and high level Process Safety by elaborating its specific elements

and ensuring the safety of employees, environment and physical plant assets in the event of any unexpected process excursion. All the new project and major changes has been processed through Hazard and Operability Study (HAZOP) and Quantitative Risk Assessment. Company has digitized one of the key pillars of PSM as Management of Change in SAP system which helps to compile process safety information and changes as another key pillar of PSM.

### Lean Management

Your Company has adopted a systematic approach to identifying and eliminating non-value-added activities through continuous improvement by following the product through flow processes based on a signal from the customers (internal & external). India Glycols Ltd. uses the building blocks of – standardized work, optimization of manpower, workplace organization 5S & visual controls, material handling systems, effective plant layout, improved operational and maintenance practices, quality at the source, batch cycle time reduction, customer demand-based manufacturing, point of use storage, quick changeover, cellular manufacturing, process improvements, Kaizen, world class manufacturing, synchronous manufacturing and inventory management. We are committed to work towards continual improvement of Quality, Environment, Health & Safety, Food Safety, Energy Performance and Social accountability and we discourage discrimination of any kind in any form.

### R&D and Customer Oriented Innovation

R&D Centre of India Glycols was approved by DSIR, Govt. of India (Deptt. of Scientific and Industrial Research) in the year of 1993. Ever since then, the approval has been renewed based on it out-come oriented Research every three years. Latest renewal has been received for the period of three years starting from April 2019 to March 2022. This distinction is also received based on the State-of-the-Art of facilities as well as the out-come of the Research carried out in the past. By virtue of this approval, R&D activities of India Glycols are recognized by Government as of high standard. This also provide us with an opportunity to collaborate and cooperate with Govt. Institution even for strategic areas. The efforts of the R&D has always been to value create and value add through New Product Development for Sustainability of the Company. During FY 2020-21, the focus of R&D was to delivered New and Nobel Products with Green Chemistry and Green Technology.

The rapidly changing scenario has put a lot of demand on R&D to ensure that areas such as Environment Protection, Control of Water Pollution and Energy Efficiency. Thus, R&D focus on innovative solutions through GREEN CHEMISTRY which has also been a key focus area of India Glycols. New ranges of products developed during this period are based on Green chemistry and Green Technology. Customized value-added products and processes, with emphasis on "Sustainable" approaches via use of renewable RMs and savings of energy as well as water, were designed. In order to ensure that India Glycols remain ahead of its competitors, these products were developed as per global standards using renewable resources. All these products and processes met most of the international standards and accreditation of GOTS, Oeko-tex, REACH/ HALAL etc. Here, are the notable developments to be reported:-



### 1. Development of Surfactants from alternative feedstock's

- Development of 100% Biodegradable Industrial Chemicals and Surfactants derived from renewable feedstock.

### 2. Textile Processing (Fibre & Fabric processing)

- Enzyme base Products for Desizing/Scouring & Peroxide bleaching process.
- Bio- polishing enzyme based product.
- New generation silicon base finishing agent.

### 3. Crop-Protection Business

- Environment friendly surfactants for "ZC" formulations.
- Eco-friendly adjuvants for micronutrients to stabilize in aqueous medium.
- Surfactants for capsule suspension- Controlled Release Applications.

### 4. Oil & Gas Industry

- New generation Low temperature & low dose demulsifier for crude oil.
- Unique and innovative, New Generation Surfactant for Enhance oil recovery.
- Specialty amines for Refineries.

### 5. Emulsion Polymerization & Paint Industries

- Eco-friendly surfactant (Vegetable oil based) for pigment dispersion.
- Universal colorant for water & oil based paint.

### 6. Automobile industry / Metal Working chemicals

- New generation high performance Borate-Ester -Brake fluid oil component.
- Bio -brake fluid oil.

### 7. Detergent / Personal care Industries

- Sodium Isethionate for skin care.
- Unique Surfactant for hard surface cleaning agent.
- Unique and Green product development for PU which is used in green make-tool kit.

### 8. Construction Chemicals

- Specialty green Ethoxylate for Poly carboxylate as water reducing agent & strength improver.
- Green surfactant for Bitumen emulsification for Road Construction.

### 9. Guar based specialty Chemicals

- Guar base Eco-friendly and biodegradable surfactant used in Oil -Gas application as Enhance Oil Recovery.
- Guar base Eco-friendly and biodegradable surfactant used in Personal care application.
- Specialty Guar derivative for various applications like Effluent treatment, Oil-Gas and Personal Care

Since the onset of Covid-19, the major focus of R & D has been to develop disinfectant/hygiene products and R & D was successful in delivering a series of such products which were overwhelmed by the market.

### Internal Financial Controls and their Adequacy, Risk Management

The Company has in place adequate internal financial controls commensurate with the size, scale and complexity of its operations. The Company periodically discusses and reviews at its Audit Committee and with its auditors the effectiveness of the internal financial control measures implemented by the Company including with reference to the Financial Statements of the Company.

The Company has a proper and adequate system of internal financial controls which includes the policies and procedures for ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information.

The systems, procedures, checks and controls are routinely tested and certified by our Statutory as well as Internal Auditors. Moreover, Company continuously upgrades these systems in line with best practices and standards on internal control systems and procedures.

Even before the SEBI(Listing Obligations and Disclosures Requirements), Regulations, 2015, effective 5<sup>th</sup> May, 2021, mandated for top 1000 listed entities to constitute Risk Management Committee, the Company had constituted a Risk Management Committee consisting of Directors and the senior management personnel of the Company to monitor the Risk Management Plan, to identify and mitigate the risks attached to the business of the Company.

Your Company's objective of risk management is to have a meaningful identification, measurement, prioritization of risks or exposures to potential losses on a continual basis through active participation of all members of the Company and accordingly establish controls and procedures to build a visible & structured enterprise-wide risk management framework; reduce the risk levels and mitigate their effects in the likelihood of a risk event with an aim to protect our Company from harm; and have a contingency plan to manage risks having high probability and high impact.

Risk management framework is created to ensure that risk management principles are implemented and integrated all over the organization and that information retrieved from the risk management process are correctly reported. This framework provides a stable foundation for the risk management work, orient the organizational arrangements properly in order to have a clear risk strategy across the organization & share information, experiences amongst different sites of the Company.

Considering the importance of keeping the risk management process dynamic, a quarterly review of the risks is carried out across sites and departments for necessary key risks and risk management strategies are communicated to the Board of Directors for their assessment for minimization of effects of risk.

### Human Resource/Industrial Relations

Company continues to focus on training its employees on a continuous basis both on the job and through training program to face challenges in the business/industry. During the year, industrial relations have been cordial. Total Number of Employees on Company's role has been around 1389 (including 59 apprentice).

### Cautionary Statement

The statement made in this report describing the Company's expectations and estimations may be a forward looking statement within the meaning of applicable securities laws and regulations. Actual results may differ from those expressed or implied in this report due to the influence of external and internal factors which are beyond the control of the Company.



# Report on Corporate Governance

The Directors present the Company's Report on Corporate Governance for the year ended 31<sup>st</sup> March, 2021 in compliance with the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended).

## I. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

Good corporate practices ensure that a Company meets its obligations to optimize shareholders' value. Corporate governance has assumed great significance in India in the recent past in the form of continuous updation of the Companies Act, 2013 ("the Act") and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"). The provisions of the Corporate Governance as prescribed by the Act and SEBI Listing Regulations, for the time being in force, have been complied with by the Company. The core principles of the Company's Corporate Governance policy's philosophy is towards caring of the society and environment around us, enhancement of stakeholder's values, transparency and promptness in disclosures and communication and complying with the laws in letter as well as in spirit.

## II. BOARD OF DIRECTORS

### a) Composition of the Board

As on 31<sup>st</sup> March, 2021, the Board of Directors of the Company ("the Board") comprised of ten Directors of which seven are Non-Executive Directors, one Managing Director and two Executive Directors. Out of the seven Non-Executive Directors, six are Independent Directors.

During the year under review, in pursuance to the provisions of SEBI Listing Regulations and based on the recommendation of the Nomination and Remuneration Committee ("NRC"), the Board through circular resolution passed on 3<sup>rd</sup> March, 2020 had

appointed Smt. Shukla Wassan as an Additional Director in the category of Independent Director for a period of 5 consecutive years w.e.f. 1<sup>st</sup> April, 2020 which was confirmed by the shareholders at the 36<sup>th</sup> Annual General Meeting held on 24<sup>th</sup> September, 2020. Further, during the year under review, the Board of Directors, based on the recommendation of NRC, at its meeting held on 24<sup>th</sup> June, 2020, appointed Ms. Pragya Bhartia Barwale, as an Additional Director in the category of Executive Director and Key Managerial Personnel of the Company for a period of 5 years w.e.f. 24<sup>th</sup> June, 2020 which was confirmed by the shareholders at the 36<sup>th</sup> Annual General Meeting held on 24<sup>th</sup> September, 2020.

The composition of the Board is in conformity with Regulation 17 of SEBI Listing Regulations read with Section 149 of the Act. The Board keeps on reviewing periodically the need for change in its size and composition.

### b) Number of Board Meetings

During the year ended 31<sup>st</sup> March, 2021, five board meetings were held. The dates of the meetings and attendance of directors thereat are as under:

Date	Board Strength	No. of Directors Present
24 <sup>th</sup> June, 2020	9	9
13 <sup>th</sup> August, 2020	10*	10
6 <sup>th</sup> November, 2020	10*	10
12 <sup>th</sup> February, 2021	10*	10
11 <sup>th</sup> March, 2021	10*	10

\*Ms. Pragya Bhartia Barwale was appointed as an Executive Director and Key Managerial Personnel of the Company, w.e.f. 24<sup>th</sup> June, 2020.

During the FY 2020-21, the maximum gap between two Board Meetings was within the period/time as extended by the Ministry of Corporate Affairs and Securities and Exchange Board of India.

### c) Names and category of the Directors, their attendance at Board Meetings, last Annual General Meeting and the number of Directorships and Chairman/ membership(s) held in other Companies as on 31<sup>st</sup> March, 2021:

Name of the Director	Category	Number of board meetings during the FY 2020-21		Attendance at last AGM	Number of Directorships in other Companies*		No. of Committees in which Chairmanship/ membership held**		Directorship held in other listed entities and category of Directorship
		Held	Attended		Chairmanship	Directorship	Chairmanship	Member	
Shri U.S. Bhartia (Chairman and Managing Director) DIN: 00063091	Executive (Promoter)	5	5	Yes	3	13	1	5	1. Polylink Polymers (India) Limited (Non-Executive Non-Independent Director)
Smt. Jayshree Bhartia DIN: 00063018	Non-Executive (Promoter)	5	5	Yes	-	13	-	1	-
Ms. Pragya Bhartia Barwale# DIN: 02109262	Executive (Promoter)	4	4###	Yes	-	7	-	-	1. Polylink Polymers India Limited (Non-Executive Non-Independent Director)



Name of the Director	Category	Number of board meetings during the FY 2020-21		Attendance at last AGM	Number of Directorships in other Companies*		No. of Committees in which Chairmanship/ membership held**		Directorship held in other listed entities and category of Directorship
		Held	Attended		Chairmanship	Directorship	Chairmanship	Member	
Shri Sudhir Agarwal (Executive Director) DIN: 08602216	Executive	5	5	Yes	-	-	-	1	-
Shri Pradip Kumar Khaitan DIN: 00004821	Non-Executive & Independent	5	5	Yes	-	7	2	4	1. CESC Limited (Non-Executive Non-Independent Director) 2. Electro Steel Castings Limited (Independent Director) 3. Emami Limited (Independent Director) 4. Firstsource Solutions Limited (Non-Executive Non-Independent Director) 5. Graphite India Limited (Independent Director) 6. Dalmia Bharat Limited (Independent Director)
Shri Jitender Balakrishnan DIN: 00028320	Non-Executive & Independent	5	5	No	-	6	1	4	1. Polyplex Corporation Limited (Independent Director) 2. Sarda Energy & Minerals Limited (Independent Director)
Shri Ravi Jhunjhunwala DIN: 00060972	Non-Executive & Independent	5	5	No	4	9	2	4	1. HEG Limited (Executive Director) 2. RSWM Limited (Non-Executive Non-Independent Director) 3. Maral Overseas Limited (Non-Executive Non-Independent Director) 4. BSL Limited (Non-Executive Non-Independent Director) 5. JK Lakshmi Cement Limited (Independent Director)
Shri Jagmohan N. Kejriwal DIN: 00074012	Non-Executive & Independent	5	5	Yes	-	1	-	2	-
Shri Sajeve Bhushan Deora DIN: 00003305	Non-Executive & Independent	5	5	Yes	-	4	-	2	1. Integrated Capital Services Limited (Non-Executive Non-Independent Director)
Smt. Shukla Wassan DIN: 02770898##	Non-Executive & Independent	5	5	Yes	-	2	-	-	1. Snowman Logistics Limited (Independent Director) 2. Gateway Distriparks Limited (Independent Director)

**NOTES:** \*Excludes Directorship in Companies registered under Section 8 of the Act and foreign Companies.

\*\*Includes only Audit and the Stakeholders' Relationship Committee of public limited Companies including India Glycols Limited.

# Appointed as an Executive Director and Key Managerial Personnel of the Company w.e.f. 24<sup>th</sup> June, 2020.

## Appointed as an Independent Director w.e.f. 1<sup>st</sup> April, 2020.

### Post her appointment, four Board meetings were held, which she attended.

The directorship/Committee membership is based on the disclosures received from the Directors.

- d) The Board of the Company is appropriately structured to ensure a high degree of diversity by qualifications, professional background, knowledge, experience, competence, skills etc. The following are the key skills/expertise/competencies identified by the Board of Directors as required in the context of its business for it to function effectively:

**1. Manufacturing business/ sector:** Relevant Experience and knowledge related to manufacturing, Health, Safety and Environment issues including Research and Development, Logistics and operational issues.



2. **Leadership:** Experience in managing companies including general management.
3. **Marketing:** Strategic thinker to analyse and identify opportunities to stimulate business growth and enhance enterprise reputation.
4. **Financial:** Financially literate with basic financial and accounting knowledge. Experience of handling financial management.
5. **Compliance Management and Corporate Governance:** Knowledge and understanding of legal and regulatory aspects including risk management, maintaining board and management accountability, protecting and enhancing interest of stakeholders.

Further, the Board has also identified the names of Directors who have such key skills/expertise/competence as under:

Name of Director	Knowledge of Manufacturing Business/ Sector	Leadership	Marketing	Financial	Compliance Management and Corporate Governance
Shri U. S. Bhartia	√	√	√	√	√
Smt. Jayshree Bhartia	√	√	-	√	√
Ms. Pragya Bhartia Barwale	√	√	√	√	√
Shri Sudhir Agarwal	√	√	-	√	√
Shri Pradip Kumar Khaitan	-	√	-	√	√
Shri Jitender Balakrishnan	-	√	-	√	√
Shri Ravi Jhunjhunwala	√	√	√	√	√
Shri Jagmohan N Kejriwal	√	√	√	√	√
Shri Sajeve Bhushan Deora	-	√	√	√	√
Smt. Shukla Wassan	-	√	-	√	√

- e) The number of directorship, Committee membership/ chairmanship(s) of all directors is within respective limits as prescribed under the Act and SEBI Listing Regulations.
- f) The Board periodically reviews the compliance reports of all laws applicable to the Company.
- g) The Board of Directors has adopted and laid down a Code of Conduct for all directors and senior management personnel. The Code of Conduct is posted on Company’s website at the link- [http://www.indiaglycols.com/investors/downloads/code\\_of\\_conduct.pdf](http://www.indiaglycols.com/investors/downloads/code_of_conduct.pdf)

The Company is committed to conduct its business in accordance with the applicable laws, rules and regulations and with highest standards of business ethics. The said code is intended to provide guidance and help in recognizing and dealing with ethical issues, provide mechanism to report unethical conduct and to help foster a culture of responsibility and accountability.

All Board members and senior management personnel have affirmed compliance with the Code of Conduct for the FY 2020-21. A declaration by Chief Executive Officer to this effect is enclosed with this report.

- h) As on 31<sup>st</sup> March, 2021, no Director is inter-se related to any other Director on the Board, except Shri U.S. Bhartia and Smt. Jayshree Bhartia, who are related to each other as spouse and Ms. Pragya Bhartia Barwale, who is related to them as daughter.
- i) The number of shares held by Non-Executive Directors of the Company is as under:

Name of Director	Number of Shares
Smt. Jayshree Bhartia	2,29,003



The Company has not issued any convertible instruments.

- j) Independent Directors (IDs) are Non-Executive Directors as defined under Regulation 16(1)(b) of the SEBI Listing Regulations read with Section 149(6) of the Act. The terms and conditions of the appointment of the IDs, including duties of IDs, are disclosed on the website of the Company. The maximum tenure of IDs is in compliance with the Act and SEBI Regulations.

All IDs have confirmed that they meet the criteria of Independence as mentioned under Section 149(6) of the Act and Regulation 16(1)(b) of the SEBI Listing Regulations and they maintain the limit of Directorship as provided under the Act and Regulation 25 of the SEBI Listing Regulations and the limit of Committee membership. All ID's of the Company are registered with Indian Institute of Corporate Affairs. Basis the confirmation received from the IDs, the Board formed an opinion that the independent directors fulfill the conditions specified in SEBI Listing Regulations and the Act and are independent of the management.

The Company ensures that the IDs have been properly informed about their role and responsibilities in the Company, nature of the Industry in which the Company operates, business model of the Company through various presentations during the board meetings.

The details of the familiarization programme to IDs are disclosed on the Company's website, link of which is as below:

<http://www.indiaglycols.com/investors/downloads/Familiarization-programme-for-Independent-Directors.pdf>

During the FY 2020-21, one separate meeting of the IDs was held on 23<sup>rd</sup> June, 2020, without the presence of Non-Independent Directors and the members of the management. The IDs, inter-alia, reviewed the performance of Non-Independent Directors, Chairman of the Company and the Board as a whole, assessment of quality, quantity and timeliness of flow of information between Company management and the Board.

During the year under review, no Independent Director resigned.

### III. COMMITTEES OF THE BOARD

The Board has constituted various Committees with specific terms of reference as mandated by the applicable laws. As on 31<sup>st</sup> March 2021, the Board has 8 (Eight) Committees namely, Audit Committee, Nomination and Remuneration Committee, Stakeholders' Relationship Committee, Share Transfer Committee, Finance Committee, Risk Management Committee, Corporate Social Responsibility Committee and Ethics Committee.

#### a) Audit Committee:

The Audit Committee is constituted in terms of the

provisions of Section 177 of the Act and Regulation 18 of the SEBI Listing Regulations and performs all the functions specified therein. Consequent to FY 2020-21, the terms of reference of the Audit Committee were amended to align the role of Committee with the amendments to SEBI Listing Regulations.

#### Terms of Reference:

The brief terms of reference of Audit Committee are as under:

1. Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
2. Recommendation for appointment, remuneration and terms of appointment of auditors of the company namely, the Statutory Auditors, Internal Auditors, Cost Auditors, Tax Auditors, Secretarial Auditors and their replacement/removal;
3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
4. Examination of the financial statement and the auditors' report thereon;
5. Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:
  - (a) matters required to be included in the director's responsibility statement to be included in the board's report in terms of clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013;
  - (b) changes, if any, in accounting policies and practices and reasons for the same;
  - (c) major accounting entries involving estimates based on the exercise of judgment by management;
  - (d) significant adjustments made in the financial statements arising out of audit findings;
  - (e) compliance with listing and other legal requirements relating to financial statements;
  - (f) disclosure of any related party transactions;
  - (g) draft auditor's report including qualifications, if any.
6. Reviewing, with the management, the quarterly financial statements before submission to the board for approval;
7. Monitoring the end use of funds raised through public offers and related matters;
8. Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for



- purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the board to take up steps in this matter;
9. Reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;
  10. Approval or any subsequent modification of transactions of the company with related parties;
  11. Scrutiny of inter-corporate loans and investments;
  12. Valuation of undertakings or assets of the company, wherever it is necessary;
  13. Evaluation of internal financial controls and risk management systems;
  14. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
  15. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
  16. Discussion with internal auditors of any significant findings and follow up there on;
  17. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;
  18. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
  19. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
  20. To review the functioning of the whistle blower mechanism/vigil mechanism including the complaints received thereunder and to address concerns in such manner as prescribed under the rules;
  21. Approval of appointment of chief financial officer (i.e. any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate;
  22. Reviewing the utilization of loans and/ or advances from/investment by the holding company in the subsidiary exceeding rupees 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments.

23. Reviewing the management discussion and analysis of financial condition and results of operations;
24. Statement of significant related party transactions (as defined by the audit committee), submitted by management;
25. Reviewing the management letters / letters of internal control weaknesses issued by the statutory auditors;
26. Reviewing the internal audit reports relating to internal control weaknesses;
27. Reviewing the appointment, removal and terms of remuneration of the chief internal auditor;
28. Review the financial statements of the Subsidiary Companies, in particular, the investments made by the unlisted subsidiary company;
29. Review compliance with the provisions of SEBI (Prohibition of Insider Trading) Regulations, 2015, as amended;
30. Consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the listed entity and its shareholders.
31. To perform such other functions as may be prescribed by the Companies act, 2013 or the SEBI Listing Regulations, as amended or under any other law or as may be prescribed or specified by the Board from time to time.

#### Composition

As on 31<sup>st</sup> March, 2021, the Committee comprises of four Non-Executive Independent Directors, namely, Shri Pradip Kumar Khaitan, Shri Ravi Jhunjhunwala, Shri Jagmohan N. Kejriwal, Shri Sajeve Bhushan Deora and One Executive Director, Shri Sudhir Agarwal. Shri Pradip Kumar Khaitan is the Chairman of the Committee. The Company Secretary acts as the Secretary to the Audit Committee.

#### Meetings and Attendance

The Committee met five times during the year on 24<sup>th</sup> June, 2020, 13<sup>th</sup> August, 2020, 6<sup>th</sup> November, 2020, 12<sup>th</sup> February 2021 and 11<sup>th</sup> March 2021. The necessary quorum was present for all the meetings. The attendance of the members at the meetings is as follows:

Name of Members	Category	No. of Meetings	
		Held	Attended
Shri Pradip Kumar Khaitan	Chairman	5	5
Shri Jagmohan N. Kejriwal	Member	5	5
Shri Ravi Jhunjhunwala	Member	5	5
Shri Sajeve Bhushan Deora	Member	5	5
Shri Sudhir Agarwal	Member	5	5



All the members possess sound knowledge of finance, accounting practices and internal controls.

The Audit Committee invites such of the executives, as it considers appropriate, particularly the head of the finance function, representatives of the Statutory Auditors, representatives of the Internal Auditor.

All recommendation made by the Audit Committee were accepted by the Board.

**b) Nomination and Remuneration Committee**

The Nomination and Remuneration Committee (“NRC”) is constituted in terms of the provisions of Section 178 of the Act and Regulation 19 of the SEBI Listing Regulations and performs all the functions specified therein.

**Terms of Reference:**

The brief terms of reference of the NRC are as under:

1. To formulate the criterion for determining qualifications, positive attributes and independence of a Director and recommend to the Board of Directors a policy relating to the remuneration for the Directors, Key Managerial Personnel (KMPs), Senior Management Personnel and other employees;
2. To identify the persons who are qualified to become directors and who may be appointed as the KMPs or in senior management of the Company in accordance with the criteria laid down and recommend to the Board of Directors their appointment and removal;
3. To review the structure, size and composition (including the skills, knowledge and experience) of the Board and making recommendations on any proposed changes to the Board to complement the Company’s corporate strategy, with the objective to diversify the Board;
4. To make recommendations to the Board on the remuneration payable to the Directors/ KMPs/ Senior Management Personnel;
5. To formulate the criteria/ manner for evaluation of performance of Board of Directors, its Committees, individual directors including independent directors;
6. To assess the independence of Independent Directors;
7. To make recommendations to the Board concerning any matters relating to the continuation in office of any Director at any time including the suspension or termination of service of an Executive Director as an employee of the Company subject to the provision of the applicable laws and their service contract;
8. To ensure that level and composition of remuneration is reasonable and sufficient, relationship of remuneration to performance

is clear and meets appropriate performance benchmarks;

9. To devise a policy on Board diversity;
10. To develop a succession plan for the Board and to regularly review the plan;
11. Such other key issues / matters as may be referred /delegated by the Board or as may be necessary in view of the SEBI Listing Regulations and provisions of the Act and Rules thereunder and any subsequent amendments thereto.

**Composition**

As on 31<sup>st</sup> March, 2021, the Committee comprises of four Non-Executive Independent Directors namely, Shri Pradip Kumar Khaitan, Shri Jagmohan N. Kejriwal, Shri Ravi Jhunjunwala and Shri Sajeve Bhushan Deora. Shri Pradip Kumar Khaitan is Chairman of the Committee. The Company Secretary acts as the Secretary to the NRC.

**Meetings and Attendance**

The Committee met four times during the year on 24<sup>th</sup> June, 2020, 6<sup>th</sup> November, 2020, 12<sup>th</sup> February 2021 and 11<sup>th</sup> March, 2021. The necessary quorum was present for all the meetings. The attendance of the members at the meetings is as follows:

Name of Members	Category	No. of Meetings	
		Held	Attended
Shri Pradip Kumar Khaitan	Chairman	4	4
Shri Jagmohan N. Kejriwal	Member	4	4
Shri Ravi Jhunjunwala	Member	4	4
Shri Sajeve Bhushan Deora	Member	4	4

**Nomination, Remuneration and Evaluation Policy**

The Nomination, Remuneration and Evaluation Policy (“Policy”) is formulated and adopted in line with Section 178 of the Act and the SEBI Listing Regulations (including any statutory modification(s) or re-enactments thereof) to provide a framework and set standards for the nomination and remuneration of the Directors, KMPs, Senior Management Personnel and Other Employees and evaluation of Directors. The Company aims to achieve a balance of merit, experience and skills amongst its Directors, KMPs and Senior Management Personnel.

**Board Membership Criteria**

The basis for the NRC to select a candidate for appointment to the Board are enhancing the competencies of the Board and attracting as well as retaining talented employees for the role of KMP and senior management. When recommending a candidate for appointment, the NRC has regard to:



- a) Assessing the appointee against a range of criteria which includes but not be limited to qualifications, skills, regional and industry experience, background and other qualities required to operate successfully in the position, with due regard for the benefits from diversifying the Board;
- b) The extent to which the appointee is likely to contribute to the overall effectiveness of the Board, work constructively with the existing Directors and enhance the efficiencies of the Company;
- c) The skills and experience that the appointee brings to the role of KMPs/Senior Management Personnel and how an appointee will enhance the skill sets and experience of the Board as a whole;
- d) The nature of existing positions held by the appointee including directorships or other relationships and the impact they may have on the appointee's ability to exercise independent judgment;
- e) In addition to the qualifications and attributes specified herein, the prospective Independent Director should meet the criteria of independence provided in the Act and the requirements of Schedule IV and the SEBI Listing Regulations.
- f) Personal specifications.

#### **Remuneration Policy**

The guiding principle for the remuneration of Directors, KMPs, Senior Management Personnel and Other Employees is that the level and composition of remuneration shall be reasonable and sufficient to attract, retain and motivate Directors, KMPs, Senior Management Personnel and Other Employees.

The remuneration of the Directors, KMPs, Senior Management Personnel and Other Employees shall be based and determined on the individual person's responsibilities and performance and in accordance with the limits as prescribed statutorily, if any and the Human Resource policy of the Company.

The NRC determines individual remuneration packages for Directors, KMPs and Senior Management Personnel of the Company at the time of their appointment/re-appointment taking into account factors it deems relevant, including but not limited to market, business performance and practices in comparable companies, having due regard to financial and commercial health of the Company as well as prevailing laws and government/other guidelines and the Human Resource policy of the Company.

The Committee consults with the Chairman of the Board as it deems appropriate. Remuneration of the Chairman and Executive Director is recommended by the Committee to the Board of the Company.

The Non-Executive Directors shall be entitled to receive remuneration by way of sitting fees for attending every meeting of the Board/ Committees as approved by the Board, profit related commission as may be recommended by the Committee to the Board and subsequently approved by the members.

The remuneration payable to the Directors shall be as per the Company's policy and shall be valued as per the Income Tax Rules.

The Independent Directors shall not be entitled to any stock option.

The criteria of making payment to the Non-Executive Directors of the Company is provided in the Policy placed on the website of the Company

(<http://www.indiaglycols.com/investors/downloads/NRE.pdf>).

#### **Performance Evaluation Criteria**

The evaluation/assessment of the Directors of the Company is to be conducted on an annual basis and to satisfy the requirements of the Act and the SEBI Listing Regulations.

Following are the criteria that may assist in determining how effective the performances of the Directors / Board /Committees have been:

- Leadership & stewardship abilities.
- Contributing to clearly define corporate objectives & plans.
- Communication of expectations & concerns clearly with subordinates.
- Obtain adequate, relevant & timely information from external sources.
- Review achievement of strategic and operational plans, objectives, budgets.
- Regular monitoring of corporate results against projections.
- Identify, monitor & mitigate significant corporate risks.
- Assess policies, structures & procedures.
- Review management's succession plan.
- Effective meetings.
- Assuring appropriate board size, composition, independence, structure.
- Clearly defining roles & monitoring activities of Committees.
- Review of corporation's ethical conduct.

Evaluation on the aforesaid parameters is being conducted by the Independent Directors for each of the Executive/Non-Independent Directors in a separate meeting of the Independent Directors.



The Executive Directors/Non-Independent Directors along with the Independent Directors evaluate/assess each of the Independent Directors on the aforesaid parameters. Only the Independent Director being evaluated does not participate in the said evaluation discussion.

**c) Stakeholders’ Relationship Committee**

The Stakeholders’ Relationship Committee (“SRC”) is constituted in terms of the provisions of Section 178 of the Act and Regulation 20 of the SEBI Listing Regulations and performs all the functions specified therein.

**Terms of Reference**

The brief terms of reference of the Committee are given below:

1. Consider and resolve the grievances of the security holders of the Company including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc.;
2. Review of measures taken for effective exercise of voting rights by shareholders;
3. Review of adherence to the service standards adopted by the Company in respect of various services being rendered by the Registrar & Share Transfer Agent;
4. Review of the various measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the company.
5. To perform such other functions as may be prescribed by the Companies act, 2013 or the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended or under any other law or as may be prescribed by the Board from time to time.

**Composition**

As on 31<sup>st</sup> March, 2021, the Committee comprises of three Non-Executive Independent Directors, namely, Shri Pradip Kumar Khaitan, Shri Jagmohan N. Kejriwal, Shri Jitender Balakrishnan and one Executive Director, Shri U.S. Bhartia. Shri Pradip Kumar Khaitan is the Chairman of the Committee. The Company Secretary acts as the Secretary to the Committee. Shri Ankur Jain, Company Secretary is the Compliance officer of the Company.

**Meetings and Attendance**

The Committee met four times during the year on 24<sup>th</sup> June, 13<sup>th</sup> August, 6<sup>th</sup> November, 2020 and 12<sup>th</sup>

February, 2021. The necessary quorum was present for all the meetings. The attendance of the members at the meetings is as follows:

Name of Members	Category	No. of Meetings	
		Held	Attended
Shri Pradip Kumar Khaitan	Chairman	4	4
Shri U.S. Bhartia	Member	4	4
Shri Jagmohan N. Kejriwal	Member	4	4
Shri Jitender Balakrishnan	Member	4	4

**Investors’ complaints received and resolved during the year**

During the year under review, the Company had received 20 Investors’ Complaints. All the complaints received were duly redressed by the Company. As on 31<sup>st</sup> March, 2021, no complaint was outstanding.

The investors’ complaints are also being processed through the centralized web based SEBI Complaints Redress System (SCORES).

**d) Share Transfer Committee**

**Terms of Reference**

The Share Transfer Committee has been constituted by the Board to inter-alia, review and approve the request for transfer/transmission/name deletion of shares and issue of duplicate share certificates. The Share Transfer Committee also reviews the status of Shareholding pattern of the Company and significant changes, if any.

**Composition**

As on 31<sup>st</sup> March, 2021, the Committee comprises of three Non-Executive Directors, namely, Smt. Jayshree Bhartia, Shri Ravi Jhunjhunwala, Shri Jagmohan N. Kejriwal, and one Executive Director, Shri U.S. Bhartia. Shri U.S. Bhartia is the Chairman of the Committee. The Company Secretary acts as the Secretary to the Share Transfer Committee.

**Meetings and Attendance**

The Committee met five times during the year. The necessary quorum was present for all the meetings. The attendance of the members at the meetings is as follows:

Name of Members	Category	No. of Meetings	
		Held	Attended
Shri U.S. Bhartia	Chairman	5	5
Smt. Jayshree Bhartia	Member	5	5
Shri Jagmohan N. Kejriwal	Member	5	0
Shri Ravi Jhunjhunwala	Member	5	5



**e) Finance Committee**

**Terms of Reference**

The brief terms of the Finance Committee are to consider and approve inter-alia, inter Corporate Deposits and Investment, investment of surplus funds from time to time in marketable securities, to take decisions on the Banking operations of the Company and to consider, review & approve the borrowings by the Company.

**Composition**

As on 31<sup>st</sup> March, 2021, the Committee comprises of two Directors, namely, Shri U.S. Bhartia, Chairman and Managing Director and Shri Sudhir Agarwal, Executive Director. Senior officials of the Company, namely, Shri Rupark Sarswat, Chief Executive Officer [appointed as Chief Executive Officer w.e.f. 21<sup>st</sup> December, 2020] and Shri Anand Singhal, Chief Financial Officer are the permanent invitees of the Committee. Shri U.S. Bhartia is the Chairman of the Committee. The Company Secretary acts as the Secretary to the Finance Committee.

**Meetings and Attendance**

The Committee met eight times during the year. The necessary quorum was present for all the meetings.

**f) Risk Management Committee**

Even prior to SEBI (Listing Obligations and Disclosure Requirements) (Second Amendment) Regulations, 2021 which came into effect on 5<sup>th</sup> May, 2021, the Board had constituted a Risk Management Committee (RMC) in line with the SEBI Listing Regulations.

Consequent to FY 2020-21, in pursuance to the amendments in the SEBI Listing regulations, the provisions of the RMC became applicable on the Company w.e.f 5<sup>th</sup> May, 2021.

Accordingly, the terms of reference of the RMC were amended to align the role of the Committee with the amendments to the SEBI Listing Regulations.

**Terms of Reference**

The brief terms of reference of the RMC are as under:

1. To identify the existing and prospective Risks attached to the business of the Company;
2. To monitor and review the Risk Management Plan of the Company;
3. To suggest measures for mitigation of the Risks attached to the business of the Company;
4. To formulate a detailed risk management policy covering all the risks, measures etc.;
5. To ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company;
6. To monitor and oversee implementation of the risk management policy, including evaluating the adequacy of risk management systems;
7. To periodically review the risk management

policy, at least once in two years, including by considering the changing industry dynamics and evolving complexity;

8. To keep the board of directors informed about the nature and content of its discussions, recommendations and actions to be taken;
9. To appoint, remove and review/approve terms of remuneration of the Chief Risk Officer (if any);
10. To coordinate its activities with other Committees, in instances where there is any overlap with activities of such committees;
11. To perform such other functions as may be prescribed by the Companies Act, 2013 or the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended or under any other law or as may be prescribed by the Board from time to time.

**Composition**

As on 31<sup>st</sup> March, 2021, the Committee comprises of eight members including three Non-Executive Independent Directors namely, Shri Ravi Jhunjunwala, Shri Pradip Kumar Khaitan, Shri Jitender Balakrishnan; Shri U. S. Bhartia, Chairman and Managing Director, Shri Sudhir Agarwal, Executive Director and three Senior executives of the Company namely, Shri Rupark Sarswat, Chief Executive Officer [appointed member of the Risk Management Committee w.e.f. 12<sup>th</sup> February, 2021], Shri Anand Singhal, Chief Financial Officer and Shri Atul Govil, IT Head as its members. Shri U.S. Bhartia is the Chairman of the RMC.

The Company Secretary acts as the Secretary to the Risk Management Committee.

**Meetings and Attendance**

The Committee met once during the year on 12<sup>th</sup> February, 2021. The necessary quorum was present during the meeting.

The attendance of the members at the meeting is as follows:

Name of Members	Category	No. of Meeting	
		Held	Attended
Shri U.S. Bhartia	Chairman	1	1
Shri Ravi Jhunjunwala	Member	1	1
Shri Pradip Kumar Khaitan	Member	1	1
Shri Jitender Balakrishnan	Member	1	1
Shri Sudhir Agarwal	Member	1	1
Shri Rupark Sarswat**	Member	-	-
Shri Anand Singhal*	Member	1	1
Shri Atul Govil*	Member	1	1

# Appointed as member w.e.f. 12.02.2021 and attended the meeting as an invitee.

\* Not a Board Member.



**g) Corporate Social Responsibility Committee**  
**Terms of reference**

The Corporate Social Responsibility Committee has been constituted by the Board to inter-alia, formulate and recommend to the Board, a Corporate Social Responsibility Policy which shall indicate the activities to be undertaken by the Company as specified in Schedule VII of the Act; recommend the amount of expenditure to be incurred on the activities referred above; monitor the Corporate Social Responsibility Policy of the Company from time to time; to formulate and recommend to the Board, an annual action plan and any alteration therein in pursuance to the CSR Policy of the Company, which shall include the list of CSR projects or programmes, the manner of execution of such projects or programmes, the modalities of utilisation of funds and implementation schedules, monitoring and reporting mechanism and details of need and impact assessment, if any, for the project undertaken by the Company; and to perform and discharge such other functions as may be prescribed under the Act or relevant regulations and/or as may be prescribed by the Board from time to time.

**Composition**

As on 31<sup>st</sup> March, 2021, the Committee comprises of four members including two Executive Directors namely Shri U.S. Bhartia, Chairman and Managing Director and Shri Sudhir Agarwal, Executive Director and two Non-Executive Independent Director namely, Shri Pradip Kumar Khaitan and Shri Jitender Balakrishnan. Shri U.S. Bhartia is Chairman of the Committee. The Company Secretary acts as the Secretary to the Corporate Social Responsibility Committee.

**Meetings and Attendance**

The Committee met four times during the year on 24<sup>th</sup> June, 13<sup>th</sup> August, 6<sup>th</sup> November, 2020 and 12<sup>th</sup> February, 2021. The necessary quorum was present during all the meetings.

**h) Ethics Committee**

**Terms of Reference**

The Ethics Committee of the Board has been constituted to administer, implement the Code of Conduct and Ethics and to review the breach of the said code, if any and advice the action to be taken.

**Composition**

As on 31<sup>st</sup> March, 2021, the Committee comprises of three Non-Executive Independent Directors namely, Shri Pradip Kumar Khaitan, Shri Jitender Balakrishnan and Shri Jagmohan N. Kejriwal. Shri Pradip Kumar Khaitan is the Chairman of the Committee. The Company Secretary acts as the Secretary to the Ethics Committee.

**Meetings and Attendance**

The Directors and the senior management confirmed compliance with the Code of Conduct for the FY 2020-21. No breach of the said code was observed.

During the year, no meeting of the Ethics Committee was held.

**IV. REMUNERATION OF DIRECTORS FOR FY 2020-21:**

**(a) Executive Directors - (Amount in ₹)**

Name of Director	Salary (Basic)	Perquisites/allowances	Retiral benefits	Provident Fund Contribution	Commission [relates to FY21] <sup>#</sup>	Total
Shri U.S. Bhartia	4,80,00,000	8,38,411	-	57,60,000	2,46,00,000	7,91,98,411
Ms. Pragya Bhartia Barwale*	76,94,441	2,10,520	-	9,23,333	94,60,000	1,82,88,294**
Shri Sudhir Agarwal	26,40,000	23,60,195	-	5,08,752	-	55,08,947**

\*Appointed as an Executive Director w.e.f. 24<sup>th</sup> June, 2020.

# Relates to FY 2020-21 which shall be paid during FY 2021-22.

\*\* Subject to confirmation and waiver of the members at the ensuing AGM, in pursuance to provisions of Section 197(10) of the Act.

The appointment of Executive Directors is governed by the resolutions passed by the Board and the Shareholders of the Company, which covers the terms and conditions of such appointment.

**(b) Non-Executive Directors - (Amount in ₹)**

Name of Director	Sitting Fee	Commission [relates to FY 20]	Total
Smt. Jayshree Bhartia	3,00,000	7,50,000	10,50,000
Shri Pradip Kumar Khaitan	6,40,000	15,00,000	21,40,000
Shri Jagmohan N. Kejriwal	5,90,000	7,50,000	13,40,000
Shri Ravi Jhunjhunwala	6,10,000	7,50,000	13,60,000
Shri Jitender Balakrishnan	3,50,000	7,50,000	11,00,000
Shri Sajeve Bhushan Deora	5,50,000	7,50,000	13,00,000
Smt. Shukla Wassan	2,60,000	7,50,000	10,10,000

Sitting fees was paid to Non-Executive Directors within the limits prescribed under the Act read with Rules thereunder.

During the FY 2020-21, an amount of ₹ 71,27,120/- and ₹ 5,06,448/- (excluding taxes) were paid by the Company to M/s Khaitan & Co. LLP and M/s Khaitan & Co., related parties, respectively, towards the legal and professional services provided by them, in which Shri Pradip Kumar Khaitan, Director of the Company is a partner.

Non-executive Directors did not have any other material pecuniary relationship or transactions with the Company during the year except as stated above.



Letters of appointment have been issued by the Company to the Independent Directors, incorporating their roles, responsibilities, etc., which have been accepted by them.

The statutory provisions will apply with respect to the notice period of Directors unless otherwise mentioned in the resolution. There is no separate provision included for severance fees in the resolutions governing the appointment of Directors. No stock option was given to Directors during the year.

## V. OTHER DISCLOSURES

### (a) Related Party Transaction Disclosures

All transactions entered into with related parties by the Company during the FY 20-21 were on Arm's Length Basis and in Ordinary course of Business and were in compliance with the applicable provisions of the Act and SEBI Listing Regulations and approved by the Audit Committee. The Audit Committee reviews at least on a quarterly basis, the details of related party transactions entered into by the Company pursuant to each of the omnibus approval granted. There were no materially significant transaction made by the Company with the related parties viz. Promoters, Directors or the management or relatives etc. that may have a potential conflict with the interest of the Company at large. Details of material related party transactions are given in the Board's Report.

Pursuant to Regulation 23(9) of SEBI Listing Regulations, disclosures of related party transactions on a consolidated basis for the half year ended 31<sup>st</sup> March, 2020 and 30<sup>th</sup> September, 2020 were submitted to the Stock Exchanges and also hosted on the website of the Company. The details of related party transactions with the Company as required by Indian Accounting Standards (Ind AS) on Related Party Transactions have been given in Note no. 56 of the Standalone Financial Statements forming part of Annual Report. The Related Party Transactions Policy of the Company as approved by the Board has been uploaded on the Company's website at the following link-

<http://www.indiaglycols.com/investors/downloads/Related-party-transactions-Policy.pdf>

- (b) The Company has complied with all the applicable requirements as specified under the SEBI Listing Regulations. There were no penalties or strictures imposed or passed on the Company by the Stock Exchanges or SEBI or any Statutory Authorities on any matter related to Capital Markets for non-compliance by the Company during last three years.
- (c) As a conscious and vigilant organization, the Company believes in the conduct of the affairs of its constituents in a fair and transparent manner, by adopting the highest standards of professionalism, honesty, integrity and ethical behavior. In its endeavour to enable its employees to report concerns about unethical behavior, actual and suspected fraud or violation of the Company's conduct, the Company has put in place a Whistle Blower/Vigil Mechanism Policy ("the Policy"). Whistle Blower/Vigil Mechanism

provides a channel to the employees to report to the management concerns about the suspected or confirmed malpractices and events. The policy provide for the adequate safeguard of the person availing the mechanism by maintaining confidentiality of all the matters under the policy and also provide for direct access to the Chairman of the Audit Committee in exceptional cases in the manner laid down therein. During the year under review, no person has been denied access to the Audit Committee. It is affirmed that, the Policy allows reporting of instances related to leakage of Unpublished Price Sensitive Information. The Whistle Blower/Vigil Mechanism Policy is hosted on the Company's website at the following link-  
<http://www.indiaglycols.com/investors/downloads/vigil-mechanism-policy.pdf>

- (d) The Company has also adopted Policy on determination of materiality of event/information as required by SEBI Listing Regulations the same is available at <http://www.indiaglycols.com/investors/downloads/Policy-on-Determination-of-Materiality-of-Event-Information.pdf>. Also, the Policy on Preservation of Records/Archival, as adopted by the Company is available at <https://www.indiaglycols.com/investors/downloads/Policy-on-preservation-of-records-IGL-updated-11-02-2016a.pdf>. Further, the details of the key managerial personnel who are authorized for the purpose of determining materiality of an event or information and for the purpose of making disclosures to stock exchange(s) as required under sub-regulation (5) of regulation 30 of SEBI Listing Regulations are also available at <https://www.indiaglycols.com/investors/downloads/policy-on-determination-of-materiality-of-event-information.pdf>
- (e) In Compliance with the SEBI (Prohibition of Insider Trading) Regulations 2015, as amended, the Company has adopted a Code of Conduct for Regulating, Monitoring, Reporting Trading in Securities and Code of Practices & Procedures for Fair Disclosure of Unpublished Price Sensitive Information. The codes lay down guidelines for procedures to be followed and disclosures to be made while trading in securities of the Company. The Code of Practices & Procedures For Fair Disclosure of Unpublished Price Sensitive Information is available on the website of the Company at the following link: <https://www.indiaglycols.com/investors/downloads/code-practices-Procedures-Fair-Disclosure-Unpublished-Price-Information.pdf>
- (f) The Company discloses on its website all such events or information which has been disclosed to stock exchange(s) under SEBI Listing Regulations.
- (g) The Company has also uploaded the Annual return for FY 2019-20 at <https://www.indiaglycols.com/investors/downloads/annual-return-AGM2021.pdf>
- (h) The Company is in compliance with all the Mandatory requirements stipulated in SEBI Listing Regulations.
- (i) The Company has obtained a certificate from M/s Mukesh Agarwal & Co., Company Secretaries, confirming that none of the directors on the Board of the Company have been debarred or disqualified



from being appointed or continuing as directors of the companies by the Securities and Exchange Board of India and Ministry of Corporate Affairs or any such authority.

- (j) During the year under review, all recommendation of the Committees of the Board which were mandatorily required have been accepted by the Board.
- (k) During FY 2020-21, an amount of ₹ 52.55 lakhs was paid by the Company and its subsidiaries on consolidated basis, for all the services to M/s K.N. Gutgutia & Co., the Statutory Auditors. Out of which, ₹ 51.65 lakhs paid by the Company (₹ 20 lakhs towards Statutory Audit fee) and ₹ 0.90 lakhs paid by subsidiaries towards Statutory Audit fee. The Statutory Auditor has no networking/ partner in the networking entity.
- (l) In accordance with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, the Company has constituted an Internal Complaints Committee where any grievance of sexual harassment at workplace can be reported. No complaint pertaining to sexual harassment at workplace has been reported to the Committee during the financial year ended 31<sup>st</sup> March, 2021. In compliance to the circular issued by District Magistrate, Gautam Buddha Nagar, Uttar Pradesh, in respect of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, the Company is registered at designated website i.e. <https://www.shorapp.in>
- (m) **Disclosure w.r.t. Commodity, Foreign Exchange Risk and Hedging activities.**

The Company being the manufacturer of Green Chemicals procures variety of commodities as its raw material and, therefore, the commodity prices risk is one of the important business risk for the Company. The Company has in place an adequate risk management policy inter-alia, for risk assessment and mitigation system including for the commodities. Details of exposure of the Company to commodity and commodity risk faced by the entity during the year, in pursuance to the Materiality Policy of the Company are as under:

a. Total exposure of the Company to commodities: ₹ 86,329 Lakhs(approx.)

b. Exposure of the Company to various commodities:

Commodity name	Exposure (₹ in lakhs) (approx.)	Exposure in Quantity terms (MT) (approx.)	% of such exposure hedged through commodity derivatives				Total
			Domestic Market		International Market		
			OTC	Exchange	OTC	Exchange	
Alcohol (Raw Material)	52,146	14,38,18,910	Nil	Nil	Nil	Nil	Nil
Mono Ethylene Glycol (Finished Product)	34,183	47,492	Nil	Nil	Nil	Nil	Nil

Exposure for the Alcohol is based on the procurement and for Mono Ethylene Glycol is based on sales.

As the above commodities are not traded/actively traded in the derivative market, the Company does not have any exposure hedged through commodity derivative. However, the Company continuously monitors and manages the associated commodity risks through commercial negotiation with customers and suppliers and entering into long term contracts, wherever required.

The Company has a sizeable forex exposure and in order to mitigate the fluctuations in exchange rate, the Company hedges its import liabilities and export by adopting appropriate measures.

- (n) The Company has not raised any funds through qualified institutions placement and also there are no unutilized amount w.r.t. the funds raised by the Company through preferential allotment as specified under Regulation 32 (7A) of SEBI Listing Regulations.

#### Subsidiary Companies

The Audited annual financial statements and the investments made by unlisted subsidiary Companies are periodically reviewed by the Audit Committee.

The minutes of the Board Meetings of Subsidiary Companies are periodically placed before the Board of the Company. The Company does not have any material subsidiary as defined under Regulation 16 of the SEBI Listing Regulations. A policy for determining material subsidiaries has been formulated and the same is hosted on the Company's website at the link: <https://www.indiaglycols.com/investors/downloads/Policy-for-determining-Material-Subsidiaries.pdf>

#### CEO/CFO Certification

The Chief Executive Officer and Chief Financial Officer have issued compliance certificate under the provisions of Regulation 17 (8) of the SEBI Listing Regulations which is annexed and forms part of this Report.

#### Non-Mandatory Requirements:

- (i) The quarterly/ half yearly and yearly results are displayed on the website of the Company viz [www.indiaglycols.com](http://www.indiaglycols.com) and also published in widely circulated English and Regional language newspapers.
- (ii) During the FY 2020-21, there is no audit qualification on the Company's financial statements.
- (iii) The Internal Auditor reports directly to the Audit Committee. The Internal Auditor has regular meetings with the Head of Finance prior to placing of the reports of Internal Auditors before the Audit Committee.



## VI. SHAREHOLDERS

### a) General Body Meetings

Details of the last three Annual General meetings are as under:

Financial Year	Date & Time	Location	Details of Special Resolution passed
2019-20	24 <sup>th</sup> September, 2020 at 11.00 A.M.	Through Video Conferencing ("VC")/ Other Audio Visual means ("OAVM") Deemed venue- A-1, Industrial Area, Bazpur Road, Kashipur-244713, Distt Udham Singh Nagar, Uttarakhand	<ul style="list-style-type: none"> <li>a. Appointment of Ms. Pragya Bhartia Barwale (DIN: 02109262) as an Executive Director and Key Managerial Personnel of the Company for a period of 5 years w.e.f. 24<sup>th</sup> June, 2020.</li> <li>b. Approval for transfer of the BioEO (Speciality Chemicals) Business to a wholly owned subsidiary.</li> <li>c. Approval for transfer of the Ennature Bio-pharma (Nutraceuticals) Business to a wholly owned subsidiary.</li> <li>d. Raising of additional long term funds through further issuance of securities/shares.</li> </ul>
2018-19	22 <sup>nd</sup> August, 2019 at 11.00 A.M.	A-1, Industrial Area, Bazpur Road, Kashipur-244713, Distt Udham Singh Nagar, Uttarakhand	<ul style="list-style-type: none"> <li>a. Approval of the Remuneration of Shri U. S. Bhartia (DIN: 00063091), Chairman &amp; Managing Director.</li> <li>b. Approval for the payment of Commission to Non- Executive Directors.</li> <li>c. Re-appointment of Shri Pradip Kumar Khaitan (DIN: 00004821) as Independent Director for second term of five years.</li> <li>d. Re-appointment of Shri Jagmohan N. Kejriwal (DIN: 00074012) as Independent Director for second term of five years.</li> <li>e. Re-appointment of Shri Ravi Jhunjhunwala (DIN: 00060972) as Independent Director for second term of five years.</li> <li>f. Re-appointment of Shri Jitender Balakrishnan (DIN: 00028320) as Independent Director for second term of five years.</li> <li>g. Raising of additional long term funds through further issuance of securities/shares.</li> </ul>
2017-18	4 <sup>th</sup> August, 2018 at 11.00 A.M.		<ul style="list-style-type: none"> <li>a. Re-appointment of Shri M.K. Rao (DIN: 02168280), as an Executive Director.</li> <li>b. Continuation of Directorship of Shri Pradip Kumar Khaitan (DIN: 00004821) as an Independent Director (Non- executive).</li> <li>c. Continuation of Directorship of Shri Jagmohan N. Kejriwal (DIN: 00074012) as an Independent Director (Non- executive).</li> <li>d. Raising of additional long term funds through further issuance of securities/shares.</li> </ul>

#### Postal Ballot

During the FY 2020-21 no special resolution was passed through the exercise of postal ballot. However subsequent to FY 2020-21, the Company passed two resolutions by way of Postal Ballot for seeking approval of members, as per below details.

- The Company dispatched the postal ballot notice dated 11<sup>th</sup> March, 2021 containing draft resolutions together with the explanatory statements to the members whose names appeared in the register of members/ list of beneficiaries as on cut-off date i.e. 19<sup>th</sup> March, 2021 ("cut-off date"). The Company also published a notice in the newspaper declaring the details of completion of dispatch on 26<sup>th</sup> March, 2021 and other requirements as mandated under the Act and applicable rules.
- Members exercised their vote by e-voting during the period from 09:00 a.m. on Saturday, 27<sup>th</sup> March, 2021 to Sunday, 25<sup>th</sup> April, 2021 at 5.00 P.M.
- The Scrutinizer submitted his report on 26<sup>th</sup> April, 2021, after the completion of scrutiny and further,

the resolutions were deemed to have been passed on 25<sup>th</sup> April, 2021 i.e. the last date of remote e-voting.

- The Consolidated summary of the results of the postal ballot are as follows-

Sr. No.	Description of Resolutions	Result
1.	To approve re-appointment of Shri U.S. Bhartia (DIN: 00063091) as Chairman and Managing Director of the Company	The resolutions were passed as special resolutions.
2.	To approve the divestment of Company's stake held in IGL Green Chemicals Private Limited, a Wholly Owned Subsidiary	

As on date, no resolution is proposed to be passed through postal ballot.

#### b) Means of Communication

The quarterly, half-yearly, annual financial results and other vital official News release/documents of the Company under SEBI Listing Regulations are filed with the Stock Exchanges. The results are also displayed on the website of BSE Limited (BSE) and



National Stock Exchange of India Limited (NSE) and are also published in leading English and Hindi Newspapers in India which includes the Financial Express, Business Standard and Uttar Ujala.

All periodical compliance filings, inter-alia, shareholding pattern, Corporate Governance Report, corporate announcements, in accordance with the SEBI Listing Regulations are also filed electronically on NSE Electronic Application Processing System (NEAPS) and BSE Corporate Compliance & Listing Centre (Listing Centre), web based application designed by NSE and BSE, respectively for Corporates.

In compliance with Regulation 46 of the SEBI Listing Regulations, a separate dedicated section under 'Investor Relations' on the Company's website at [www.indiaglycols.com](http://www.indiaglycols.com), gives information on various announcements made by the Company including the financial results.

**c) General shareholder information**

**i) Annual General Meeting**

**Date: Friday, 24<sup>th</sup> September, 2021**

**Venue :** Being convened through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM") [Deemed venue for AGM shall be the Registered office i.e. A-1, Industrial Area, Bazpur Road, Kashipur-244713, Distt. Udham Singh Nagar, Uttarakhand]

**Time : 11.00 AM**

**ii) Financial Calendar - Financial year: 1<sup>st</sup> April to 31<sup>st</sup> March**

For the financial year 2021-22, the tentative dates for approval and adoption of unaudited quarterly financial results will be by 14<sup>th</sup> August, 2021 for the first quarter, by 14<sup>th</sup> November, 2021 for half yearly, by 14<sup>th</sup> February, 2022 for third quarter and by 15<sup>th</sup> May/30<sup>th</sup> May, 2022 for the fourth quarter and annual audited financial results.

**iii) Book Closure**

The Register of Members and Share Transfer Books of the Company shall remain closed from Saturday, 18<sup>th</sup> September, 2021 till Friday, 24<sup>th</sup> September, 2021(Both days inclusive).

**iv) Dividend:**

The dividend of ₹ 6/- per equity share, as recommended by the Board of Directors, if declared at the Annual General Meeting, will be paid/dispached within 30 days from the date of ensuing AGM of the Company as under:

- To all those beneficial owners holding shares in electronic form, as per the beneficial ownership data made available to the Company by National Securities Depository Limited (NSDL) and the Central depository Services (India) Limited (CDSL) as on Friday, 17<sup>th</sup> September, 2021.
- To all those shareholders holding shares in physical form, after giving effect to all the valid share transmission or transposition

request lodged with the Company/Share Transfer Agent, M/s MCS Share Transfer Agent Limited ("RTA"), F-65, 1st Floor, Okhla Industrial Area Phase-I, New Delhi 110020 on or before Friday, 17<sup>th</sup> September, 2021.

**v) Listing at stock exchanges and stock codes**

The Stock Exchanges at which the equity shares of the Company are listed as on 31<sup>st</sup> March, 2021 and the respective stock codes are as under:

Name of the Stock Exchange	Stock Code No./ Symbol
BSE Limited ("BSE")	500201
Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai-400 001	
National Stock Exchange of India Limited ("NSE") Exchange Plaza, C-1, Block-G, Bandra Kurla Complex, Bandra (East), Mumbai-400 051	INDIAGLYCO

The Annual Listing fees for the financial year 2021-22 has been paid by the Company to BSE and NSE.

The ISIN number allotted to the Company's shares under the depository system is INE560A01015.

**vi) Market Price Data**

High/Low of market price of the Company's equity shares traded on BSE and NSE during each month of FY 2020-21 is as under:-

Month	High		Low	
	BSE	NSE	BSE	NSE
Apr-20	304.85	305.00	212.00	211.10
May-20	283.00	284.80	241.55	241.55
Jun-20	313.40	313.00	267.00	268.10
Jul-20	294.80	295.00	267.00	268.00
Aug-20	341.60	341.80	264.50	264.95
Sep-20	299.00	298.60	263.90	262.90
Oct-20	295.55	295.60	263.40	268.50
Nov-20	305.00	304.90	222.00	268.90
Dec-20	320.90	320.95	268.30	268.50
Jan-21	406.00	406.35	308.85	308.70
Feb-21	524.70	524.90	373.00	372.65
Mar-21	610.00	609.00	415.00	413.25

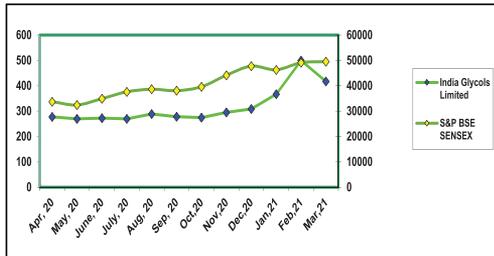
Source: BSE and NSE Website.

**vii) Performance of Company's equity shares in comparison to S&P BSE Sensex and NSE NIFTY 50**

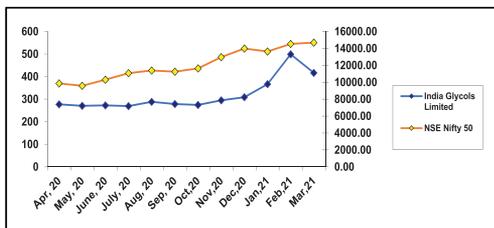
The graphical presentations of movement of share prices of the Company on BSE and NSE during the year are as under:



**a. INDIA GLYCOLS' SHARE PRICES VERSUS S&P BSE SENSEX**



**b. INDIA GLYCOLS' SHARE PRICES VERSUS NSE NIFTY 50**



**viii) Registrar and Share Transfer Agents**

Name and Address - M/s MCS Share Transfer Agent Limited, F-65, 1<sup>st</sup> Floor, Okhla Industrial Area, Phase-I, New Delhi -110 020  
 Telephone - 011-41406149  
 E-mail - admin@mcsregistrars.com  
 Website - www.mcsregistrars.com

**ix) Share Transfer System**

The Company's entire equity shares (approx.) are in electronic format. These shares can be transferred through the depositories without the Company's involvement.

SEBI had mandated that, effective from 1<sup>st</sup> April 2019, securities of listed companies can only be transferred in dematerialized form except where the claim is lodged for transmission or transposition of shares or where the transfer deed(s) was/were lodged prior to 1<sup>st</sup> April 2019 and returned due to deficiency in the documents. Shares received in physical form for transfer are attended and transferred within the stipulated period from the date of lodgment subject to documents being valid and complete in all the respects.

During the year, the Company had obtained, on half-yearly basis, a certificate, from a Company Secretary in practice, as required under Regulation 40(9) of SEBI (Listing Obligations

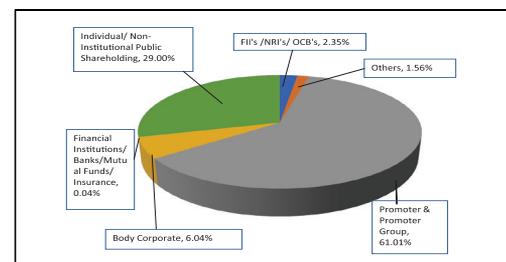
and Disclosure Requirement) Regulations, 2015 and filed copy of the same with the Stock Exchanges. Also, pursuant to Regulation 7(3) of the SEBI Listing regulations, compliance certificate certifying compliance regarding maintenance of securities transfer facilities have also been submitted to stock exchanges within stipulated time.

Further, the Company complies with the Operational guidelines issued by the SEBI for Transfer and Dematerialization of re-lodged physical shares.

**x) Category & Distribution of shareholding as on 31<sup>st</sup> March, 2021**

Category (Shares)	Shares	%age of Total Shares	Holders	%age of Total Share-holders
Up to 500	34,15,790	11.03	32,950	93.02
501-1000	10,26,860	3.32	1,278	3.61
1001-2000	8,96,231	2.89	590	1.67
2001-3000	5,51,234	1.78	215	0.61
3001-4000	3,20,420	1.03	89	0.25
4001-5000	2,87,053	0.93	61	0.17
5001-10000	7,47,767	2.42	106	0.30
10001-50000	20,32,574	6.56	94	0.26
50001-100000	14,29,950	4.62	21	0.06
100001 and above	2,02,53,621	65.42	18	0.05
<b>Total</b>	<b>3,09,61,500</b>	<b>100.00</b>	<b>35,422</b>	<b>100.00</b>

**Category of Shareholders as at 31<sup>st</sup> March, 2021**



**Shares held in physical and dematerialized form**

Mode of Holding	%age
NSDL	24.02
CDSL	74.04
Physical	1.94

**xi) Dematerialization of shares and liquidity**

The shares of the Company are compulsorily traded in dematerialized form. As on 31<sup>st</sup> March, 2021, 98.06% shares were held in dematerialized form and 1.94% in physical form. Entire Promoters shareholding is in



- dematerialized form. The Company's shares are actively traded on BSE and NSE.
- xii) Outstanding GDR's / ADR's / Warrants / convertible instruments, conversion date and their impact on equity – Nil**
- xiii) Plant Locations**
- 1) A-1, Industrial Area, Bazpur Road, Kashipur-244713, Distt. Udham Singh Nagar, Uttarakhand.
  - 2) E-1, Sector-15, Gorakhpur Industrial Development Area, Gorakhpur, Uttar Pradesh.
  - 3) Plot No. 2, 3, 4 & 5 Pharma City, Selaqui, Dehradun, Uttarakhand
- xiv) Address for correspondence**  
 India Glycols Limited, Plot No. 2-B, Sector-126, Noida-201304, Gautam Budh Nagar, Uttar Pradesh  
 Telephone : 0120- 3090100,  
 Fax : 0120-3090111  
 Website : www.indiaglycols.com  
 E-Mail : compliance.officer@indiaglycols.com
- xv) Management**
- a) Management discussion and analysis -** Management discussion and analysis report forms separate part of the Annual Report.
  - b) Disclosure on Risk Management -** The Company has further strengthened the Risk Management System in the Company. The Board of Directors periodically reviews the Risk Assessment and minimizing procedure thereof.
- xvi) Reconciliation of Share Capital**  
 The certificate of Reconciliation of Share capital Audit confirming that the total issued capital of the Company is in agreement with the total number of shares in physical form and the total number of dematerialized shares held with NSDL and CDSL is placed before the Board on quarterly basis and also submitted to the Stock Exchanges.
- xvii) Compliance Certificate from the Statutory Auditors**  
 Certificate from the Statutory Auditors of the Company, M/s K. N. Gutgutia and Co., Chartered Accountants, confirming compliance with the provisions of Corporate Governance as stipulated in SEBI Listing Regulations is annexed to this Report and forms part of the Annual Report.
- xviii) Equity shares in the suspense account - N.A.**
- xix) Transfer of unpaid/unclaimed amounts to Investor Education and Protection Fund**  
 During the financial year 2020-21, the Company transferred ₹ 25,93,928/- and 11,27,558/-, being interim dividend for FY 2012-13 and final dividend for FY 2012-13, respectively to Investor Education and Protection Fund pursuant to Section 125 of the Act.  
 Further, pursuant to the provisions of Section

124(6) of the Act read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ('IEPF Rules'), as amended, during the financial year 2020-21, 16,421 equity shares and 18,185 equity shares of ₹ 10/- each, for Interim and Final Dividend respectively on which the dividend remained unpaid/unclaimed for seven consecutive years, were transferred to the demat account of the IEPF Authority ("IEPF Account"), after completing all the procedural formalities in this regard.

Members may note that the due date of transfer of unclaimed/unpaid final dividend for the FY 2013-14 and the concerned shares is 18<sup>th</sup> October, 2021. Therefore, Members who have not encashed the dividend warrants so far in respect of the aforesaid period(s), are requested to claim the same before the above due date to avoid transferring the unpaid/unclaimed dividend and respective shares to the IEPF Authority and IEPF Account, respectively.

The details of unpaid/unclaimed dividend lying with the Company in respect of last seven years and date for transfer of the same to IEPF has been uploaded on the website of the Company at [http://www.indiaglycols.com/investors/investor\\_index.htm](http://www.indiaglycols.com/investors/investor_index.htm)

The Members may note that no claim shall lie against the Company in respect of said dividend(s) and shares, upon their transfer to IEPF. However, the same can be claimed back from them after complying with the procedure prescribed under the IEPF rules by visiting the weblink: <http://iepf.gov.in/IEPF/refund.html>. For any related information, RTA or the Company may also be contacted. In terms of the IEPF Rules, Shri Ankur Jain, Company Secretary is the Nodal Officer.

The voting rights on the shares transferred to IEPF Authority shall remain frozen till the rightful owner claims the shares.

- (xx)** During the year under review, India Ratings & Research (Ind-Ra), a credit rating Agency affirmed the Company's Long-term Issuer Rating as 'IND A-' and Outlook is stable. Also, Ind-Ra had placed Company's Long term Issuer Rating of 'IND A-' on Rating Watch Positive ("RWP"). The instrument-wise ratings are as follows:

Instrument Type	Rating/Rating Watch	Rating Action
Term Loan	IND A- /RWP	Placed on RWP
Proposed Term Loan	IND A-/RWP	Placed on RWP
Fund-based Limit	IND A- /RWP/IND A2+/RWP	Placed on RWP
Non-Fund based Limit	IND A- /RWP/ IND A2+/RWP	Placed on RWP



## INDEPENDENT AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE

To,  
The Members of  
**INDIA GLYCOLS LIMITED**

1. We, **K.N. GUTGUTIA & COMPANY, CHARTERED ACCOUNTANTS**, the Statutory Auditors of **INDIA GLYCOLS LIMITED** (the "Company"), have examined the compliance of conditions of Corporate Governance by the Company, for the year ended on 31<sup>st</sup> March, 2021, as stipulated in Regulations 17 to 27 and clauses (b) to (i) of Regulation 46(2) and para C and D of Schedule V of the Securities and Exchange Board of India (Listing obligations and Disclosure Requirements) Regulations, 2015 (the Listing Regulations). .

### Management's Responsibility

2. The Compliance of conditions of Corporate Governance is the responsibility of the Management. This responsibility includes the design, implementation and maintenance of internal control and procedures to ensure the compliance with conditions of the Corporate Governance stipulated in the Listing Regulations.

### Auditor's Responsibility

3. Pursuant to the requirements of the Listing Regulations, our responsibility is to express a reasonable assurance in the form of an opinion as to whether the Company has complied with the conditions of corporate governance as stated in paragraph 2 above. Our responsibility is limited to examining the procedures and implementation thereof, adopted by the Company for ensuring compliance with the conditions of the corporate governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.
4. We have examined relevant records of the Company in accordance with the applicable Generally Accepted Auditing Standards in India, the Guidance Note on Certification of Corporate Governance issued by the Institute of Chartered Accountants of India (ICAI), and Guidance Note on Reports or Certificates for Special Purposes issued by the ICAI which requires that we comply with the ethical requirements of the code of Ethics issued by the ICAI.
5. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control of Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

### Opinion

6. Based on our examination of the relevant records and according to the information and explanations provided to us and the representations provided by the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in Regulations 17 to 27 and clauses (b) to (i) of Regulation 46(2) and para C and D of Schedule V of the Listing Regulations during the year ended 31<sup>st</sup> March, 2021.
7. We state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

**PLACE : NEW DELHI**  
**DATE : 25<sup>th</sup> June, 2021**

**FOR K. N. GUTGUTIA & COMPANY**  
**CHARTERED ACCOUNTANTS**  
**FRN 304153E**

**(B. R. GOYAL)**  
**PARTNER**  
**M. NO. 12172**

**UDIN: 21012172AAAAPB3687**



## CEO/CFO CERTIFICATE

**The Board of Directors  
India Glycols Limited,**

**Pursuant to Regulation 17(8) and 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015**

We, the undersigned do hereby certify as under in the capacity of Chief Executive Officer and Chief Financial Officer of India Glycols Limited in respect of the year ended on 31<sup>st</sup> March, 2021:

- a. We have reviewed the financial statements and cash flow statements for the financial year ended 31<sup>st</sup> March, 2021 and to the best of our knowledge and belief, we state that that:
  - i) these statements do not contain any misleading untrue statements or omit any material fact or contain any statements that might be misleading;
  - ii) these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- b. We further state that to the best of our knowledge and belief, there are no transactions entered into by the Company during the year, which are fraudulent, illegal or violative of the Company's code of conduct.
- c. We are responsible for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- d. We have indicated, wherever applicable, to the Auditors and the Audit Committee:
  - i) that there were no significant changes in internal control over financial reporting during the year;
  - ii) significant changes in the accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
  - iii) that there were no instances of significant fraud of which we have become aware and the involvement therein of the management or an employee having a significant role in the Company's internal control system over financial reporting.

**For India Glycols Limited**

**For India Glycols Limited**

Place: Noida  
Date : 25<sup>th</sup> June, 2021

**Anand Singhal**  
*Chief Financial Officer*

**Rupark Sarswat**  
*Chief Executive Officer*

**To the Members of India Glycols Limited**

## DECLARATION

I, Rupark Sarswat, Chief Executive Officer of India Glycols Limited do hereby declare that the Company had received affirmation from all the members of the Board and Senior Management personnel stating compliance of the code of conduct for the year 2020-21 pursuant to the requirement of the Regulation 26 of the SEBI (Listing Obligations and Disclosure Requirements) Regulation 2015.

**For India Glycols Limited**

Place : Noida  
Date : 15<sup>th</sup> April, 2021

**Rupark Sarswat**  
*Chief Executive Officer*



# BUSINESS RESPONSIBILITY REPORT

## Introduction

The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 [“SEBI Listing Regulations”] requires top 1000 listed entities (based on market capitalization at BSE Limited and National Stock Exchange of India Limited) to include Business Responsibility Report (“BRR”) describing the initiatives taken by the Company from an environmental, social and governance perspective, as a part of its Annual Report.

This BRR is in pursuance to the reporting framework of Regulation 34 of SEBI Listing Regulations and the National Guidelines on Responsible Business Conduct (“NGRBC”) issued by the Ministry of Corporate Affairs, Government of India.

### ANNEXURE I

[See Regulation 34(2)(f)]

#### SECTION A: GENERAL INFORMATION ABOUT THE COMPANY

1. **Corporate Identity Number (CIN) of the Company:** L24111UR1983PLC009097
2. **Name of the Company:** India Glycols Limited
3. **Registered address:** A-1, Industrial Area, Bazpur Road, Kashipur- 244713, Uttarakhand
4. **Website:** www.indiaglycols.com
5. **E-mail id:** compliance.officer@indiaglycols.com
6. **Financial Year reported:** 2020-21
7. **Sector(s) that the Company is engaged in (industrial activity code-wise):**
  - a. Glycols (NIC code 20119)
  - b. Ethylene Oxide Derivatives (NIC code 20229)
  - c. Ethyl Alcohol (Potable) (NIC code 1101)
  - d. Nutraceuticals (NIC code 21001)
8. **List three key products/services that the Company manufactures/provides (as in balance sheet)**
  - a. Mono Ethylene Glycol
  - b. Ethylene Oxide Derivatives\*
  - c. Ethyl Alcohol (Potable)
  - d. Nutraceuticals

\*During FY 2020-21, the Company had executed a Business Transfer Agreement and Joint Venture Agreement on 11<sup>th</sup> March, 2021, for transfer of its Ethylene Oxide Derivatives Business\* which will be carried through a JV company in which the Company would hold 49% stake and balance would be held by Clariant International Limited.

9. **Total number of locations where business activity is undertaken by the Company**
  - (a) **Number of International Locations (Provide details of major 5):** We undertake business activities in USA and South East Asia [through subsidiary companies]
  - (b) **Number of National Locations:** The Company has manufacturing activities at 3 locations namely Kashipur, Gorakhpur, Dehradun. The Company also has its Head office at Noida, Corporate Office at Kolkata and Registered office at Kashipur. Additionally, the Company has marketing offices and depots.

10. **Markets served by the Company – Local/State/ National/International:** All

#### SECTION B: FINANCIAL DETAILS OF THE COMPANY

1. **Paid up Capital (₹):** 30,96,15,000
2. **Total Turnover (₹):** 5,99,517 lakhs
3. **Total profit after taxes (₹):** 8,430 lakhs
4. **Total Spending on Corporate Social Responsibility (CSR) as percentage of profit after tax (%):** ₹ 156.66 Lakhs [about 2.31% of the average net profits of previous three financial years i.e. ₹ 6,769.32 Lakhs]
5. **List of activities in which expenditure in 4 above has been incurred:-**
  - (a) Promoting Education.
  - (b) Health Care.
  - (c) Sanitation and Safe Drinking Water.
  - (d) Restoration of Building and sites of historical importance.

#### SECTION C: OTHER DETAILS

1. **Does the Company have any Subsidiary Company/ Companies?**  
Yes, the Company has 6 (Six) subsidiary companies as on 31<sup>st</sup> March, 2021.
2. **Do the Subsidiary Company/Companies participate in the BR Initiatives of the parent company? If yes, then indicate the number of such subsidiary company(s).**  
No, but India Glycols Limited encourages its subsidiaries for the same.
3. **Do any other entity/entities (e.g. suppliers, distributors etc.) that the Company does business with, participate in the BR initiatives of the Company? If yes, then indicate the percentage of such entity/entities? [Less than 30%, 30-60%, More than 60%]**  
The Company does not mandatorily require its suppliers and distributors to participate in BR initiatives of the Company. [Less than 30%]

#### SECTION D: BR INFORMATION

1. **Details of Director/Directors responsible for BR**
  - a) **Details of the Director/Director responsible for implementation of the BR policy/policies**

S.No.	Particulars	Details
1	DIN	: 00063091
2	Name	: Shri U. S. Bhartia
3	Designation:	Chairman and Managing Director
  - b) **Details of the BR head:**

S.No.	Particulars	Details
1	DIN Number	: 08602216 (if applicable)
2	Name	: Shri Sudhir Agarwal
3	Designation	: Executive Director
4	Telephone number	: 05947-269000/269500
5	E-mail id	: s.agarwal@indiaglycols.com



**2. Principle-wise (as per NGRBC) BR Policy/policies**  
**The nine Principles are as under:**

- P1** Businesses should conduct and govern themselves with integrity, and in a manner that is ethical, transparent, and accountable.
- P2** Businesses should provide goods and services in a manner that is sustainable and safe.
- P3** Businesses should respect and promote the well-being of all employees, including those in their value chains.
- P4** Businesses should respect the interests of and be responsive to all its stakeholders.

**P5** Businesses should respect and promote human rights.

**P6** Businesses should respect and make efforts to protect and restore the environment.

**P7** Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent.

**P8** Businesses should promote inclusive growth and equitable development.

**P9** Businesses should engage with and provide value to their consumers in a responsible manner.

**a) Details of compliance (Reply in Y/N)**

No.	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
1	Do you have a policy/ policies for	Y	Y	Y	Y	Y	Y	Y	Y	Y
2	Has the policy being formulated in consultation with the relevant stakeholders?	Y	Y	Y	Y	Y	Y	Y	Y	Y
3	Does the policy conform to any national / international standards?	The policies are based on the National Guidelines on responsible Business conduct ("NGRBC") in addition to the desires of ISO on Social, Environment, Safety, Energy Conservation & Business Stewardship.								
4	Has the policy being approved by the Board? Is yes, has it been signed by MD/ owner/ CEO/ appropriate Board Director?	Y	Y	Y	Y	Y	Y	Y	Y	Y
5	Does the Company have a specified committee of the Board/ Director/ Official to oversee the implementation of the policy?	Y	Y	Y	Y	Y	Y	Y	Y	Y
6	Indicate the link for the policy to be viewed online?	<a href="https://www.indiaglycols.com/investors/downloads/BR-Policy.Pdf">https://www.indiaglycols.com/investors/downloads/BR-Policy.Pdf</a>								
7	Has the policy been formally communicated to all relevant internal and external stakeholders?	Y	Y	Y	Y	Y	Y	Y	Y	Y
8	Does the Company have in-house structure to implement the policy/ policies?	Y	Y	Y	Y	Y	Y	Y	Y	Y
9	Does the Company have a grievance redressal mechanism related to the policy/ policies to address stakeholders' grievances related to the policy/ policies?	Y	Y	Y	Y	Y	Y	Y	Y	Y
10	Has the Company carried out independent audit/ evaluation of the working of this policy by an internal or external agency?	BR Policies are reviewed/evaluated at routine interval internally. Policies pertaining to Health, Safety, Environment, Quality, Social Accountability and Energy conservation are being audited by External Agency(ies), as applicable under the concerned ISO certification.								

**b) If answer to the question at serial number 1 against any principle, is 'No', please explain why: (Tick up to 2 options)**

No.	Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
1	The Company has not understood the Principles	Not Applicable								
2	The Company is not at a stage where it finds itself in a position to formulate and implement the policies on specified principles									
3	The Company does not have financial or manpower resources available for the task									
4	It is planned to be done within next 6 Months									
5	It is planned to be done within the next 1 year									
6	Any other reason (please specify)									



**3. Governance related to BR**

- a) **Indicate the frequency with which the Board of Directors, Committee of the Board or CEO to assess the BR performance of the Company. Within 3 months, 3-6 months, Annually, More than 1 year**

The BR performance of the Company are assessed/reviewed annually by the Board and CSR Committee.

- b) **Does the Company publish a BR or a Sustainability Report? What is the hyperlink for viewing this report? How frequently it is published?**

The Business Responsibility Report of Company is published as a part of its Annual Report and can be viewed on Company's website at the following link: <https://www.indiaglycols.com/investors/downloads/annual-report-2020-21.pdf>

**SECTION E: PRINCIPLE-WISE PERFORMANCE**

**Principle 1: Business should conduct and govern themselves with integrity in a manner that is Ethical, Transparent and Accountable.**

1. **Does the policy relating to ethics, bribery and corruption cover only the Company? Yes/ No. Does it extend to the Group/Joint Ventures/ Suppliers/ Contractors/NGOs /Others?**

The Company's Anti-bribery and Anti-corruption Policy is applicable to all its affiliates, subsidiaries, their Directors and employees at all level, Consultants, Contractors, Trainees, casual workers, or any other persons associated with the Company. The Company also has Code of Conduct and Ethics Policy which covers employees and Board members of the Company.

In addition, the Company also has in place a Policy on Vigil Mechanism (Whistle Blower Policy) which covers Directors and Employees of the Company to report their grievances/concerns related to actual/suspected fraud or unethical behavior or breach of SEBI Insider Trading Regulations.

2. **How many stakeholder complaints have been received in the past financial year and what percentage was satisfactorily resolved by the management? If so, provide details thereof, in about 50 words or so.**

The Company has not received any complaint under the above Codes /Policies during FY 21. However, during FY 21, the Company received 20 investors' complaints, which were resolved satisfactorily with in time. As on 31<sup>st</sup> March, 2021, no complaint was pending.

**Principle 2: Business should provide goods and services in a manner that is sustainable and safe**

1. **List up to 3 of your products or services whose design has incorporated social or environmental concerns, risks and/or opportunities.**

India Glycols is a leading Company that manufactures Glycols (Bio-Based specialty and Performance chemicals) and natural gums, spirits, industrial gases and nutraceuticals. Based on the disclosure requirements under this Principle, following are the key products:

- I. **Bio based Glycols** i.e. Mono Ethylene Glycol (MEG), Diethylene Glycol (DEG) and Triethylene Glycol (TEG), which are made out of renewable feedstock i.e. Molasses and Ethanol.
- II. **Ethylene Oxide Derivatives** which has been integrated with its captive feedstock as Bio Ethylene Oxide.
- III. **Natural Active Pharmaceutical ingredients (APIs), Standardized botanical extracts and spice extracts** derived from plant based herbal raw material & extracted through renewable feedstock & green solvents such as ethanol & liquid carbon dioxide, recycled in the process. These solvents are non-polluting & environment friendly.
- IV. **Others** includes Power Alcohol which is used for blending in Petrol as per Govt. policy by Oil Manufacturing companies, Alcohol-based Hand Sanitizer that has been conceptualized, considering support to society as shortage of hand sanitizer during this COVID-19 pandemic, Natural Gums covering Guar gum and others hydrocolloids products with specialty PO derivatized guar, Liquid Oxygen including medical oxygen, liquid nitrogen, liquid argon, liquid CO2 and EO-CO2 Gas Mixtures.

2. **For each such product, provide the following details in respect of resource use (energy, water, raw material etc.) per unit of product(optional):**
- (a) **Reduction during sourcing/production/ distribution achieved since the previous year throughout the value chain?**
  - (b) **Reduction during usage by consumers (energy, water) has been achieved since the previous year?**

India Glycols at its Kashipur Plant have Energy Management System (ISO 50001:2018) in place and energy consumption, energy performance monitoring is being done. Distilleries effluent i.e. spent wash is concentrated in evaporator and the concentrated



spent wash (SLOP) is used as renewable fuel in boilers at Kashipur and Gorakhpur Units.

At Dehradun unit, herbal biomass extraction is utilized for the preparation of briquettes which are used as boiler fuel. Hence, the plant is self-sustainable for fuel need for thermal energy and saves 100% fossil fuel.

The Company has Zero Liquid Discharge (“ZLD”) from its Dehradun, Gorakhpur and ethanol unit of Kashipur. The condensate generated during concentration of spent wash is recycled in the process to reduce the fresh water consumption at Kashipur and Gorakhpur.

The Company is focused on recharging maximum rain water in to the ground and various water recharge measures have also been adopted. Rain water harvesting system has been installed to recharge ground water. Gabion Structures have been constructed at natural seasonal drains at up stream of the site to recharge the same basin.

The Company is continuously focusing on optimizing the resource use in order to minimize environmental impact and contributing to long term sustainability. For details of the steps undertaken towards conservation of energy etc., please refer to Annexure B of the Board’s Report.

**3. Does the Company have procedures in place for sustainable sourcing (including transportation)? If yes, what percentage of your inputs was sourced sustainably? Also, provide details thereof, in about 50 words or so.**

Yes. The Company believes in and follows Integrated Management System Policy with utmost focus on environmental and social aspects. The Company ensures the sustainability of resources by reducing, reusing, recycling and managing waste.

The Company uses molasses-a sugar plant by-product cum waste as major raw material which is 100% bio-based material for operating its distilleries. The Company uses Bio based raw materials and Ethanol is one such key raw material, whereas in conventional process fossil fuel is used as raw material for production of Ethylene Oxide (EO)/ Mono Ethylene Glycol (MEG) and others, throughout the globe.

The responsible sourcing of raw material, their properties, performance and content of these materials make a significant contribution to reduced environmental impacts such as lowering carbon emissions and minimize use of the earth’s limited resources.

Sustainable solutions are based on number of defined

action plans and standards based on Life Cycle Assessment (“LCA”) methodologies. India Glycols sustainable solutions for responsible sourcing of raw materials enables customers to confidently choose high-performance materials that advance their environmental and business goals.

**4. Has the Company taken any steps to procure goods and services from local & small producers, including communities surrounding their place of work? If yes, what steps have been taken to improve their capacity and capability of local and small vendors?**

The Company promotes and provides opportunities to the local contractors and vendors and undertakes special initiatives to support them as and when required, as local contractors/vendors plays a vital role in the business growth at lesser cost. The Company also provides training to many apprentice of local areas through skill development programmes. The Company also procures raw material and packaging material from nearby areas thereby creating employment opportunities and hence boosting local Economy.

The Company initiates training program for local farmers to make them capable of using latest techniques of cultivation, farming and polyhouse nurseries.

**5. Does the Company have a mechanism to recycle products and waste? If yes what is the percentage of recycling of products and waste (separately as <5%, 5-10%, >10%). Also, provide details thereof, in about 50 words or so.**

The Company believes in waste minimization and increasing waste utilization as a part of drive for process efficiency and product stewardship. One of the Key raw material molasses itself is a sugar plant waste cum by product and is used for ethanol production.

Distillery effluent i.e. spent wash is concentrated in evaporator and the concentrated spent wash (‘SLOP’) is used as renewable fuel in boilers. Overall 100% spent wash from Distilleries is processed for renewable energy production. Condensate generated during concentration of spent wash is being recycled in the process to reduce the fresh water consumption at Kashipur and Gorakhpur.

The Herbal biomass extraction is utilized for the preparation of briquettes which are used as boiler fuel. Hence, the Dehradun plant is self-sustainable for fuel need for thermal energy and saves 100% fossil fuel.

We have Zero Liquid Discharge (“ZLD”) System Installation at our Distilleries at Kashipur and Gorakhpur



as well as herbal extraction plant of Dehradun. Most of the Hazardous waste (spent catalysts & used/waste oil) is recyclable and sent to Ministry of Environment and Forests and Climate Change ('MoEF&CC') approved recyclers.

**Principle 3: Business should respect and promote the well-being of all employees including those in their value chains.**

1. **Please indicate the Total number of employees: 1389** [Includes 59 Apprentice]
2. **Please indicate the Total number of employees hired on temporary/contractual/casual basis: 2798**
3. **Please indicate the Number of permanent women employees:16**
4. **Please indicate the Number of permanent employees with disabilities: 1**
5. **Do you have an employee association that is recognized by management: No**
6. **What percentage of your permanent employees is members of this recognized employee association: Not applicable**
7. **Please indicate the Number of complaints relating to child labour, forced labour, involuntary labour, sexual harassment in the last financial year and pending, as on the end of the financial year.**

Sr. No.	Category	No. of complaints filed during the financial year (2020-21)	No. of complaints pending as on end of the financial year (2020-21)
1	Child labour / forced Labour /involuntary Labour	NIL	NIL
2	Sexual harassment	NIL	NIL
3	Discriminatory employment	NIL	NIL

8. **What percentage of your under mentioned employees were given safety & skill up- gradation training in the last year?**
  - (a) Permanent Employees
  - (b) Permanent Women Employees
  - (c) Casual/Temporary/Contractual Employees
  - (d) Employees with Disabilities

100 % employees covering permanent, contractual, women and disabled have gone through Fire & Safety, process specific and skill up-gradation training based on competence and job profile.

Due to COVID-19 Pandemic, Company maintained distancing and limited trainings have

been planned following industrial operational guideline during pandemic

Also, every year employees go through fire and safety refresher training and other process specific and skill up-gradation training as per defined plan. Refresher and other specific trainings covered 95% employee in training calendar for 2020-21.

Employees also participated virtual training programs conducted externally

**Principle 4: Business should respect the interests of and be responsive to all their stakeholders.**

1. **Has the company mapped its internal and external stakeholders? Yes/No**  
Yes, the Company has identified employees and their family(ies) as key internal stakeholders and customers, neighbouring society as key external stakeholders.
2. **Out of the above, has the company identified the disadvantaged, vulnerable & marginalized stakeholders.**

The Company has mapped its stakeholders as a part of its stakeholder engagement strategy development process. The Company also follow High Level Structure ISO 9001:2015, ISO 14001:2015, ISO 45001:2018, ISO 50001:2018 and SA 8000:2014 standard procedure for stakeholder identification as interested parties.

The Company regularly undertakes initiatives to serve the interested issue of those stakeholders identified as disadvantaged, vulnerable and marginalized for its sustainability.

3. **Are there any special initiatives taken by the company to engage with the disadvantaged, vulnerable and marginalized stakeholders. If so, provide details thereof, in about 50 words or so.**

**Employees:** Policies of India Glycols safeguard its employees against any kind of discrimination based on caste, creed, religion, geography, educational or social background, gender, age, family status, citizenship, disability etc. The Company believes in the continuous people development through investment in the training & development of employees even in adverse business times. The Company provides medical support and facilities across location as well as provision of medical insurance policy of employee(s) and their family(ies), which provides the employees much needed emotional and financial security.

**Local Communities:** Development of need based community programs in the areas of health, education,



drinking water, skill development, sanitation, livelihood etc. are undertaken as part of Corporate Social Responsibility (CSR) initiatives. The Company has Identified the disadvantaged students from primary schools & help them by providing amenities e.g. fans, study material, furniture etc. Also, take up some civil repair jobs of school buildings. The Company also organizes medical camps at nearby villages and assist in National health related programs as part of community welfare activities.

**Customers:** The Company houses a marketing team to ensure pre to post services to customers. Adequate system have been established for handling customers' concerns, which operated through SAP. Post sale service ensures smooth usage of our products and in case of any assistance technical team support to customer for long lasting relationships.

**Principle 5: Business should respect and promote human rights.**

**1. Does the policy of the company on human rights cover only the company or extend to the Group / Joint Ventures / Suppliers / Contractors / NGOs / Others?**

Social performance team (SPT), Works Committee, Canteen Committee and Safety Committee are framed as forum for dialogue between workers and management and to take-up basic eminent of employees to appropriate forum. Grievance handling policy and Social Accountability system are in place to address these issues. We adhere to the human rights principles of dignity of workforce regardless of the religion, language, location, ethnic origin or any other status of any person. Therefore, we follow a policy of no discrimination of any kind with employees.

**2. How many stakeholder complaints have been received in the past financial year and what percent was satisfactorily resolved by the management?**

The Company has not received any complaint related to violation of human rights during FY 2020-21.

**Principle 6: Business should respect and make effort to protect and restore the environment.**

**1. Does the policy related to Principle 6 cover only the company or extends to the Group/Joint Ventures/Suppliers/Contractors/NGOs/others.**

The Company policy covers environment stewardship and energy conservation approach. Requisite processes are in place to reach the suppliers and service providers for environment and energy conservation. Environmental impacts in lifecycle of key products are carried out with the scope of cradle to gate to identify environment hotspots. Integrated

Management System Policy is also communicated with supplier, contractors and customer to influence sustainable aspects.

The Company is a global exemplar in environmental sustainability and takes pride in being green production since beginning. The Company has contributed to environmental stewardship by not only ensuring efficient use of resources but also conserve precious natural resources.

**2. Does the company have strategies/ initiatives to address global environmental issues such as climate change, global warming, etc? Y/N. If yes, please give hyperlink for webpage etc.**

Yes, the Company believes in life cycle approach which directs business to consider responsibility on environmental protection from raw material procurement to product use. We are promoting our Glycols and other products as Bio based to potential customers interested in meeting their objective of using environment friendly chemicals made from natural renewable resources which has reduction in CO<sub>2</sub>eq emission compared to petro route similar products and have comparative lesser climate change impact.

The Company has conducted comparative Life Cycle Assessment (LCA) study of Bio-Mono Ethylene Glycol (Bio-MEG) based on ISO 14044-2006 standard and determining GHG emission as well as product specific carbon footprint as well as global warming impacts with the scope of cradle to gate.

The Company has become a key partner in supply chain for innovative process of MEG, Ethylene Oxide and derivatives production by utilizing biotechnological converted Ethanol from industrial carbon emissions. The new process now allows production using recycled carbon and reduction of GHG emissions.

The Company has developed a green belt all around its factory by growing trees of different species some of which are fruit bearing in addition to providing green cover.

For further details, "Management Discussion and Analysis Report" forming part of the Annual Report be referred.

**3. Does the company identify and assess potential environmental risks? Y/N**

Yes. The Company is an ISO 14001:2015 certified and follows all the standard conditions accordingly. Environmental risk and opportunity assessment study conducted and various steps and objectives taken to overcome the risk and conserve environment with carbon footprint reduction, energy saving, water



conservation and waste minimization processes and projects.

Since our major key raw materials are renewable and the plant at Dehradun is also a herbal extraction unit, hence there is least potential risk of natural resources reduction from our plants and processes.

- 4. Does the company have any project related to Clean Development Mechanism? If so, provide details thereof, in about 50 words or so. Also, if Yes, whether any environmental compliance report is filed?**

Yes, the Company's Gorakhpur Unit has got its large scale CDM project -Biomass based Cogeneration, registered at UNFCCC. The purpose of the project activity is to utilize the Slop (concentrated spent wash) from the evaporator and other biomass as the fuel for the generation of steam and electricity in a novel boiler that has been developed for the first time in India for the utilization of concentrated spent wash and generation of steam.

- 5. Has the company undertaken any other initiatives on – clean technology, energy efficiency, renewable energy, etc. Y/N. If yes, please give hyperlink for web page etc.**

Yes, we have been able to decompose food waste generated from Colony, Canteen & Guest House by installing Bio-gas plant. Company uses renewable fuels such as rice husk, herbal agro waste, concentrated spent wash (SLOP) as a substitute of the conventional fuel. This allows us to reduce the carbon emissions along with saving the fossil fuel reserves to a great extent. The Company promotes the uses of non-conventional source of energy in the form of Solar heater for water heating, Solar operated traffic light for road safety and Solar operated street light.

The Company has taken Innovative changes for total energy integration strategy. For details of the steps undertaken towards conservation of energy, please refer to Annexure B of the Board's Report.

- 6. Are the Emissions/Waste generated by the company within the permissible limits given by CPCB/SPCB for the financial year being reported?**

Yes, the Emission/waste generated by company is within permissible limits as per concerned consents' conditions.

- 7. Number of show cause/ legal notices received from CPCB/SPCB which are pending (i.e. not resolved to satisfaction) as on end of Financial Year.**

There were no show cause notices pending as on the end of financial year 2020-21.

**Principle 7: Business when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent**

- 1. Is your company a member of any trade and chamber or association? If Yes, Name only those major ones that your business deals with:**

Yes, the Company is a member of number of chambers and associations. The major ones includes Indian Chemical Council ('ICC'), Federation of Indian Chamber of Commerce & Industry ('FICCI'), PHD Chamber of Commerce and Industry, All India Distillery Association, Uttar Pradesh Distillery Association, Chamber of Commerce-Gorakhpur, Kumaun Garhwal Chamber of Commerce & Industries ('KGCCI'), Basic Chemicals, Cosmetics and Dyes Export Promotion Council ('CHEMEXCIL'), Shellac and Forest Products Exports Promotion Council ('SHEFEXIL') and Federation of India Export Organizations (FIEO).

- 2. Have you advocated/lobbied through above associations for the advancement or improvement of public good? Yes/No; if yes specify the broad areas ( drop box: Governance and Administration, Economic Reforms, Inclusive Development Policies, Energy security, Water, Food Security, Sustainable Business Principles, Others)**

Yes, being member of various organizations as above, the Company regularly interacts and initiates various discussions at the platform of these Associations/ Chambers on the matters related to environment, economic/sector reforms, governance, administration etc. The Company does not promote/ practice lobbying on a particular matter and discuss/ raise the issue in a transparent manner.

**Principle 8: Business should promote inclusive growth and equitable development**

- 1. Does the company have specified programmes/ initiatives/projects in pursuit of the policy related to Principle 8? If yes, details thereof.**

Yes, the Company through its CSR programmes and/ or projects focuses, inter-alia, around Healthcare, Education, Sanitation etc. which facilitates in improving the livelihood of others. In Healthcare, the Company organizes medical camps with free consultancy and medicines; blood donation camps, ambulance service. In Education field, the Company provides Scholarships and other educational material to needy students, undertakes development activities in schools in the vicinity, Equipped schools with basic and modern schooling amenities;. In the Community Development programme, the Company support



various initiatives including toilet building, Installation of Hand Pumps and also contributed in programme relating to the restoration of building and sites of historical importance. The Company also supports to neighbouring companies and society at large in handling emergency situation such as fire incidents etc. A detailed Annual Report on CSR activities for the financial year 2020-21 is annexed to the Board's Report.

**2. Are the programmes/projects undertaken through in-house team/own foundation/external NGO/government structures/any other organization?**

Generally, the programs /projects are undertaken through in-house team of dedicated professionals and takes help of related external NGO's and government departments.

**3. Have you done any impact assessment of your initiative?**

Yes, we assess our self at the field level on the social reforms and develop programs accordingly.

**4. What is your company's direct contribution to community development projects- Amount in INR and the details of the projects undertaken.**

During FY 2020-21, the Company has spent an amount of ₹ 156.66 Lakhs towards various project/ programs, details whereof are provided in the Annual Report on CSR activities forming part of Board's Report.

**5. Have you taken steps to ensure that this community development initiative is successfully adopted by the community? Please explain in 50 words, or so.**

Yes, the process of engagement with the community is an ongoing process and the Company attempts to focus the initiatives relating to CSR considering the need, priorities and expectation of the society. The Company encourages the participation of the community to ensure community development thereby

meeting the needs, priorities and expectations of the local community.

**Principle 9: Business should engage with and provide value to their consumer in a responsible manner**

**1. What percentage of customer complaints/ consumer cases are pending as on the end of financial year.**

Nil

**2. Does the company display product information on the product label, over and above what is mandated as per local laws? Yes/No/N.A. / Remarks(additional information):**

The Company displays the product information appropriately on the product label as per the applicable standards. It is always ensured that the products meet the necessary compliance.

**3. Is there any case filed by any stakeholder against the company regarding unfair trade practices, irresponsible advertising and/or anti-competitive behaviour during the last five years and pending as on end of financial year. If so, provide details thereof, in about 50 words or so.**

Nil.

**4. Did your company carry out any consumer survey/ consumer satisfaction trends?**

The Company responds to the Complaints of all its stakeholders in an efficient and effective manner. To address Customer Complaints satisfactorily, the Company follows CAPA. The Company conducts periodic surveys/feedbacks for ascertaining customer satisfaction in line with ISO requirements. On the basis of these feedbacks, we address the grievances in time to their satisfaction and also attempts to improve the performances.

# Financials





## Independent Auditor's Report

### TO THE MEMBERS OF INDIA GLYCOLS LIMITED

#### I. Report on the Audit of Standalone Financial Statements for the year ended 31<sup>st</sup> March, 2021

##### 1. Opinion

A. We have audited the Standalone Financial Statements of **India Glycols Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2021, and the Statement of Profit and Loss (including Other Comprehensive Income), Statement of Changes in Equity and Statement of Cash Flows for the year then ended, and notes to financial statements including a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the Standalone Financial Statements").

B. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Standalone Financial Statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2021, and its Profit, other comprehensive income, changes in equity and its cash flows for the year ended on that date.

##### 2. Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the independence requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Standalone Financial Statements.

##### 3. Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Standalone Financial Statements of the current period. These matters were addressed in the context of our audit of the Standalone Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined that there are no key audit matters to be communicated in our report.

##### 4. Information Other than the Standalone Financial Statements and Auditor's Report thereon

A. The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information

included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the Standalone Financial Statements and our auditor's report thereon.

Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

B. In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Standalone Financial Statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

##### 5. Responsibilities of Management and Those Charged with Governance for the Standalone Financial Statements

A. The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these Standalone Financial Statements that give a true and fair view of the financial position, financial performance, other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India including Indian Accounting Standards (Ind AS) specified under section 133 of company Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

B. In preparing the Standalone Financial Statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are responsible for overseeing the Company's financial reporting process.



## 6. Auditor's Responsibilities for the Audit of the Standalone Financial Statements

- A. Our objectives are to obtain reasonable assurance about whether the Standalone Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Standalone Financial Statements.
- B. As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:
- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
  - Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
  - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
  - Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Standalone Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
  - Evaluate the overall presentation, structure and

content of the Standalone Financial Statements, including the disclosures, and whether the Standalone Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

- C. We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.
- D. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.
- E. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Standalone Financial Statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

## II. Report on Other Legal and Regulatory Requirements

- As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "**Annexure A**" a statement on the matters specified in paragraph 3 and 4 of the Order, to the extent applicable:
- (A) As required by Section 143(3) of the Act, based on our audit we report that;
  - We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
  - In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
  - The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the relevant books of account;
  - In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act;
  - On the basis of the written representations received from the directors as on March 31, 2021 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2021 from being appointed as a director in terms of Section 164 (2) of the Act.
  - With respect to the adequacy of the internal financial controls over financial reporting of the



Company and the operating effectiveness of such controls, refer to our separate Report in “Annexure B”.

(B) With respect to the other matters to be included in the Auditor’s Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

- i) The Company has disclosed the impact of pending litigations on its financial position in its Standalone Financial Statements; Refer note 39(A)(i), 41, 42 and 43 to the standalone financial statements;
- ii) The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts; Refer note 52 (B) to the standalone financial statements;
- iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

(C) With respect to the other matters to be included in the Auditor’s Report in accordance with the requirements of section 197(16) of the Act,:

We draw attention to note 63 to the standalone financial statements for the year ended 31 March 2021, relating to the Managerial Remuneration paid/ accrued by the Company for the year then ended which exceeds the limits prescribed under section 197 of the Companies Act, 2013 by ₹ 238 Lakhs and hence, is subject to approval of the members of the company at its ensuing the Annual General Meeting.

For **K.N. Gutgutia & Co.**  
Chartered Accountants  
(Firm’s Registration No. 304153E)

**(B.R. GOYAL)**

Partner  
Date : 25<sup>th</sup> June, 2021 (Membership No.12172)  
(UDIN :21012172AAAAOZ1657)

#### **ANNEXURE “A” TO THE INDEPENDENT AUDITOR’S REPORT**

(Referred to in paragraph II point 1 under “Report on Other Legal and Regulatory Requirements” section of our report to the members of India Glycols Limited of even date)

- (i) In respect of the Company’s fixed assets:
  - (a) The Company has maintained proper records showing full particulars, including situation of its fixed assets.
  - (b) The fixed assets were physically verified during the year by the Management in accordance with a regular programme of verification which, in our opinion, provides for physical verification of the fixed assets at reasonable intervals. According to the information and explanations given to us, no material discrepancies were noticed on such

verification however, the same has been properly adjusted in the books of accounts.

- (c) As per the record and information and explanations given to us, we report that, the title deeds for all the immovable properties of the company are held in the name of the Company as at the balance sheet date (read with footnote of note no. 2 to the financial statements).
- (ii) As explained to us, the inventories (except stock in transit which have been verified based on subsequent receipt /reconciliation) were physically verified during the year by the Management at reasonable intervals, and the procedures of physical verification of inventory followed by the management are reasonable and adequate, no material discrepancies were noticed on physical verification of inventories.
- (iii) According to the information and explanations given to us, the Company has not granted loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties covered in the Register maintained under Section 189 of the Companies Act, 2013. Accordingly, we are not offering any comment on the provision of Clause (iii) (a), (b) & (c) of the order.
- (iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Sections 185 and 186 of the Companies Act, 2013 in respect of grant of loans, making investments and providing guarantees and securities, as applicable. [This is to be read with note no. 56(iv)]
- (v) According to information and explanations given to us, the Company has not accepted any deposits from the public within the meaning of the provisions of Section 73 to 76 of the Companies Act 2013. Accordingly, paragraph 3 (v) of the Order is not applicable to the Company.
- (vi) The maintenance of cost records has been specified by the Central Government under section 148(1) of the Companies Act, 2013. We have broadly reviewed the cost records maintained by the Company pursuant to the Companies (Cost Records and Audit) Rules, 2014, as amended prescribed by the Central Government under sub-section (1) of Section 148 of the Companies Act, 2013, and are of the opinion that, prima facie, the prescribed cost records have been made and maintained. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.
- (vii) According to the information and explanations given to us, in respect of statutory dues:
  - (a) The Company has been generally regular in depositing undisputed statutory dues, including Provident Fund, Employees’ State Insurance, Income-tax, Sales Tax, Goods and Service Tax, Customs Duty, Excise Duty, Value Added Tax, cess and other material statutory dues applicable to it to the appropriate authorities.
  - (b) There were no undisputed amounts payable in respect of Provident Fund, Employees’ State Insurance, Income-tax, Sales tax, Service Tax, Goods and Service Tax, Customs Duty, Excise Duty, Value Added Tax, Cess and other material statutory dues in arrears as at March 31, 2021 for a



period of more than six months from the date they became payable.

Details of dues of Custom duty, Service Tax, Sales tax and Excise Duty which have not been deposited as at March 31, 2021 on account of disputes are given below:

Name of Statute	Nature of Dues	Forum where Dispute is Pending	Period to which the Amount Relates (Financial Year)	Amount In-volved (₹ In Lakhs)
Custom Act, 1962	Custom Duty	Uttarakhand High court	1992-93	11.42
	Custom Duty	Assistant Commissioner Customs	2004-05, 2009-10 and 2015-16	196.55
	Custom Duty	Commissioner Customs (Appeal)	2004-05, 2010-11	763.77
Finance Act, 1994	Service Tax	Assistant Commissioner LTU-Ahmedabad	2010-11 to 2015-16	2.2
	Service Tax	Assistant/Deputy Commissioner LTU-GKP	2005-06 to 2008-09, 2010-11	8.09
	Service Tax	Assistant/Deputy Commissioner LTU-Noida	2015-16	3.51
Central Excise Act, 1994	Cenvat Credit	Additional Commissioner LTU-KSP	2011-12 to 2013-14 and 2015-16	11.07
	Cenvat Credit	Commissioner LTU-GKP	2011-12, 2012-13	10.86
	Cenvat Credit	Superintendent-LTU-GKP	2016-17	1.24
Central Excise Act, 1994	Excise Duty	Deputy Commissioner – GKP	2020-21	15.89
	Excise Duty	Principal Secretary Excise, Lucknow	2018-19	102.24
	Excise Duty	High court Nainital	2005-06 to 2008-09	46.20
	Excise Duty	Allahabad High Court	2007-2008 to 2011-12	852.57
	Excise Duty	CESTAT - DELHI	2010-11	961.38

(viii) In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of loans or borrowings to

financial institutions, banks, government (both State and Central). The Company has not issued any debentures.

(ix) In our opinion and according to the information and explanations given to us, money raised by way of term loans have been applied by the Company during the year for the purposes for which they were raised. The Company has not raised moneys by way of initial public offer (including debt instruments) during the year.

(x) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company and no material fraud on the Company by its officers or employees has been noticed or reported during the year.

(xi) In our opinion and according to the information and explanations given to us, the Company has paid/provided managerial remuneration in excess (Rs 238 Lakhs) of limits laid down under Section 197 of the Companies Act, 2013 read with Schedule V to the Act 2013. The Company is in the process of obtaining approval of the members of the Company for waiver of such excess remuneration at its ensuing Annual General Meeting by way of a special resolution.

(xii) The Company is not a Nidhi Company and hence reporting under clause (xii) of the Order is not applicable.

(xiii) In our opinion and according to the information and explanations given to us the Company is in compliance with Section 177 and 188 of the Companies Act, 2013, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the note no. 56 of the standalone financial statements as required by the applicable Ind AS.

(xiv) During the year the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures and hence reporting under clause (xiv) of CARO 2016 is not applicable to the Company.

(xv) In our opinion and according to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with its directors or directors of its holding, subsidiary or associate company or persons connected with them and hence provisions of section 192 of the Companies Act, 2013 are not applicable.

(xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For **K.N. Gutgutia & Co.**  
Chartered Accountants  
(Firm's Registration No. 304153E)

**(B.R. GOYAL)**

Place: Noida  
Date: 25<sup>th</sup> June, 2021

Partner  
(Membership No. 12172)



## ANNEXURE “B” TO THE INDEPENDENT AUDITOR’S REPORT

(Referred to in paragraph II point 2 A (f) under “Report on Other Legal and Regulatory Requirements” section of our report to the members of India Glycols Limited of even date)

### Report on the Internal Financial Controls Over Financial Reporting under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)

#### Opinion

We have audited the internal financial controls over financial reporting of India Glycols Limited (“the Company”) as of March 31, 2021 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

In our opinion, to the best of our information and according to the explanations given to us the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2021, based on the criteria for internal financial control over financial reporting established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Control over Financial Reporting issued by the Institute of Chartered Accountants of India.

#### Management’s Responsibility for Internal Financial Controls

The Company’s management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India (the “Guidance Note”). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

#### Auditor’s Responsibility

Our responsibility is to express an opinion on the Company’s internal financial controls over financial reporting of the Company based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit

evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company’s internal financial controls system over financial reporting.

#### Meaning of Internal Financial Controls over Financial Reporting

A company’s internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company’s internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company’s assets that could have a material effect on the financial statements.

#### Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

For **K.N. Gutgutia & Co.**

Chartered Accountants  
(Firm’s Registration No. 304153E)

**(B.R. GOYAL)**

Partner

Place: Noida

Date: 25<sup>th</sup> June, 2021

(Membership No. 12172)



## Standalone Balance Sheet as at March 31, 2021

(₹ in lakhs)

Particulars	Note No.	As at March 31, 2021	As at March 31, 2020
<b>ASSETS</b>			
<b>(1) NON-CURRENT ASSETS:</b>			
(a) Property, Plant and Equipment	2	208,109.57	210,667.24
(b) Capital work-in-progress		11,938.79	16,299.75
(c) Investment Property	3	788.74	802.48
(d) Other Intangible assets	4	187.09	203.99
(e) Right to use assets	5	1,148.85	1,723.27
(e) Financial Assets			
(i) Investments	6	2,860.74	2,858.74
(ii) Loans	7	73.66	73.40
(iii) Others	8	4,603.55	4,769.95
(f) Other Non-Current assets	9	1,511.04	1,559.47
<b>Total Non Current Assets</b>		<b>231,222.03</b>	<b>238,958.29</b>
<b>(2) CURRENT ASSETS:</b>			
(a) Inventories	10	60,550.83	67,892.53
(b) Financial Assets			
(i) Trade receivables	11	36,470.13	57,424.90
(ii) Cash and cash equivalents	12	300.13	275.97
(iii) Bank balances other than (ii) above	13	9,415.09	8,111.88
(iv) Loans	14	8,763.63	9,045.63
(v) Others	15	4,366.36	4,354.73
(c) Current Tax Assets (Net)	16	1,594.45	-
(d) Other current assets	17	16,465.71	16,652.66
<b>Total Current Assets</b>		<b>137,926.33</b>	<b>163,758.30</b>
<b>(3) Assets held for sale and discontinued operations</b>	61	<b>38,268.90</b>	<b>-</b>
<b>TOTAL ASSETS</b>		<b>407,417.26</b>	<b>402,716.59</b>
<b>EQUITY AND LIABILITIES</b>			
<b>EQUITY:</b>			
(a) Equity Share capital	18	3,096.15	3,096.15
(b) Other Equity	18A	121,405.75	112,681.25
<b>Total Equity</b>		<b>124,501.90</b>	<b>115,777.40</b>
<b>LIABILITIES:</b>			
<b>NON-CURRENT LIABILITIES:</b>			
(a) Financial Liabilities			
(i) Borrowings	19	50,821.95	40,721.65
(ii) Lease Liabilities		727.14	1,377.50
(iii) Other financial liabilities	20	4,217.19	2,768.69
(b) Provisions	21	595.00	617.43
(c) Deferred tax liabilities (Net)	22	32,738.30	24,231.89
(d) Other non-current liabilities	23	26,166.92	29,372.04
<b>Total Non Current Liabilities</b>		<b>115,266.50</b>	<b>99,089.20</b>
<b>CURRENT LIABILITIES:</b>			
(a) Financial Liabilities			
(i) Borrowings	24	41,013.30	41,300.42
(ii) Lease Liabilities		650.36	486.86
(iii) Trade payables	25		
Total Outstanding dues of micro enterprises and small enterprises		16.61	16.61
Total Outstanding dues of creditors other than micro enterprises and small enterprises		58,164.10	71,822.53
(iv) Other financial liabilities	26	38,043.64	38,169.90
(b) Other current liabilities	27	26,002.07	34,826.87
(c) Provisions	28	321.39	763.41
(d) Current Tax Liabilities (Net)	29	-	463.39
<b>Total Current Liabilities</b>		<b>164,211.47</b>	<b>187,849.99</b>
<b>Liabilities held for sale and discontinued operations</b>	61	<b>3,437.39</b>	<b>-</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>407,417.26</b>	<b>402,716.59</b>

Company Overview, Basis of preparation and significant accounting policies

1

The accompanying notes are an integral part of these standalone financial statements.

As per our report of even date

**For K N Gutgutia & Co.**

Chartered Accountants

Firm Registration no. 304153E

**B.R.Goyal**

Partner

Membership Number 12172

Place : Noida, UP

Date : June 25, 2021

**U. S. Bhartia**  
Chairman and Managing Director  
DIN - 00063091  
**Rupark Sarswat**  
Chief Executive Officer

**Sudhir Agarwal**  
Executive Director  
DIN - 08602216  
**Anand Singhal**  
Chief Financial Officer  
**Ankur Jain**  
Company Secretary



## Standalone Statement of Profit & Loss For the year ended March 31, 2021 (₹ in lakhs), except as otherwise stated

Particulars	Note No.	Year ended March 31, 2021	Year ended March 31, 2020
<b>Continue Operations</b>			
<b>Income</b>			
Revenue from operations	30	539,000.03	519,561.20
Other income	31	1,208.31	1,218.62
<b>Total Revenue</b>		<b>540,208.34</b>	<b>520,779.82</b>
<b>Expenses:</b>			
Cost of materials consumed	32	118,559.66	118,849.12
Excise Duty on Sales		311,047.71	248,164.25
Purchase of Stock-in-Trade	33	30,090.01	61,087.06
Change in inventories of finished goods, work-in-progress and Stock-in-trade	34	(1,440.37)	2,637.80
Employee benefits expense	35	8,168.87	9,138.66
Finance costs	36	7,345.11	9,024.29
Depreciation and amortization expense	37	7,581.19	7,319.89
Other expenses	38	46,824.08	51,926.01
<b>Total Expenses</b>		<b>528,176.26</b>	<b>508,147.08</b>
<b>Profit/ (Loss) before exceptional items and tax</b>		<b>12,032.08</b>	<b>12,632.74</b>
Exceptional Items (Net)		-	-
<b>Profit/ (Loss) before tax</b>		<b>12,032.08</b>	<b>12,632.74</b>
Tax Expense: (Refer Note -60)			
- Current Tax		1,016.02	1,761.87
- Deferred tax Charged / (Credit)		1,789.17	3,786.84
- Tax for earlier years		3,037.52	-
- Minimum Alternate Tax (Credit) entitlement		-	(1,761.87)
- Profit after tax from continuing operations		6189.37	8845.90
<b>DISCONTINUING OPERATIONS (REFER NOTE - 61)</b>			
Profit from discontinued operations before tax		4,518.39	6,118.70
Tax expense of discontinued operations		2,277.85	2,138.13
<b>Profit after tax from discontinued operations</b>		<b>2,240.54</b>	<b>3,980.57</b>
<b>Profit/ (Loss) for the year</b>		<b>8,429.91</b>	<b>12,826.47</b>
<b>Other Comprehensive Income</b>			
Items that will not be reclassified to Profit or Loss			
(i) Remeasurement benefit of defined benefit plans		393.68	(17.31)
(ii) Income tax expense on remeasurement benefit of defined benefit plans		(99.09)	5.94
<b>Other comprehensive Income/ (Loss) for the year</b>		<b>294.59</b>	<b>(11.37)</b>
<b>Total Comprehensive Income for the year</b>		<b>8,724.50</b>	<b>12,815.10</b>
<b>Earnings per Equity share of ₹10 each basic/ diluted (in ₹)</b>	55	<b>27.23</b>	41.43
- For continuing operations (in ₹)		19.99	28.57
- For discontinuing operations (in ₹)		7.24	12.86

Company Overview, Basis of preparation and significant accounting policies 1  
The accompanying notes are an integral part of these standalone financial statements.

As per our report of even date

**For K N Gutgutia & Co.**  
Chartered Accountants  
Firm Registration no. 304153E

**U. S. Bhartia**  
Chairman and Managing Director  
DIN - 00063091

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Executive Director  
DIN - 08602216

**B.R.Goyal**  
Partner

**Rupark Sarswat**  
Chief Executive Officer

**Anand Singhal**  
Chief Financial Officer

Membership Number 12172  
Place : Noida, UP  
Date : June 25, 2021

**Ankur Jain**  
Company Secretary



## Statement of Changes in Equity as on March 31, 2021

### A. Equity Share Capital

(₹ in Lakhs)

Particulars	Balance as at 31 <sup>st</sup> March 2019	Changes during the year	Balance as at 31 <sup>st</sup> March 2020	Changes during the year	Balance as at 31 <sup>st</sup> March 2021
<b>ISSUED, SUBSCRIBED AND PAID UP</b>					
30,961,500 Equity Shares of ₹ 10/- each fully paid up	3,096.15	-	3,096.15	-	3,096.15
<b>Total</b>	<b>3,096.15</b>	<b>-</b>	<b>3,096.15</b>	<b>-</b>	<b>3,096.15</b>

Note:- There was no change in equity share capital during the year.

### B. Other Equity

(₹ in Lakhs)

Particulars	Reserve & Surplus				Items of Other Comprehensive Income that will not be classified to profit & loss	Total
	Securities Premium Reserve	Reserve for Contingencies	General Reserve	Retained Earnings		
<b>Balance as at March 31,2019</b>	<b>3,958.36</b>	<b>200.00</b>	<b>10,600.14</b>	<b>89,549.33</b>	<b>37.41</b>	<b>104,345.24</b>
Profit/ (loss) for the year				12,826.47		12,826.47
Dividend alongwith dividend distribution tax paid				(4,479.09)		(4,479.09)
Re-measurement of the net defined benefit Plans					(11.37)	(11.37)
<b>Balance as at March 31,2020</b>	<b>3,958.36</b>	<b>200.00</b>	<b>10,600.14</b>	<b>97,896.71</b>	<b>26.04</b>	<b>112,681.25</b>
Profit/ (loss) for the year				8,429.91		8,429.91
Re-measurement of the net defined benefit Plans					294.59	294.59
<b>Balance As at March 31, 2021</b>	<b>3,958.36</b>	<b>200.00</b>	<b>10,600.14</b>	<b>106,326.62</b>	<b>320.63</b>	<b>121,405.75</b>

As per our report of even date  
**For K N Gutgutia & Co.**  
 Chartered Accountants  
 Firm Registration no. 304153E

**U. S. Bhartia**  
 Chairman and Managing Director  
 DIN - 00063091

**Sudhir Agarwal**  
 Executive Director  
 DIN - 08602216

**B.R.Goyal**  
 Partner

**Rupark Sarswat**  
 Chief Executive Officer

**Anand Singhal**  
 Chief Financial Officer

Membership Number 12172  
 Place : Noida, UP  
 Date : June 25, 2021

**Ankur Jain**  
 Company Secretary



## Standalone Cash Flow Statement for the year ended 31<sup>st</sup> March, 2021

(₹ in lakhs)

	2020-21		2019-20	
<b>A Cash Flow from Operating Activities</b>				
Net Profit/(Loss) Before Tax		12,032.08		12,632.74
Adjustments For:				
Depreciation and amortisation expense	7,581.19		7,319.89	
(Profit)/Loss on Sale of Property, plant & equipment	5.53		(8.30)	
Net Unrealised Foreign Exchange Fluctuation (Gain) / Loss	(1,066.09)		1,598.21	
Govt Grant (Net)	(30.21)		(39.03)	
Provision No Longer Required Written Back	(680.05)		(532.35)	
Finance Costs	7,653.49		9,302.74	
Interest/Dividend Income	(1,444.95)	12,018.91	(1,427.04)	16,214.12
<b>Operating Profit/ (Loss) before Working Capital Changes</b>		<b>24,050.99</b>		<b>28,846.86</b>
Adjustments For:				
(Increase)/Decrease in Trade & Other Receivables	6,928.10		(13,350.86)	
(Increase)/Decrease in Inventories	(243.80)		(2,729.20)	
Increase / (Decrease) in Trade & Other Payables	(20,405.98)	(13,721.68)	20,666.77	4,586.71
<b>Cash Generated from / (Used in) Operations</b>		<b>10,329.31</b>		<b>33,433.57</b>
Income Tax Paid (Net)		(1,771.08)		(4,075.90)
<b>Net Cash flow from / (Used in) Operating Activities</b>		<b>8,558.23</b>		<b>29,357.67</b>
<b>Net Cash flow from / (Used in) discontinued activities</b>		<b>5,607.00</b>		<b>5,069.19</b>
<b>Net Cash flow from / (Used in) continuing and discontinued activities</b>		<b>14,165.23</b>		<b>34,426.86</b>
<b>B Cash Flow from Investing Activities</b>				
Purchase/(Sale) of Property, plant & equipment	(15,116.74)		(15,577.94)	
Sale of Property, plant & equipment	21.09		42.28	
Interest/Dividend received	865.06		609.59	
ICDs received back	282.00		-	
Purchase of non-current investments	(2.00)		(263.83)	
<b>Net Cash flow from / (Used in) Investing Activities</b>		<b>(13,950.59)</b>		<b>(15,189.90)</b>
Net Cash flow from / (Used in) discontinued activities		(1,780.26)		(417.82)
<b>Net Cash flow from / (Used in) continuing and discontinued activities</b>		<b>(15,730.85)</b>		<b>(15,607.72)</b>
<b>C Cash Flow from Financing Activities</b>				
Net Proceeds from Borrowings	29,878.82		15,006.52	
Repayment of Borrowings	(15,806.88)		(17,762.52)	
Payment of lease liabilities	(486.86)		(434.92)	
Finance Costs	(8,130.13)		(8,920.59)	
Dividends Paid (Including Corporate Dividend Tax)	(38.43)		(4,433.39)	
<b>Net Cash flow from / (Used in) Financing Activities</b>		<b>5,416.52</b>		<b>(16,544.90)</b>
Net Cash flow from / (Used in) discontinued activities		(3,826.74)		(4,651.37)
<b>Net Cash flow from / (Used in) continuing and discontinued activities</b>		<b>1,589.78</b>		<b>(21,196.27)</b>
<b>Net Increase/(Decrease) in Cash &amp; Cash Equivalents [A+B+C]</b>		<b>24.16</b>		<b>(2,377.13)</b>
Opening Cash & Cash Equivalent (refer note 12)		275.97		2,653.10
Closing Cash & Cash Equivalent (refer note 12)		<b>300.13</b>		<b>275.97</b>

The accompanying notes are an integral part of these standalone financial statements.

### Note:

1. The Cash flow statement has been prepared under the indirect method as set out in Indian Accounting Standard (Ind AS 7) statement of cash flows.

This is the Cash Flow Statement referred to in our report of even date.

As per our report of even date

**For K N Gutgutia & Co.**

Chartered Accountants  
Firm Registration no. 304153E

**B.R.Goyal**

Partner

Membership Number 12172

Place : Noida, UP

Date : June 25, 2021

**U. S. Bhartia**

Chairman and Managing Director

DIN - 00063091

**Rupark Sarswat**

Chief Executive Officer

**Sudhir Agarwal**

Executive Director

DIN - 08602216

**Anand Singhal**

Chief Financial Officer

**Ankur Jain**

Company Secretary



# Notes to Standalone Financial Statements

## 1 Company Overview, Basis of Preparation and Significant Accounting Policies

### 1.1. Company Overview

India Glycols Limited (“IGL” or “the company”) is a public company domiciled in India and is incorporated under the provisions of the Companies Act applicable in India. Its shares are publicly traded on the National Stock Exchange (“NSE”) and the Bombay Stock Exchange (“BSE”) in India. The registered office of IGL is situated at A-1, Industrial Area, Bazpur Road, Kashipur – 244713, Distt. Udham Singh Nagar, Uttarakhand, India.

The Company manufactures Industrial Chemicals such as green technology based bulk, specialty and performance chemicals and natural gums and industrial gases; Ethyl Alcohol (Potable) and nutraceuticals.

These financial statements were authorized for issue in accordance with a resolution of the directors on dated 25<sup>th</sup> June, 2021.

### 1.2. Basis of Preparation of financial statements

These financial statements have been prepared in accordance with the Indian Accounting Standards (hereinafter referred to as the ‘Ind AS’) as notified by Ministry of Corporate Affairs pursuant to Section 133 of the Companies Act, 2013 read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 as amended and other relevant provisions of the Act.

### 1.3. Significant Accounting Policies

#### (a) Basis of Measurement

The Financial statements have been prepared under historical cost convention on accrual basis, except for the items that have been measured at fair value as required by relevant Ind AS.

The standalone financial statements are presented in Indian Rupees (₹), which is the Company’s functional and presentation currency and all amounts are rounded to the nearest Lakhs (₹00,000) and two decimals thereof, except as stated otherwise.

#### (b) Basis of classification of Current and Non – Current

Assets and Liabilities in the balance sheet have been classified as either current or non-current.

An asset has been classified as current if (a) it is expected to be realized in, or is intended for sale or consumption in, the Company’s normal operating cycle; or (b) it is held primarily for the purpose of being traded; or (c) it is expected to be realized within twelve months after the reporting date; or (d) it is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting date. All other assets have been classified as non-current.

A liability has been classified as current when (a) it is expected to be settled in the Company’s normal operating cycle; or (b) it is held primarily for the purpose of being traded; or (c) it is due to be settled within twelve months after the reporting date; or (d) the Company does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting date. All other liabilities have been classified as noncurrent.

Deferred tax assets and liabilities are classified as non-current assets and non-current liabilities.

An operating cycle is the time between the acquisition of assets for processing and their realization in cash or cash equivalents. The Company has identified twelve months as its operating cycle for the purpose of current /non-current assets and liabilities.

#### (c) Property, Plant and Equipment (PPE)

Property, Plant and Equipment are carried at deemed cost (fair value model) less accumulated depreciation and accumulated impairment losses, if any. Cost includes expenditure that is directly attributable to the acquisition of the items.

The Assets’ residual values, useful lives and method of depreciation are reviewed at each financial year end and adjusted prospectively, if appropriate. Depreciation on Plant, Property and equipment has been provided using straight line method over the useful life of assets as specified in Schedule II of the Companies Act, 2013. However, in case of certain Plant & Machinery depreciation have been provided based on technical evaluation of the useful life by technical valuer ranging from 40-48 years.

Depreciation on additions/ disposals is provided with reference to the month of addition/ disposal. Certain plant and machinery have been considered as continuous process plant as provided in schedule II of the Companies Act, 2013 on technical evaluation.

Freehold land is not depreciated. Leasehold land is amortised over the period of lease.

Property, plant and equipment are eliminated from financial statement, either on disposal or when retired from



## Notes to Standalone Financial Statements

active use. Losses/gain arising in the case of retirement of property, plant and equipment and gains or losses arising from disposal of property, plant and equipment are recognized in the statement of profit and loss in the year of occurrence.

### *Expenditure during construction*

Expenditure including qualifying interest during construction period is being included under capital work-in-progress and the same is allocated to Property, Plant & Equipment on completion of installation/construction.

### **(d) Investment Properties**

Investment properties are measured at cost less accumulated depreciation and impairment losses, if any.

Depreciation on such properties is provided over the estimated useful lives as specified in Schedule II to the Companies Act, 2013. The residual values, useful lives and depreciation method of investment properties are reviewed, and adjusted on prospective basis as appropriate, at each financial year end. The effects of any revision are included in the statement of profit and loss when the changes arise.

Though the Company measures investment property using cost based measurement, the fair value of investment property is disclosed in the notes. Fair values are determined based on annual evaluation performed by an external independent valuer/internal assessment.

### **(e) Intangible Assets**

Identifiable intangible assets are recognised a) when the Company controls the asset, b) it is probable that future economic benefits attributed to the asset will flow to the Company and c) the cost of the asset can be reliably measured.

Computer software's are capitalised at the amounts paid to acquire the respective license for use and are amortised over the period of license, generally not exceeding six years on straight line basis. The assets' useful lives are reviewed at each financial year end.

### **(f) Leases**

The Company, as a lessee, recognises a right-of-use asset and a lease liability for its leasing arrangements, if the contract conveys the right to control the use of an identified asset.

The contract conveys the right to control the use of an identified asset, if it involves the use of an identified asset and the Company has substantially all of the economic benefits from use of the asset and has right to direct the use of the identified asset. The cost of the right-of-use asset shall comprise of the amount of the initial measurement of the lease liability adjusted for any lease payments made at or before the commencement date plus any initial direct costs incurred. The right-of-use assets is subsequently measured at cost less any accumulated depreciation, accumulated impairment losses, if any and adjusted for any remeasurement of the lease liability. The right-of-use assets is depreciated using the straight-line method from the commencement date over the period of lease term.

The Company measures the lease liability at the present value of the lease payments that are not paid at the commencement date of the lease. The lease payments are discounted using the incremental borrowing rate of the company.

For short-term and low value leases, the Company recognises the lease payments as an operating expense on a straight-line basis over the lease term.

### **(g) Inventories**

Inventories are valued 'at lower of cost or net realizable value' except stock of residual products and scrap which are valued at net realizable value. The cost is computed on the weighted average basis. In case of finished goods and stock in process, cost is determined by considering material, labour, related overheads and duties thereon.

### **(h) Employee benefits**

#### **I. Short-term employee benefits:**

All employee benefits falling due within twelve months of the end of the period in which the employees render the related services are classified as short term employee benefits, which include benefits like salaries, wages, short term compensated absences, performance incentives, etc. and are recognised as expenses in the period in which the employee renders the related service and measured accordingly.

#### **II. Post-employment benefits**

##### **(i) Defined Contribution Plan**

Employee benefits in the form of Provident Fund (with Government Authorities) are considered as defined contribution plan and the contributions are charged to the statement of Profit & Loss of the year when the contributions to the respective funds are due.



## Notes to Standalone Financial Statements

### Actuarial Valuation

#### (ii) Defined Benefit Plan

Retirement benefits in the form of Gratuity and Long term compensated leaves are considered as defined benefit obligations and are provided for on the basis of an actuarial valuation, using the projected unit credit method, as at the date of the Balance Sheet.

The liability in respect of all defined benefit plans is accrued in the books of account on the basis of actuarial valuation carried out by an independent actuary using the Projected Unit Credit Method, which recognizes each year of service as giving rise to additional unit of employee benefit entitlement and measure each unit separately to build up the final obligation. The obligation is measured at the present value of estimated future cash flows. The discount rates used for determining the present value of obligation under defined benefit plans, is based on the market yields on Government securities as at the Balance Sheet date, having maturity periods approximating to the terms of related obligations.

Other short term absences are provided based on past experience of leave availed.

Actuarial Gains and losses arising from experience adjustments and changes in actuarial assumptions are recognized immediately in the balance sheet with a corresponding debit or credit to retained earnings through other comprehensive income (OCI) in the period in which they occur. Remeasurements are not reclassified to profit or loss in subsequent periods.

All other expenses related to defined benefit plans are recognized in Statement of Profit and Loss as employee benefit expenses.

#### (i) Foreign currency transactions and translation

Standalone financial statements have been presented in Indian Rupees (₹), which is the Company's functional and presentation currency.

Transactions in foreign currencies are initially recorded by the Company at rates prevailing at the date of the transaction. Subsequently monetary items are translated at closing exchange rates of balance sheet date and the resulting exchange difference recognised in the statement of profit or loss. Differences arising on settlement of monetary items are also recognised in the statement of profit or loss.

#### (j) Non-current assets held for sale and discontinued operations

Non-current assets are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use and a sale is considered highly probable.

Non-current assets classified as held for sale are measured at lower of their carrying amount and fair value less cost to sell.

Non-current assets classified as held for sale are not depreciated or amortised from the date when they are classified as held for sale.

Non-current assets classified as held for sale and the assets and liabilities of a disposal group classified as held for sale are presented separately from the other assets and liabilities in the Standalone Balance Sheet.

A discontinued operation is a component of the entity that has been disposed off or is classified as held for sale and:

- represents a separate major line of business or geographical area of operations and;
- is part of a single co-ordinated plan to dispose of such a line of business or area of operations.

The results of discontinued operations are presented separately in the Standalone Statement of Profit and Loss.

#### (k) Grants

Grants and subsidies from the government are recognised at their fair value where there is a reasonable assurance that the grant/subsidies will be received and the Company will comply with all attached conditions. Revenue Grants are recognised in the statement of Profit & Loss. Government grants relating to the specific Property, Plant & Equipment is disclosed in the balance sheet as deferred income and are credited to profit or loss on a straight-line basis over the expected lives of the related assets and presented within other income to match them with the cost that they are intended to compensate. Changes in estimates are recognised prospectively over the remaining life of the assets.

#### (l) Taxation

Income tax expense represents the sum of current, MAT and deferred tax. Tax is recognised in the Statement of



## Notes to Standalone Financial Statements

Profit and Loss, except to the extent that it relates to items recognised directly in equity or other comprehensive income.

Current tax provision is computed for Income calculated after considering allowances and exemptions under the provisions of the applicable Income Tax Laws. Current tax assets and current tax liabilities are off set, and presented as net.

Deferred tax is recognised on differences between the carrying amounts of assets and liabilities in the Balance sheet and the corresponding tax bases used in the computation of taxable profit and are accounted for using the liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences, and deferred tax assets are generally recognised for all deductible temporary differences, carry forward tax losses and allowances to the extent that it is probable that in future taxable profits will be available to set off such deductible temporary differences. Deferred tax assets and liabilities are measured at the applicable tax rates. Deferred tax assets and deferred tax liabilities are off- set, and presented as net.

The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available against which the temporary differences can be utilised.

Deferred Tax includes MAT paid in accordance with Law of India which is recognised as MAT credit entitlement.

Minimum Alternative Tax (MAT) as applicable to the Company is charged to the statement of Profit and loss. Credit of MAT is recognised as an asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the specified period, i.e., the period for which MAT credit is allowed to be carried forward. In the year in which the MAT credit becomes eligible to be recognised as an asset, the said asset is created by way of a credit to the profit and loss account and shown as MAT credit entitlement.

### **(m) Provisions and Contingencies**

#### **(i) Provisions**

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are reviewed at each reporting period and are adjusted to reflect the current best estimate.

#### **(ii) Contingencies**

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made. Information on contingent liability is disclosed in the Notes to the Financial Statements. Contingent assets are not recognized in financial statements but are disclosed, if any.

### **(n) Impairment of non-current assets**

An asset is considered as impaired when at the date of Balance Sheet there are indications of impairment and the carrying amount of the asset, or where applicable the cash generating unit to which the asset belongs exceeds its recoverable amount (i.e. the higher of the net asset selling price and value in use). The carrying amount is reduced to the recoverable amount and the reduction is recognized as an impairment loss in the Statement of Profit and Loss. The impairment loss recognized in the prior accounting period is reversed if there has been a change in the estimate of recoverable amount. Post impairment, depreciation is provided on the revised carrying value of the impaired asset over its remaining useful life.

### **(o) Borrowing Cost / Finance Cost**

Borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying assets treated as of the cost of that asset and other borrowing cost are recognised as expenses in the period in which it incurs them. Ancillary cost incurred in connection with the arranging the borrowings is amortized over the terms of the loan.

### **(p) Financial instruments – initial recognition, subsequent measurement and impairment**

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. A financial assets or a liability is recognised when the Company becomes a Party to the contractual provision of the instrument.

#### **a) Financial Assets**

Financial assets include cash and cash equivalent, trade and other receivables, investments in securities



## Notes to Standalone Financial Statements

and other eligible current and noncurrent assets.

Financial Assets are measured at amortised cost or fair value through Other Comprehensive Income or fair value through Profit or Loss, depending on its business model for managing those financial assets and the assets contractual cash flow characteristics.

Subsequent measurements of financial assets are dependent on initial categorisation. For impairment purposes significant financial assets are tested on an individual basis, other financial assets are assessed collectively in groups that share similar credit risk characteristics.

The company derecognizes a financial assets when the contractual rights to the cash flows from the financial assets expire or it transfers the financial assets and the transfer qualifies for the derecognition under Ind-AS 109.

### **Investment in Equity shares**

Investments in equity securities (Other than Investment in Subsidiaries & Joint Venture) are initially measured at fair value. Any subsequent fair value gain or loss is recognized through Profit or Loss.

### **Investment in Subsidiaries & Joint Venture**

Investments in subsidiaries and Joint Venture are carried at cost. The cost comprises price paid to acquire investment and directly attributable cost.

The company assesses impairment based on expected credit loss (ECL) model to all its financial assets measured at amortised cost.

### **b) Financial liabilities**

Financial liabilities include long term and short term loan and borrowings, trade and other payables and other eligible current and non-current liabilities.

All financial liabilities recognized initially at fair value and, in the case of loans and borrowing and other payable, net of directly attributable transaction costs. After initial recognition, financial liabilities are classified under one of the following two categories

#### **i) Financial liabilities at fair value through profit or loss**

Financial liabilities at fair value through profit or loss include financial liabilities held for trading. The Company has not designated any financial liabilities upon initial measurement recognition at fair value through profit or loss. Financial liabilities at fair value through profit or loss are at each reporting date at fair value with all the changes recognized in the Statement of Profit and Loss.

#### **ii) Financial liabilities measured at amortised cost**

After initial recognition, such financial liabilities are subsequently measured at amortized cost by applying the Effective Interest Rate (EIR) method to the gross carrying amount of financial liability. The EIR amortization is included in finance expense in the profit and loss.

### **De-recognition of financial liability**

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires.

### **(q) Derivative financial instruments**

The Company uses derivative financial instruments, such as forward & Options currency contracts to hedge its foreign currency risks. Derivative financial instruments are measured at their fair value at the end of each reporting period.

### **(r) Cash and Cash equivalents**

Cash and cash equivalents in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

### **(s) Earnings per share**

Basic earnings per share are calculated by dividing the net profit or loss for the year attributable to equity shareholders of the Company by the weighted average number of the equity shares outstanding during the year.

For the purpose of calculating diluted earnings per share, net profit or loss for the year attributable to equity shareholders of the Company and the weighted average number of shares outstanding during the year is adjusted for the effect of all dilutive potential equity shares.

### **(t) Segment Reporting**

Operating segments are reported in a manner consistent with the internal reporting provided to the chief



## Notes to Standalone Financial Statements

operating decision maker. Management of the Company is responsible for allocating resources and assessing the performance of the operating segment. Revenue, expenses assets and liabilities which are common to the company are shown as results, assets and liabilities as unallocable.

### (u) Revenue recognition and other income

#### a) Sale of goods

Revenue is recognized either on delivery or on transfer of significant risk and rewards of ownership of the goods. Revenue from the sale of goods is measured at fair value of consideration received or receivable, inclusive of excise duty as applicable but after deducting discounts, rebates and Goods & Service Tax.

#### b) Sale of services-job work

Revenue from job work charges are recognised on when performance obligation is met.

#### c) Export Incentives

Revenue in respect of Export benefit are recognised on post export basis at the rate at which the entitlement accrues in terms of import export policy and is included in the turnover of the company.

### (v) Exceptional Items

When items of income and expenses within statement of profit and loss from ordinary activities are of such size, nature or incidence that their disclosure is relevant to explain the performance of the enterprise for the period, the nature and amount of such material items are disclosed separately as exceptional items.

## 1.4. Critical accounting estimates, assumptions and judgements

In the process of applying the Company's accounting policies, management has made the following estimates, assumptions and judgements, which have significant effect on the amounts recognised in the financial statement.

Uncertainty about these assumptions and estimates could result in outcome that require a material adjustment to assets or liabilities affected in future periods.

### a) Income taxes

Management judgment is required for the calculation of provision for income taxes and deferred tax assets and liabilities based on probability that taxable profit will be available against which the deductible temporary differences can be utilized. The Company reviews at each balance sheet date the carrying amount of deferred tax assets and liabilities. The factors used in estimates may differ from actual outcome which could lead to significant adjustment to the amounts reported in the standalone financial statements.

### b) Contingencies

Management judgement is required for estimating the possible outflow of resources, if any, in respect of contingencies/claim/litigations against the Company as it is not possible to predict the outcome of pending matters with accuracy.

### c) Allowance for uncollected accounts receivable and advances

Trade receivables and advances are stated at their transaction value as reduced by appropriate allowances for estimated irrecoverable amounts. Trade receivables and advances are written off on case to case basis when management deems them not to be collectible. Impairment is made on the expected credit losses, which are the present value of the cash shortfall over the expected life of the financial assets.

### d) Insurance claims

Insurance claims are recognised when the Company have reasonable certainty of recovery. Subsequently any change in recoverability is appropriately adjusted for and give effect in the statement of profit and loss.

### e) Fair value measurement of financial instruments

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including Discounted Cash Flow (DCF) model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

### f) Impairment of financial assets

The impairment provisions for financial assets are based on assumptions about risk of default and expected loss rates. The Company uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on Company's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.



## Notes to Standalone Financial Statements

### 2. Property, Plant & Equipment

(₹ in Lakhs)

Particulars	Freehold Land @	Leasehold Land	Buildings @	Plant & Equipment	Office Equipment	Furniture & Fixtures	Vehicles#	Total
<b>Gross block As at March 31, 2019</b>	12,387.72	11,895.00	8,528.74	196,898.71	762.08	2,123.15	480.03	<b>233,075.43</b>
Additions			955.86	9,776.26	133.07	212.72	308.30	11,386.21
Disposals					21.90	3.64	116.64	142.18
<b>As at March 31, 2020</b>	<b>12,387.72</b>	<b>11,895.00</b>	<b>9,484.60</b>	<b>206,674.97</b>	<b>873.25</b>	<b>2,332.23</b>	<b>671.69</b>	<b>244,319.46</b>
Additions			<b>1,709.92</b>	<b>18,424.43</b>	<b>159.33</b>	<b>101.55</b>	<b>130.51</b>	<b>20,525.74</b>
Disposals					<b>35.06</b>	<b>0.72</b>	<b>47.92</b>	<b>83.70</b>
Relating to discontinued operations	1,729.00		417.72	<b>18,757.22</b>	<b>75.59</b>	<b>715.49</b>	<b>10.96</b>	<b>21,705.98</b>
<b>As at March 31, 2021</b>	<b>10,658.72</b>	<b>11,895.00</b>	<b>10,776.80</b>	<b>206,342.18</b>	<b>921.93</b>	<b>1,717.57</b>	<b>743.32</b>	<b>243,055.52</b>
<b>Accumulated Depreciation As at March 31, 2019</b>	-	707.60	1,205.46	23,228.35	350.19	926.36	79.25	26,497.21
Charge for the year	-	176.90	290.31	6,339.83	136.10	221.43	98.64	7,263.21
Disposals	-	-			18.37	3.35	86.48	108.20
<b>As at March 31, 2020</b>	<b>-</b>	<b>884.50</b>	<b>1,495.77</b>	<b>29,568.18</b>	<b>467.92</b>	<b>1,144.44</b>	<b>91.41</b>	<b>33,652.22</b>
Charge for the period		152.85	331.93	6,133.86	123.24	121.44	105.12	6,968.44
Disposals					30.03	0.47	26.58	57.08
Relating to discontinued operations			126.97	5,167.26	41.58	277.39	4.43	5,617.63
<b>As at March 31, 2021</b>	<b>-</b>	<b>1,037.35</b>	<b>1,700.73</b>	<b>30,534.78</b>	<b>519.55</b>	<b>988.02</b>	<b>165.52</b>	<b>34,945.95</b>
<b>Net Carrying Amount</b>								
As at March 31, 2020	<b>12,387.72</b>	<b>11,010.50</b>	<b>7,988.83</b>	<b>177,106.79</b>	<b>405.33</b>	<b>1,187.79</b>	<b>580.28</b>	<b>210,667.24</b>
As at March 31, 2021	<b>10,658.72</b>	<b>10,857.65</b>	<b>9,076.07</b>	<b>175,807.40</b>	<b>402.38</b>	<b>729.55</b>	<b>577.80</b>	<b>208,109.57</b>

Notes:

# Gross block includes ₹ 368.65 Lakhs (Previous Year ₹ 328.29 Lakhs) secured by hypothecation against loan.

@ Gross Block includes ₹ 79.77 Lakhs (Previous Year ₹ 79.77 Lakhs) Pending transfer of title in the name of the Company.

### 3. Investment Property

(₹ in Lakhs)

Particulars	Amount	
<b>Gross block As at March 31, 2019</b>	<b>835.03</b>	
Additions	-	
Disposals	1.49	
<b>As at March 31, 2020</b>	<b>833.54</b>	
Additions	-	
Disposals	-	
<b>As at March 31, 2021</b>	<b>833.54</b>	
<b>Accumulated Depreciation As at March 31, 2019</b>	<b>17.30</b>	
Charge for the period	13.76	
Disposals	-	
<b>As at March 31, 2020</b>	<b>31.06</b>	
Charge for the year	13.74	
Disposals	-	
<b>As at March 31, 2021</b>	<b>44.80</b>	
<b>Net Carrying Amount</b>		
As at March 31, 2020	802.48	
As at March 31, 2021	788.74	
<b>Fair Value</b>		
As at March 31, 2020	976.22	
As at March 31, 2021	976.22	
	<b>2020-21</b>	<b>2019-20</b>
Rental Income Derived from Investment Properties	38.36	19.09
Direct Operating Expenses	3.63	3.16
<b>Profit arising from investment properties</b>	<b>34.73</b>	<b>19.09</b>



## Notes to Standalone Financial Statements

### 4. Other Intangibles

(₹ in Lakhs)	
Particulars	Amount
<b>Computer Software</b>	
<b>Gross block As at March 31, 2019</b>	<b>90.08</b>
Additions	205.83
Disposal	-
<b>As at March 31, 2020</b>	<b>295.91</b>
Additions	7.69
Disposal	-
<b>As at March 31, 2021</b>	<b>303.60</b>
<b>Accumulated Amortisation As at March 31, 2019</b>	80.90
Charge for the year	11.02
Disposals	-
<b>As at March 31, 2020</b>	<b>91.92</b>
Charge for the year	24.59
Disposals	-
<b>As at March 31, 2021</b>	<b>116.51</b>
<b>Net Carrying Amount</b>	
As at March 31, 2020	<b>203.99</b>
As at March 31, 2021	<b>187.09</b>

### 5. Right to use assets

(₹ in Lakhs)	
Particulars	Amount
<b>Gross block As at March 31, 2019</b>	<b>2,299.27</b>
Additions	-
Disposal	-
<b>As at March 31, 2020</b>	<b>2,299.27</b>
Additions	-
Disposal	-
<b>As at March 31, 2021</b>	<b>2,299.27</b>
<b>Accumulated Amortisation As at March 31, 2019</b>	-
Charge for the year	576.00
Disposals	-
<b>As at March 31, 2020</b>	<b>576.00</b>
Charge for the year	574.42
Disposals	-
<b>As at March 31, 2021</b>	<b>1,150.42</b>
<b>Net Carrying Amount</b>	
As at March 31, 2020	<b>1,723.27</b>
As at March 31, 2021	<b>1,148.85</b>



## Notes to Standalone Financial Statements

### 6. NON CURRENT FINANCIAL ASSETS : INVESTMENTS

(₹ in Lakhs), except as otherwise stated

Particulars	As at March 31, 2021			As at March 31, 2020		
	No. of shares	Face Value	Amount	No. of shares	Face Value	Amount
<b>- UNQUOTED</b>						
<b>(A) Investment in Equity Instruments</b>						
<b>(1) Subsidiary Companies</b>						
a) IGL Finance Ltd.*	1,500,000	₹ 10.00	-	1,500,000	₹ 10.00	-
b) IGL CHEM International PTE Ltd., Singapore	100,000	SGD 1	27.41	100,000	SGD 1	27.41
c) IGL CHEM International USA LLC	200,000	USD 1	127.00	200,000	USD 1	127.00
d) Shakumbari Sugar & Allied Industries Ltd.*	50,112,100	₹ 10.00	-	50,112,100	₹ 10.00	-
e) IGL Green Chemicals Private Limited	10,000	₹ 10.00	1.00	-	-	-
f) IGL Chemicals and Services Private Limited	10,000	₹ 10.00	1.00	-	-	-
<b>(2) Joint Venture</b>						
Kashipur Infrastructure and Freight Terminal Pvt Ltd	2,674,418	₹ 10.00	2,704.33	2,674,418	₹ 10.00	2,704.33
			<b>2,860.74</b>			<b>2,858.74</b>
<b>(B) Investment in Preference Shares</b>						
<b>(1) Subsidiary Companies</b>						
Shakumbari Sugar & Allied Industries Ltd.*	10,000,000	₹ 10.00	-	10,000,000	₹ 10.00	-
			-			-
			<b>2,860.74</b>			<b>2,858.74</b>

Aggregated book value of unquoted investment

2,860.74

2,858.74

\*The Company has elected to fair value in investment in certain subsidiaries to the date of transition.

\*Refer Note no. 44 to financial statements.

### 7. Non Current Loans

(₹ in Lakhs)

Particulars	As at	As at
	March 31, 2021	March 31, 2020
<b>a) Inter Corporate Deposits (ICD)#</b>		
- Unsecured, considered good	-	-
- Loan receivables -which have significant increase in Credit risk	-	-
- Loan receivables- Credit Impaired		
- Unsecured, considered doubtful	-	964.48
Less : Provision/ Allowance for Doubtful ICD	-	(964.48)
	-	-
<b>b) Other Loans</b>		
Loans to Employee		
- Unsecured, considered good	73.66	73.40
	<b>73.66</b>	<b>73.40</b>

# Includes loans to related party ₹ Nil (Previous year ₹ 964.48 lakhs ), Refer note no 44(a).



## Notes to Standalone Financial Statements

### 8. Other non-Current financial assets

Particulars	(₹ in Lakhs)	
	As at March 31, 2021	As at March 31, 2020
Bank deposits with remaining maturity of more than 12 months (Note no. 13)*	1,293.50	1,452.25
Security Deposits		
- Unsecured, considered good#	3,310.05	3,189.68
Interest receivable	-	128.02
	<b>4,603.55</b>	<b>4,769.95</b>

\* Pledged with bank/Government Authorities as margin money/security against guarantees, packing credit facility and other borrowings maturing after 12 months

# Includes ₹ 1,387.39 lakhs (Previous Year ₹ 1,341.34 lakhs) (net of deferred expenditure) security deposit to director, private companies in which director/directors of company is director and are also related parties.

### 9. Other non-current assets:

Particulars	(₹ in Lakhs)	
	As at March 31, 2021	As at March 31, 2020
<b>Capital Advances</b>		
- Unsecured, considered good	1,218.56	1,199.60
<b>Advances other than capital advances:</b>		
- Prepaid Expenses	140.62	164.61
- Deferred Expenditure	151.86	195.26
	<b>292.48</b>	<b>359.87</b>
	<b>1,511.04</b>	<b>1,559.47</b>

### 10. Inventories (At lower of cost and net realisable value)

Particulars	(₹ in Lakhs)	
	As at March 31, 2021	As at March 31, 2020
Raw Materials	14,487.06	16,443.98
Add: Goods in transit	7,566.33	3,216.85
	<b>22,053.39</b>	<b>19,660.83</b>
Work-in-Process	7,966.86	6,590.82
Finished Goods	3,435.23	8,440.15
	<b>3,435.23</b>	<b>8,440.15</b>
Stores and Spares	26,969.54	32,905.05
Stock-in-Trade	2.61	4.37
Residue Product	69.17	238.45
Scrap	4.19	4.25
Loose Tools	49.84	48.61
	<b>60,550.83</b>	<b>67,892.53</b>



## Notes to Standalone Financial Statements

### 11. Trade Receivables

(₹ in Lakhs)		
Particulars	As at March 31, 2021	As at March 31, 2020
- Considered good-Secured	-	-
- Considered good-Unsecured	36,470.13	57,424.90
- Trade Receivables which have significant increase in Credit Risk	-	-
- Trade Receivables credit impaired	78.79	78.79
Less: Loss Allowance	(78.79)	(78.79)
	<b>36,470.13</b>	<b>57,424.90</b>

### 12. Cash & Cash Equivalents

(₹ in Lakhs)		
Particulars	As at March 31, 2021	As at March 31, 2020
<b>Balances with Banks</b>		
- On Current Accounts	265.27	240.73
- Cash on Hand	34.86	35.24
	<b>300.13</b>	<b>275.97</b>

### 13. Bank balance other than cash & cash equivalents

(₹ in Lakhs)		
Particulars	As at March 31, 2021	As at March 31, 2020
<b>Other bank balances</b>		
- In Fixed Deposit Accounts* Current	9,313.39	7,971.75
- In Fixed Deposit Accounts* Non Current	1,293.50	1,452.25
- On Unpaid Dividend Accounts	101.70	140.13
	10,708.59	9,564.13
Less: Amount disclosed under Other Non Current Assets (Note No 8)	1,293.50	1,452.25
	<b>9,415.09</b>	<b>8,111.88</b>

\* Pledged with bank/Government Authorities as margin money/security against guarantees, packing credit facility and other borrowings maturing after 12 months.

### 14. Current loans

(₹ in Lakhs)		
Particulars	As at March 31, 2021	As at March 31, 2020
<b>Inter Corporate Deposits (ICD) #</b>		
- Unsecured, considered good	8,763.63	9,045.63
- Loans which have significant increase in Credit Risk	-	-
- Loans- Credit Impaired	11,719.71	11,719.71
Less : Provision/ Allowance for doubtful ICD	(11,719.71)	(11,719.71)
	<b>8,763.63</b>	<b>9,045.63</b>

# Includes deposit with related party ₹ 6219.13 lakhs (Previous year ₹ 6501.13 lakhs), refer note no 44(b).



## Notes to Standalone Financial Statements

### 15. Other financial assets

Particulars	(₹ in Lakhs)	
	As at March 31, 2021	As at March 31, 2020
Export Incentive receivable - Duty Drawback	204.73	361.84
Interest receivable#	2,911.05	3,153.79
Less : Provision/ Allowance #	-	(950.65)
	2,911.05	2,203.14
Others (including security deposit, claims & other receivable)*	3,002.61	3,541.78
Less : Provision/ Allowance for doubtful other financial assets	(1,752.03)	(1,752.03)
	1,250.58	1,789.75
	<b>4,366.36</b>	<b>4,354.73</b>

# Includes receivable from related party ₹ 1587.95 lakhs (Previous year ₹ 2068.67 lakhs ), refer note no 44(a).

\* Refer Note No. - 50 (a), (b)

### 16. Current tax assets (Net)

Particulars	(₹ in Lakhs)	
	As at March 31, 2021	As at March 31, 2020
Advance Income Tax/ Tax deducted at source (net of income tax provision )	1,594.45	-
	<b>1,594.45</b>	-

### 17. Other current assets

Particulars	(₹ in Lakhs)	
	As at March 31, 2021	As at March 31, 2020
Export Incentive receivable	934.77	683.99
Balance with Excise and Other Authorities	4,183.23	4,329.12
Deposits with Government Departments & Others	800.95	881.26
Prepaid expenses	4,064.43	4,312.14
Other Advances:		
Advances recoverable in cash or in kind or for value to be received	6,482.33	6,446.15
Doubtful advances#	<b>204.11</b>	8,657.94
	<b>6,686.44</b>	<b>15,104.09</b>
Less : Provision/ Allowance for doubtful advances#	(204.11)	(8,657.94)
	<b>6,482.33</b>	<b>6,446.15</b>
	<b>16,465.71</b>	<b>16,652.66</b>

# Includes receivable from related party ₹ Nil (Previous year ₹ 8,453.83 lakhs), refer note no 44(a).

### 18. EQUITY SHARE CAPITAL

Particulars	(₹ in Lakhs), except as otherwise stated	
	As at March 31, 2021	As at March 31, 2020
<b>Authorised :</b>		
45,000,000 Equity Shares of ₹ 10/- each	4,500.00	4,500.00
	<b>4,500.00</b>	<b>4,500.00</b>
<b>Issued, Subscribed and paid up :</b>		
30,961,500 Equity Shares of ₹ 10/- each fully paid up	3,096.15	3,096.15
<b>Fully paid up</b>		
<b>Total Equity share Capital</b>	<b>3,096.15</b>	<b>3,096.15</b>



## Notes to Standalone Financial Statements

### a) Terms/rights attached to equity shares:

The Company has only one class of shares referred to as equity shares having a par value of ₹10/- per share. Each holder of equity shares is entitled to one vote per share.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

### b) Details of shareholders holding more than 5% equity shares in the company

Name of Shareholders	As at March 31, 2021		As at March 31, 2020	
	No. of Shares	% of holding	No. of Shares	% of holding
Kashipur Holdings Limited	11,808,472	38.14%	10,352,406	33.44%
Executors to the Estate of Late Sajani Devi Bhartia	2,100,249	6.78%	2,100,249	6.78%

### c) Reconciliation of the number of shares outstanding at the beginning and at the end of the year

Particulars	No. of Shares As at March 31, 2021	No. of Shares As at March 31, 2020
Shares outstanding as at the beginning of the year	30,961,500	30,961,500
Additions during the year	-	-
Deletions during the year	-	-
Shares outstanding as at the end of the year	<b>30,961,500</b>	<b>30,961,500</b>

d) In last 5 years there was no Bonus Issue, buy back and /or issue of shares other for cash consideration.

### 18A. Other Equity

(₹ in Lakhs)

Particulars	Reserve & Surplus					Total
	Securities Premium	Reserve for Contingencies	General Reserve	Retained Earnings	Items of Other Comprehensive Income that will not be classified to profit & loss	
Balance as at April 1, 2020	3,958.36	200.00	10,600.14	97,896.71	26.04	112,681.25
Profit / (Loss ) for the year				8,429.91	-	8,429.91
Re-measurement of the net defined benefit Plans					294.59	294.59
<b>Balance As at March 31, 2021</b>	<b>3,958.36</b>	<b>200.00</b>	<b>10,600.14</b>	<b>106,326.62</b>	<b>320.63</b>	<b>121,405.75</b>

#### Nature of reserves

Reserve from Contingencies are created in earlier years to meet any contingencies in future and in the nature of free reserve.

General reserve amount transferred/ apportioned represents is in accordance with Indian Corporate law (The Companies Act, 1956) wherein a portion of profit is apportioned to general reserve, before a company can declare dividend.

Other comprehensive Income Reserve represent the balance in equity for items to be accounted in Other Comprehensive Income. OCI is classified into i) Items that will not be reclassified to profit & loss ii) Items that will be reclassified to profit & loss.



## Notes to Standalone Financial Statements

### 19. Non-current borrowings

(₹ in Lakhs)

	Non-Current Portion		Current Maturities	
	As at March 31, 2021	As at March 31, 2020	As at March 31, 2021	As at March 31, 2020
<b>SECURED LOANS</b>				
Rupee Term Loans				
- from Banks & NBFCs	36,212.52	35,487.06	11,699.99	8,848.59
- Vehicle Loan & others	294.86	484.59	61.33	63.70
Foreign Currency Term Loans from Banks	7,939.57	-	1,428.000	-
	<b>44,446.95</b>	<b>35,971.65</b>	<b>13,189.32</b>	<b>8,912.29</b>
<b>UNSECURED LOANS</b>				
Loan from Body Corporates	6,375.00	4,750.00	-	-
	<b>6,375.00</b>	<b>4,750.00</b>	-	-
Less: Amount disclosed under the head "other financial liabilities" ( Note No. 26)			13,189.32	8,912.29
<b>Total Non- Current Borrowings</b>	<b>50,821.95</b>	<b>40,721.65</b>	-	-

#### Notes:

- The Term Loans inter-se, are secured / to be secured by mortgage of all immovable properties of the Company both present and future and hypothecation of all movable properties of the Company (save and except book debts) including movable machinery, machinery spares, tools and accessories, both present and future subject to prior charges created and / or to be created in favour of the bankers of the Company on stocks, book debts and other specified movable properties for working capital requirements / Buyers Credit .
- Vehicle Loan & others include loan of ₹ 209.24 lakhs (Previous Year ₹ 264.37 lakhs) secured by hypothecation of Motor Vehicles purchased there under which is repayable on different dates & loan of ₹ 146.96 lakhs (Previous Year ₹ 283.92 lakhs) secured against bank guarantee. (read with para 7)
- Term Loan from bank of ₹ 2850.00 lakhs (Previous year ₹ 4275.00 lakhs), is repayable in 20 equal quarterly installments of ₹ 356.25 lakhs commencing from June 2018.
- Term Loan from bank of ₹ Nil lakhs (Previous year ₹ 2,100.00 lakhs), is repayable in 20 quarterly installments, 8 installment of ₹ 112.50 lakhs , 4 installment of ₹ 150.00 lakhs and 8 installment of ₹ 187.50 lakhs commencing from June 2018.
- Term Loan from bank of ₹ Nil lakhs (Previous year ₹ 4,126.00 lakhs), is repayable in 22 quarterly installments, 2 installment of ₹ 25.00 lakhs , 3 installment of ₹ 100.00 lakhs, 1 installment of ₹ 125.00 lakhs, 4 installment of ₹ 187.00 lakhs, 4 installment of ₹ 250.00 lakhs, 4 installment of ₹ 313.00 lakhs and 4 installment of ₹ 375.00 lakhs commencing from April 2018.
- Term Loan from bank of ₹ 1,050.00 lakhs (Previous year ₹ 1,500.00 lakhs), is repayable in 9 equal quarterly installments of ₹ 150.00 lakhs commencing from October 2019.
- Term Loan from DBT Bio-pharma ₹ 146.96 lakhs (Previous year ₹ 283.92 lakhs), is repayable in 8 equal half yearly installments commencing from July 2018.
- Term Loan from bank of ₹ Nil lakhs (Previous year ₹ 2,300.00 lakhs), is repayable in 23 quarterly installments, 4 installment of ₹ 50.00 lakhs , 4 installment of ₹ 75.00 lakhs, 4 installment of ₹ 100.00 lakhs, 4 installment of ₹ 125.00 lakhs, 5 installment of ₹ 150.00 lakhs, 2 installment of ₹ 175.00 lakhs commencing from April 2018.
- Term Loan from bank of ₹ 1,400.00 lakhs (Previous year ₹ 1,960.00 lakhs), is repayable in 20 equal quarterly installments of ₹ 140.00 lakhs commencing from October 2018.
- Term Loan from bank of ₹ 6,000.00 lakhs (Previous year ₹ 7,500.00 lakhs), is repayable in 20 equal quarterly installments of ₹ 500.00 lakhs commencing from February 2019.
- Term Loan from bank of ₹ 4,179 lakhs (Previous year ₹ 5,415.50 lakhs), is repayable in 20 structured quarterly installments commencing from next quarter from date of each disbursement.
- Term Loan from bank of ₹ 6,948 lakhs (Previous year ₹ 7,912.50 lakhs), is repayable in 72 structured monthly installments commencing from next month from date of each disbursement.
- Term Loan from bank of ₹ 4,000 lakhs (Previous year ₹ Nil lakhs), is repayable in 48 equal monthly installments commencing from end of 13th months from the date of disbursement.
- Term Loan from bank of ₹ 3,650 lakhs (Previous year ₹ Nil lakhs), is repayable in 18 structured quarterly installments commencing from the same month of disbursement.
- Term Loan from bank of ₹ 5,000 lakhs (Previous year ₹ Nil lakhs), is repayable in 16 equal quarterly installments commencing after 12 months moratorium.
- Term Loan from bank of ₹ 5,000 lakhs (Previous year ₹ Nil lakhs), is repayable in 20 equal quarterly installments commencing from next quarter.
- Term Loan from bank of ₹ 5,000 lakhs (Previous year ₹ Nil lakhs), is repayable in 28 quarterly installments, 4 installments of ₹ 358 lakhs and 24 installments of ₹ 357 lakhs after moratorium of 1 year from the date of 1<sup>st</sup> disbursement.
- Term Loan from bank of ₹ 2,838 lakhs (Previous year ₹ 3,115), is repayable in 20 equal quarterly installments of ₹ 195 lakhs commencing from December 2019.
- Foreign Currency Term Loan (converted from Rupee Term loan) from bank of USD 12849174.55 (Rupee Term Loan - Previous Year ₹4131 Lakhs), is repayable in 28 equal quarterly instalments commencing from March 2021.
- Term Loan from Body Corporate of ₹ 6,375 lakhs (Previous Year ₹ 4,750 lakhs) is repayable only post confirmation from consortium banks.



## Notes to Standalone Financial Statements

### 20. Other non-current financial liabilities

(₹ in Lakhs)		
Particulars	As at March 31, 2021	As at March 31, 2020
Security Deposits	4,217.19	2,768.69
	<b>4,217.19</b>	<b>2,768.69</b>

### 21. Provisions

(₹ in Lakhs)		
Particulars	As at March 31, 2021	As at March 31, 2020
<b>Provision for employee benefits</b>		
- Leave Encashment	595.00	617.43
	<b>595.00</b>	<b>617.43</b>

### 22. Deferred Tax Liabilities (Net)

(₹ in Lakhs)		
Particulars	As at March 31, 2021	As at March 31, 2020
<b>Deferred Tax Assets :-</b>		
Amount covered U/s 43B of Income Tax Act, 1961	262.13	517.49
Provision for doubtful debts / advances	3,713.45	8,779.20
Others	123.82	157.82
<b>Gross Deferred tax Assets</b>	<b>4,099.40</b>	<b>9,454.51</b>
<b>Deferred Tax Liabilities :-</b>		
Property, Plant & Equipment	36,757.57	48,975.69
Others	80.13	708.83
<b>Gross Deferred tax Liability</b>	<b>36,837.70</b>	<b>49,684.52</b>
<b>MAT credit entitlements</b>	-	<b>15,998.12</b>
<b>Net Deferred Tax Liability</b>	<b>32,738.30</b>	<b>24,231.89</b>

### 23. Other non-current liabilities

(₹ in Lakhs)		
Particulars	As at March 31, 2021	As at March 31, 2020
Advance from Customers*	25,870.07	29,044.98
Deferred Income-Govt Grant & Security Deposit	296.85	327.06
	<b>26,166.92</b>	<b>29,372.04</b>

\* Long term export advance received from customers with supply schedule over period of 8-10 years. Export advance are secured by Guarantees given by State Bank of India (SBI) to the customers, while other export performance bank guarantee (EPBG) member banks have given counter guarantee in favour of SBI. Such guarantee are secured by first charge on the fixed assets and second charge on the current assets of the Company on pari passu basis.



## Notes to Standalone Financial Statements

### 24. Current Borrowings

(₹ in Lakhs)		
Particulars	As at March 31, 2021	As at March 31, 2020
<b>Secured Loans</b>		
Loans repayable on demand from Banks:		
- Working Capital Loans*	41,013.30	41,300.42
	<b>41,013.30</b>	<b>41,300.42</b>

\* Working Capital Loans from Banks are secured / to be secured by way of hypothecation of book debts and stocks including in-transit and other specified movable properties and second charge on all immovable properties of the Company. Buyers Credit facility is secured against non-fund based facility sanctioned to the Company.

### 25. Trade Payable

(₹ in Lakhs)		
Particulars	As at March 31, 2021	As at March 31, 2020
Payable to Micro Enterprises and Small Enterprises	16.61	16.61
Payable to Others	58,164.10	71,822.53
	<b>58,180.71</b>	<b>71,839.14</b>

### 26. Other current financial liabilities

(₹ in Lakhs)		
Particulars	As at March 31, 2021	As at March 31, 2020
Current maturities of long term borrowings (Note No. 19)	13,189.32	8,912.29
Interest accrued but not due on borrowings	49.52	526.16
Capital Payables	13,934.98	16,685.87
Retention Money	4,540.70	4,774.22
Expenses payable (Including derivative liabilities)	4,895.97	4,539.28
Investor education & protection fund shall be credited by the following amounts when due:		
(i) Unclaimed Dividends	101.70	140.13
(ii) Unclaimed matured deposits	-	-
(iii) Unclaimed interest on above (ii)	-	-
Other Payables	1,331.45	2,591.95
	<b>38,043.64</b>	<b>38,169.90</b>

### 27. Other current liabilities

(₹ in Lakhs)		
Particulars	As at March 31, 2021	As at March 31, 2020
Duties, taxes and other statutory dues	1,377.90	950.53
Advance from Customers	24,391.98	33,524.40
Deferred Income Govt Grant & others	47.93	50.43
Other Payables	184.26	301.51
	<b>26,002.07</b>	<b>34,826.87</b>



## Notes to Standalone Financial Statements

### 28. Current Provisions

(₹ in Lakhs)		
Particulars	As at March 31, 2021	As at March 31, 2020
<b>Provision for employee benefits</b>		
- Gratuity	-	468.43
- Leave Encashment	321.39	294.98
	<b>321.39</b>	<b>763.41</b>

### 29. Current tax liabilities (Net)

(₹ in Lakhs)		
Particulars	As at March 31, 2021	As at March 31, 2020
Provision for Income Tax	-	463.39
	-	<b>463.39</b>

### 30. Revenue From Operations

(₹ in Lakhs)		
Particulars	Year Ended March 31, 2021	Year Ended March 31, 2020
<b>a) Sales of Products</b>		
Glycols & Others	<b>102,406.08</b>	111,409.97
Power Alcohol (DAE)	<b>7,363.09</b>	14,341.95
Guar Gum Powder and derivatives	<b>2,325.42</b>	2,910.21
Ethyl Alcohol (Potable)	<b>371,785.05</b>	301,368.93
Industrial Gases	<b>4,114.21</b>	4,039.06
Sale of traded goods		
Chemicals and oil Products	<b>29,148.12</b>	<b>59,909.29</b>
Nutraceutical	<b>14,754.13</b>	17,751.51
	<b>531,896.10</b>	<b>511,730.92</b>
<b>b) Sales of Service</b>	<b>1,227.73</b>	1,031.71
	<b>1,227.73</b>	1,031.71
<b>c) Other Operating Revenue</b>		
Provision no longer required/ Sundry balances written back	<b>680.05</b>	<b>532.35</b>
Export Incentive	<b>862.05</b>	1,567.71
Miscellaneous Income	<b>4,334.10</b>	4,698.51
	<b>5,876.20</b>	6,798.57
<b>Total Revenue from operations</b>	<b>539,000.03</b>	<b>519,561.20</b>

### 31. Other Income

(₹ in Lakhs)		
Particulars	Year Ended March 31, 2021	Year Ended March 31, 2020
Interest	1,136.57	1,148.59
Rent	38.36	19.09
Profit on sale of Property, Plant & Equipment	3.17	11.91
Govt Grants	30.21	39.03
	<b>1,208.31</b>	<b>1,218.62</b>



## Notes to Standalone Financial Statements

### 32. Cost of Materials Consumed

Particulars	(₹ in Lakhs)	
	Year Ended March 31, 2021	Year Ended March 31, 2020
Raw Materials	102,587.53	104,305.00
Packing Materials	15,972.13	14,544.12
	<b>118,559.66</b>	<b>118,849.12</b>

### 33. Purchase of Stock-In-Trade

Particulars	(₹ in Lakhs)	
	Year Ended March 31, 2021	Year Ended March 31, 2020
Chemical and Oil Products	30,090.01	61,087.06

### 34. Changes In Inventories of Finished Goods, Work- In-Progress And Stock-In-Trade

Particulars	(₹ in Lakhs)	
	Year Ended March 31, 2021	Year Ended March 31, 2020
<b>CLOSING STOCK</b>		
Finished Goods	3,435.23	3,201.62
Work-in-Process	7,966.86	6,590.82
Residue Product	69.17	238.45
	<b>11,471.26</b>	<b>10,030.89</b>
<b>OPENING STOCK</b>		
Finished Goods	3,201.62	5,506.46
Work-in-Process	6,590.82	7,085.83
Residue Product	238.45	76.40
	10,030.89	12,668.69
Change in inventories of finished goods, work-in-progress and Stock-in-trade	<b>(1,440.37)</b>	<b>2,637.80</b>

### 35. Employee Benefit Expenses

Particulars	(₹ in Lakhs)	
	Year Ended March 31, 2021	Year Ended March 31, 2020
Salaries, Wages, Allowances, etc.	7,202.88	8,091.90
Contribution to Provident and other Funds	581.86	582.78
Employees' Welfare and other Benefits	384.13	463.98
	<b>8,168.87</b>	<b>9,138.66</b>

### 36. Finance Costs

Particulars	(₹ in Lakhs)	
	Year Ended March 31, 2021	Year Ended March 31, 2020
Interest on Fixed Loans	2,474.21	2,919.75
Other Interest	3,841.19	4,965.70
Other Borrowing Cost		
Financial Charges	1,338.09	1,417.29
	7,653.49	9,302.74
Less: Interest Received on temporary deposits	308.38	278.45
	<b>7,345.11</b>	<b>9,024.29</b>

a) Forex losses treated as finance cost ₹ 286.63 lakhs (previous year ₹ 350.10) as per IND AS23 -Borrowing Costs.

b) Net of ₹ 2038.82 Lakhs (previous year ₹1862.48) interest capitalised during the year as per IND AS 23- Borrowing Costs.



## Notes to Standalone Financial Statements

### 37. Depreciation And Amortisation Expense

(₹ in Lakhs)		
Particulars	Year Ended March 31, 2021	Year Ended March 31, 2020
Depreciation on Property, Plant & Equipment	6,968.44	6,719.11
Depreciation on Right to use assets	574.42	576.00
Depreciation on Investment Property	13.74	13.76
Amortisation on other intangible assets	24.59	11.02
	<b>7,581.19</b>	<b>7,319.89</b>

### 38. Other Expenses

(₹ in Lakhs)			
Particulars		Year Ended March 31, 2021	Year Ended March 31, 2020
Stores and spares consumed		4,846.82	4,222.20
Power and Fuel		21,393.10	25,033.76
Repairs and Maintenance			
- Buildings		559.65	480.84
- Plant and Equipment		2,430.14	2,267.71
- Others		627.55	641.15
Rent		114.11	58.35
Rates and Taxes		1,816.79	2,004.39
Travelling and Conveyance		641.82	946.12
Insurance		1,313.06	773.21
Directors' sitting Fee		33.00	23.30
Commission to Selling agents		1,178.69	915.02
Freight forwarding and others (Net of recovery from customers / provision written back)		6,175.03	6,334.67
Exchange Fluctuation loss/ (gain) (Net) *		1,496.75	3,779.73
Bad debts /advance written off	10,368.96	-	493.32
Less : Provision for doubtful debts utilised	10,368.96	-	-
Loss on Sale / Discard of Property, Plant & Equipment		8.70	3.61
Legal & Professional		2,290.82	2,417.78
Printing & Stationery, Postage, Telephone, security and other Miscellaneous Expenses		1,898.05	2,024.17
		<b>46,824.08</b>	<b>51,926.01</b>

\* Net of Forex losses treated as finance cost ₹286.63 Lakhs (Previous Year ₹350.10) as per IND AS 23- Borrowing Costs

### Notes accompanying to the standalone financial statements for the Year Ended 31.03.2021

#### 39. (A) Contingent Liabilities not Provided For

(i) In respect of :-

(₹ in Lakhs)			
Sl. No	Particulars	As at March 31, 2021	As at March 31, 2020
1	Central Excise/ State Excise @	2,001.45	1,985.56
2	Customs	971.74	971.74
3	Service Tax	13.80	16.28
4	Other matters	180.79	208.64
	<b>Total</b>	<b>3,167.78</b>	<b>3,182.22</b>

@ Excluding show cause notice (SCNs), where management is confident that on merits SCNs will be dropped and also as legally advised possibility of an outflow of fund is remote.



## Notes to Standalone Financial Statements

(ii) Bills discounted with banks/others ₹ 660.44 Lakhs (Previous Year: ₹ 2,084.55 Lakhs).

**(B)** Custom duty saved on import of raw material under Advance License pending fulfillment of export obligation amounting to ₹ 596.97 Lakhs (Previous Year ₹ 1,212.05 Lakhs). The Management is of the view that considering the past export performance and future prospects there is certainty that pending export obligation under advance licenses will be fulfilled before expiry of the validity of respective advance licenses, accordingly and also on "Going Concern Concept" basis there is no need to make any provision for custom duty saved.

- 40.** Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances of ₹ 1218.56 Lakhs, Previous Year ₹ 1199.60 Lakhs) are ₹ 8365.16 Lakhs (Previous Year ₹ 7863.59 Lakhs).
- 41.** In the earlier years, the State Government of Uttar Pradesh (UP) had imposed a levy of license fee on transfer of alcohol from the distillery to the chemical plant. The levy was challenged by the Company in the Hon'ble Supreme Court and on October 18, 2006 the matter was finally decided by The Hon'ble Supreme Court in favour of the Company. Accordingly, Company had filed an application for refund of amount paid ₹ 507.05 Lakhs (Previous Year ₹ 507.05 Lakhs) (shown as recoverable under the head Other Current Assets) with State Government of Uttarakhand, which is still pending for refund of the amount.
- 42.** In the earlier years, the State Government of Uttarakhand had levied Export Pass Fee on ENA/R.S. export outside India. The matter is finally disposed of by Hon'ble High Court of Uttarakhand vide its Order dated 9th January, 2012 and has declared the levy of said fee as unsustainable and irrecoverable. Subsequently, on June 8, 2012, vide Uttarakhand Excise (Amendment) Act, 2012, Uttarakhand Government retrospectively revived old notification relating to imposition of export fee on ENA and R.S. The Company filed Writ Petition challenging the above said notification and vide order dated September 12, 2012 the Hon'ble High Court of Uttarakhand has granted stay and restrained State from imposing export fee. A sum of ₹ 106.15 Lakhs (Previous Year ₹ 106.15 Lakhs) paid under protest is shown as recoverable from State Govt. of Uttarakhand, under the head Other Current Assets.
- 43.** During the year, Directorate of Revenue Intelligence (DRI) issued summons to the Company in connection with investigation in respect to import of Denatured Ethyl Alcohol by importer other than manufacturer of Excisable Goods and as per DRI, Company was not eligible for lower rate of BCD @ 2.5% under notification no. 50/2017 dated 30.06.2017. The Company has filed Writ Petition before Gujarat High Court that Company is eligible to avail benefit of concessional rate of 2.5% BCD on import of DEA and for quashing of investigations initiated by DRI. A sum of ₹ 750.00 Lakhs (Previous Year ₹ NIL) paid under protest is shown as recoverable from department, under the head Other Current Assets.
- 44.** (a) (i) Company has Investment of ₹ 5,427.50 Lakhs Company (Previous year ₹ 5,427.50 Lakhs) in equity share capital and 10% cumulative redeemable preference share capital in subsidiary company namely Shakumbari Sugar and Allied Industries Limited (SSAIL) whose net worth has been fully eroded and SSAIL has also been declared sick industrial undertaking as per provision of Sick Industrial Companies Act. 1985.
- (ii) In earlier year, the company has also given to SSAIL-Inter corporate deposit (ICD) amounting to ₹ 1,915.13 Lakhs (Previous Year ₹ 1,915.13 Lakhs) (including interest thereon) and advances of ₹ 8,453.83 Lakhs (Previous Year ₹ 8,453.83 Lakhs).
- (iii) Based upon the application and adoption of fair value of the aforesaid investment are carried at nil value. During the year, the Company has written off ICD including interest & Advance of ₹ 1915.13 Lakhs & Rs 8453.83 Lakhs respectively and the same has been adjusted against the provision, which was created in earlier year. Hence, there is no impact on profitability of the company.
- (b) (i) In earlier year the company had given (included in current Loan) Inter Corporate Deposit (ICD) of ₹ 14,649.64 Lakhs (Previous Year ₹ 14,649.64 Lakhs) to its subsidiary IGL Finance Ltd. (IGLFL) (A 100% subsidiary). IGLFL in earlier year had invested funds for short term in commodity financing contracts offered by National Spot Exchange Ltd. (NSEL). NSEL had defaulted in settling the contracts on due dates, for which IGLFL has initiated legal and other action and in turn IGLFL did not pay back due amount to the company. Accordingly considering the prudence no interest on above ICD has been accrued for the period from 01-09-2013 onwards.
- (ii) In respect of the above, the Company has made a loss allowance of ₹ 11,719.71 Lakhs based on expected credit loss Policy and other estimation made by the management and for balance ₹ 2,041.93 Lakhs (and also fully provided for against equity investment of ₹ 125.00 Lakhs), the management and IGLFL is confident for recovery of dues from NSEL over a period of time and hence shown as good (considering the arrangement of merger of NSEL with Financial Technologies (India) Limited (FTIL) and other measure which have so far been taken for and pending before the Govt. and other authorities and current scenario/ present state of affairs.).



## Notes to Standalone Financial Statements

45. The disclosures required under IND AS 19 “Employee Benefits” notified in the Companies (Accounting Standards) Rules, 2006 are as given below :

### A) Defined Contribution plan

Contribution to Defined Contribution Plan, recognized as expense for the Year is as under:

(₹ in Lakhs)

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
Company's contribution to provident fund	759.31	741.15

### B) Defined Benefit Plan :

The employees' gratuity fund scheme managed by a trust is a defined benefit plan. The present value of obligation is determined based on actuarial valuation using by projected unit credit method in case of gratuity and Leave Encashment.

#### a) Reconciliation of opening and closing Balance of Defined Benefit Obligation

(₹ in Lakhs)

Particulars	Gratuity (Funded) March 31, 2021	Gratuity (Funded) March 31, 2020	Leave encashment (Unfunded) March 31, 2021	Leave encashment (Unfunded) March 31, 2020
Present value of obligation at the beginning of the year	3,545.71	3,297.15	912.41	887.34
Current service cost	233.04	236.28	99.04	74.28
Interest cost	223.38	240.69	57.48	64.78
Benefits paid	(254.77)	(241.79)	(77.34)	(54.71)
Remeasurements - actuarial loss/(gain) arising from:				
- Changes in demographic assumptions	--	(0.28)	--	0.15
- Change in financial assumptions	51.50	(286.96)	10.08	(54.42)
- Experience variance (i.e. actual experience vs assumptions)	(206.09)	300.62	(85.28)	(5.01)
<b>Present value of obligation at the end of year</b>	<b>3,592.77</b>	<b>3,545.71</b>	<b>916.39</b>	<b>912.41</b>

#### b) Changes in the fair value of plan assets – Gratuity

(₹ in Lakhs)

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
Fair value of plan assets at beginning of year	3,077.28	3,050.33
Interest Income	193.87	222.67
Employer contributions	468.43	50.00
Benefits paid	(254.77)	(241.79)
Return on plan assets, excluding amount recognized in net interest expense	239.09	(3.94)
Fair value of plan assets at end of year	3,723.90	3,077.28
Present value of obligation	3,592.77	3,545.71
Net funded status of plan	131.13	(468.43)

The components of the gratuity and leave encashment are as follows:



## Notes to Standalone Financial Statements

### c) Expenses recognized statement of profit & loss account (₹ in Lakhs)

Particulars	Gratuity March 31, 2021	Gratuity March 31, 2020	Leave encashment March 31, 2021	Leave encashment March 31, 2020
Current service cost	233.04	236.28	99.05	74.28
Net interest income /(Cost) on the Net Defined Benefit Liability(Asset)	29.51	18.02	57.48	64.78
Re-measurements - Actuarial loss/ (gain)	-	-	(75.20)	(59.28)
<b>Defined benefit cost recognized in statement of Profit &amp; loss.</b>	<b>262.55</b>	<b>254.30</b>	<b>81.33</b>	<b>79.78</b>

### d) Recognized in Other Comprehensive Income (₹ in Lakhs)

Particulars	Gratuity March 31, 2021	Gratuity March 31, 2020
1. Actuarial loss/ (gain)		
- Change in demographic assumptions	-	(0.28)
- Change in financial assumptions	51.50	(286.97)
- Experience variance (i.e. actual experience vs assumptions)	(206.09)	300.62
2. Return on plan assets, excluding amount recognized in net interest expense	(239.09)	3.94
<b>Component of defined benefit costs recognized in other comprehensive income</b>	<b>(393.68)</b>	<b>17.31</b>

### e) Investment Detail

All Investments are made with trust

### f) The principal actuarial assumptions used for estimating the Company's defined benefit obligations for gratuity and leave encashment are set out below:

Actuarial assumptions	As at March 31, 2021	As at March 31, 2020
Discount Rate	5.90%	6.30%
Expected Rate of increase in salary	5.00%	5.00%
Withdrawal rate	10% p.a.	10% p.a.
Expected Average remaining working lives of employees (years)	17.22	17.50

The principal assumptions are the discount rate & salary growth rate. The discount rate is generally based upon the market yields available on Government bonds. The estimate of rate of escalation in salary considered in actuarial valuation, taken into account inflation, seniority, promotion and other relevant factors including supply and demand in the employment market.



## Notes to Standalone Financial Statements

### g) Sensitivity analysis:

(₹ in Lakhs)

Particulars	Change in Assumptions	Increase/ (decrease) in Gratuity Obligations March 31, 2021	Increase/ (decrease) in Gratuity Obligations March 31, 2020	Increase/ (Decrease) in Leave Encashment Obligations March 31, 2021	Increase/ (Decrease) in Leave Encashment Obligations March 31, 2020
Discount rate	+1%	(125.32)	(126.43)	(24.70)	(24.79)
	-1%	137.52	138.27	26.48	26.53
Salary Growth rate	+1%	137.38	138.68	26.45	26.61
	-1%	(127.51)	(129.10)	(25.14)	(25.32)

The above sensitivity analysis is based on change in an assumption while holding all other assumption constant in practice, this is unlikely to occur, and change in some of the assumption may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumption the same method [projected unit credit method] has been applied as when calculating the defined benefit obligation recognized within the balance sheet.

### Estimate of expected benefit payments

(₹ in Lakhs)

Particulars	Gratuity	Leave Encashment
01 Apr 2021 to 31 Mar 2022	1315.14	330.74
01 Apr 2022 to 31 Mar 2023	562.11	182.70
01 Apr 2023 to 31 Mar 2024	417.78	131.36
01 Apr 2024 to 31 Mar 2025	297.60	97.50
01 Apr 2025 to 31 Mar 2026	303.31	80.56
01 Apr 2026 Onwards	1,758.04	283.00

### 46. Financial risk management objectives and Policies

The Company's activities are exposed to a variety of financial risks from its operations. The key financial risks include market risk (including foreign currency risk, interest rate risk and commodity risk etc.), credit risk and liquidity risk. The company's overall risk management policy seeks to minimize potential adverse effects on company's financial performance.

(i) **Market Risk:** Market risk is the risk that the fair value of future cash flow of a financial instruments will fluctuate because of change in market prices. Market risk comprises mainly three types of risk: interest rate, currency risk and other price risk such as commodity price risk.

(a) **Foreign Currency Risk:** Foreign Currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The company has obtained foreign currency borrowing and has foreign currency trade payable and receivable and is therefore, exposed to foreign currency risk.

After taking cognizance of the natural hedge, the company takes appropriate hedge to mitigate its risk resulting from fluctuation in foreign currency exchange rate(s).

**Foreign Currency sensitivity:** The following tables demonstrate the sensitivity to a reasonable possible change in Foreign Currency with all other variable held constant. The impact on company's profit/(loss) before tax is due to change in the foreign exchange rate for:



## Notes to Standalone Financial Statements

(₹ in Lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
Change in USD	+ 1%	+ 1%
Effect on profit/(loss) before tax	(155.31)	(55.11)
Change in USD	-1%	-1%
Effect on profit/(loss) before tax	155.31	55.11

- (b) Interest rate risk:-** Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Any change in the interest rates environment may impact future rates of borrowing. The company mitigates this risk by regularly assessing the market scenario, finding appropriate financial instruments, interest rate negotiation with the lenders for ensuring the cost effective method of financing.

**Interest Rate Sensitivity:** The following table demonstrates the sensitivity to a reasonable possible change in interest rate on financial assets affected. With all other variable held constant, the company's profit before tax is affected through the impact on finance cost with respect to our borrowing, as follows:

A change in 25 basis points in interest rates would have following impact on profit before tax.

(₹ in Lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
Change in basis point	+25	+25
Effect on profit before tax	(335.20)	(321.52)
Change in basis point	-25	-25
Effect on profit before tax	335.20	321.52

- (c) Commodity Price risk:** The Company is affected by the price volatility of certain commodities. Its operating activities require the purchase of raw material therefore, requires a continuous supply of certain raw materials. To mitigate the commodity price risk, the Company has an approved supplier base to get competitive prices for the commodities and to assess the market to manage the cost without any compromise on quality.

**(ii) Credit Risk:**

Credit risk refers to risk that a counter party will default on its contractual obligations resulting in financial loss to the Company. Credit risk arises primarily from financial assets such as trade receivables, Inter Corporate deposit, derivative financial instruments, other balances with banks, loans and other receivables. The Company's exposure to credit risk is disclosed in Note 6, 7, 8, 11, 14 & 15.

Credit risk arising from investment derivative financial instruments and other balances with banks is limited and there is no collateral held against these because the counter parties are banks and recognised financial institutions with high credit ratings.

The Company applies expected credit losses (ECL) model for measurement and recognition of loss allowance on the following:

- i. Trade receivables
- ii. Financial assets measured at amortized cost (other than trade receivables)

In case of trade receivables, the Company follows a simplified approach wherein an amount equal to lifetime ECL is measured and recognized as loss allowance. The ageing of the trade receivables are given below.



## Notes to Standalone Financial Statements

(₹ in Lakhs)

Particulars	Due Ageing			Total
	Upto 6 Months	6-12 Months	Above 12 Months	
<b>Trade Receivables</b>				
<b>As at 31<sup>st</sup> March, 2021</b>				
Unsecured	34,218.58	465.51	1864.82	36,548.92
Provision/Allowance for Doubtful Receivables	-	-	(78.79)	(78.79)
<b>Net Total</b>	<b>34,218.58</b>	<b>465.51</b>	<b>1786.03</b>	<b>36,470.13</b>
<b>As at 31<sup>st</sup> March, 2020</b>				
Unsecured*	55,219.88	569.42	1,714.39	57,503.69
Provision/Allowance for Doubtful Receivables	-	-	(78.79)	(78.79)
<b>Net Total</b>	<b>55,219.88</b>	<b>569.42</b>	<b>1,635.60</b>	<b>57,424.90</b>

ECL impairment loss allowance (or reversal) recognized during the period is recognized as income/ expense in the Statement of Profit and Loss under the head 'Other expenses'. The balance sheet presentation for financial instruments is described below:

Financial assets measured as at amortised cost: ECL is presented as an allowance, i.e., as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write-off criteria, the company does not reduce impairment allowance from the gross carrying amount.

- (iii) **Liquidity Risk:** Liquidity risk is the risk, where the company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The company's approach to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when due.

The table below summarizes the maturity profile of company's financial liabilities based on contractual undiscounted payments:-

(₹ in Lakhs)

Particulars	As at March 31, 2020					
	Carrying Amount	On Demand	< 1 Year	1 to 2 Years	>2 Years	Total
Interest bearing borrowings	90,934.36	41,300.42	8,912.29	12,895.56	27,826.09	90,934.36
Other Liabilities	33,890.66	-	29,744.47	4,146.19	-	33,890.66
Trade Payable	71,839.14	-	71,839.14	-	-	71,839.14
<b>Total</b>	<b>196,664.16</b>	<b>41300.42</b>	<b>110,495.90</b>	<b>17,041.75</b>	<b>27,826.09</b>	<b>196,664.16</b>
Particulars	As at March 31, 2021					
	Carrying Amount	On Demand	< 1 Year	1 to 2 Years	>2 Years	Total
Interest bearing borrowings	105,024.57	41,013.30	13,189.32	15,795.23	35,026.72	105,024.57
Other Liabilities	30,449.01	-	25,504.68	4,944.33	-	30,449.01
Trade Payable	58,180.71	-	58,180.71	-	-	58,180.71
<b>Total</b>	<b>193,654.29</b>	<b>41,013.30</b>	<b>110,495.90</b>	<b>20,739.56</b>	<b>35,026.72</b>	<b>193,654.29</b>

### 47. Capital risk management

The Company's policy is to maintain an adequate capital base so as to maintain creditor and market confidence and to sustain future development. Capital includes issued capital, share premium and all other equity reserves attributable to equity holders. The primary objective of the Company's capital management is to maintain an optimal



## Notes to Standalone Financial Statements

structure so as to maximize the shareholder's value. In order to strengthen the capital base, the company may use appropriate means to enhance or reduce capital, as the case may be.

The Company is not subject to any external imposed capital requirement. The company monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. Net Debt is calculated as borrowings less cash and cash equivalents.

(₹ in Lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
Borrowings	105,024.57	90,934.36
Less : Cash and Cash equivalents	300.13	275.97
<b>Net debt</b>	<b>104,724.44</b>	<b>90,658.39</b>
Equity Share Capital	3,096.15	3,096.15
Other Equity	1,21,405.75	1,12,681.25
<b>Total Capital</b>	<b>1,24,501.90</b>	<b>1,15,777.40</b>
<b>Capital and net debt</b>	<b>2,29,226.34</b>	<b>2,06,435.79</b>
<b>Gearing ratio</b>	<b>45.69%</b>	<b>43.92%</b>

### 48. Corporate Social Responsibility (CSR)

(₹ in Lakhs)

Particulars	2020-21	2019-20
Amount required to be spent by the company during the year	135.39	10.64
Amount spent during the year	156.66	34.81
Amount unspent	NIL	NIL

### 49. As required by section 22 of The Micro, Small and Medium Enterprises Development Act, 2006 the following information is disclosed:

(₹ in Lakhs)

S. No	Particular	As at March 31, 2021	As at March 31, 2020
(a)	The principal amount remaining unpaid to any supplier at the end of the year	16.61	16.61
(b)	Interest due remaining unpaid to any supplier at the end of the year	-	-
(c)	The amount of interest paid by the buyer in terms of section 16 of the MSMED Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during the year	-	-
(d)	The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act,2006	-	-
(e)	The amount of interest accrued and remaining unpaid at the end of the accounting year.	-	-
(f)	The amount of further interest remaining due and payable even in succeeding years, until such date when the interest dues above are actually paid to the small enterprises, for the purpose of disallowance of a deductible expenditure under section 23 of the MSMED Act, 2006	-	-

Disclosure of payable to vendors as defined under the "Micro, Small and Medium Enterprises Development Act, 2006" is based on the information available with the company regarding the status of registration of such vendors under the said Act, as per the intimation received from them on requests made by the Company. There are no overdue principal amounts/ interest payable amounts for delayed payments to such vendors at the Balance Sheet date. There are no delays in payment made to such suppliers during the year or for any earlier years and accordingly there is no interest paid or outstanding interest in this regard in respect of payment made during the year or on balance brought forward from previous year.

### 50. Other Particulars :

(a) Details of Loan given during the year covered under Section 186(4) of the Companies Act, 2013: Nil



## Notes to Standalone Financial Statements

### (b) Disclosure pursuant to regulation 34(3) & 53(F) of SEBI (LODR) Regulations, 2015 (₹ in Lakhs)

Particulars	Outstanding as at 31 <sup>st</sup> March, 2021	Maximum Amount Outstanding during 2020-2021	Outstanding as at 31 <sup>st</sup> March, 2020	Maximum Amount Outstanding during 2019-2020
<b>Loans Given to Subsidiaries</b>				
Shakumbari Sugar & Allied Industries Limited*	5778.21	7263.99	7263.99	7263.99
IGL Finance Limited*	13761.64	14043.64	14043.64	14043.64
<b>Advances Given to Subsidiaries</b>				
Shakumbari Sugar & Allied Industries Limited*	-	8453.81	8453.81	8453.81
<b>Capital Advances Given to Subsidiaries</b>				
Shakumbari Sugar & Allied Industries Limited	-	497.55	497.55	497.55

\*Gross: without considering provision made against such loans/advances.

### (c) C.I.F. Value of Imports : (₹ in Lakhs)

Sl. No.	Particulars	2020-21	2019-20
i)	Capital Goods/Catalyst	6,443.57	241.59
ii)	Stores & Spares	286.61	524.17
iii)	Raw Materials	44,398.42	64733.14
iv)	Traded Goods	30,090.01	61,087.06

### (d) Payment to Auditors (Exclusive of GST) (₹ in Lakhs)

Sl. No.	Particulars	2020-21	2019-20
i)	As Auditors	20.00	20.00
ii)	In other capacity in respect of		
a)	Out of Pocket Expenses	2.55	2.19
b)	Certification and other matters	29.10	20.18

### (e) Cost Auditors (Exclusive of GST) (₹ in Lakhs)

Sl. No.	Particulars	2020-21	2019-20
i)	Audit Fees	2.50	2.50
ii)	Out of Pocket Expenses	0.10	-

### 51. Expenditure on Research & Development: (₹ in Lakhs)

Particulars	2020-21	2019-20
Capital	--	238.35
Revenue	536.45	664.89
<b>Total</b>	<b>536.45</b>	<b>903.24</b>



## Notes to Standalone Financial Statements

### 52. Derivative financial instruments

A. Commodity and Foreign Exchange Derivatives and exposures.

(a) Outstanding at the year- end as follows:

Nature of Instruments	2020-21 Amount (FC in millions)	2020-21 Amount (₹ in Lakhs)	2019-20 Amount (FC in millions)	2019-20 Amount (₹ in Lakhs)
Forward Contracts - USD	-	-	-	-
Foreign currency options - USD	58.97	43110.02	89.68	67753.24
<b>Open foreign exchange exposures:</b>				
Packing Credit Net of Export debtors - USD	7.43	5432.13	7.89	5960.90
Loans - USD	-	-	-	-
Payable - USD	-	-	-	-

(B) The Company has derivative instruments for hedging possible losses and exchange fluctuation losses. During the year company has incurred net off loss of ₹ 1417.89 Lakhs (previous year ₹ 995.98 Lakhs - gain) out of which gain of ₹ 318.37 Lakhs (previous year gain of ₹ 2028.48 Lakhs) relating to provision for mark to market gain/loss on account of outstanding financial transactions as on 31<sup>st</sup> March 2021.

### 53. Fair valuation techniques

The Company maintains policies and procedures to value financial assets or financial liabilities using the best and most relevant data available. The fair values of the financial assets and liabilities are included at the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

(₹ in Lakhs)

Particular	As at March 31, 2021		As at March 31, 2020	
	Carrying amount	Fair Value	Carrying Amount	Fair Value
(i) Financial Assets				
(a) At Amortized Cost				
- Investment in Subsidiaries & joint venture	2,860.74	2,860.74	2,858.74	2,858.74
Trade Receivable	36,470.13	36,470.13	57,424.90	57,424.90
Others	27,522.42	27,522.42	26,631.56	26,631.56
<b>Total</b>	<b>66,853.29</b>	<b>66,853.29</b>	<b>86,915.20</b>	<b>86,915.20</b>
(ii) Financial Liabilities				
(a) At Fair value through Profit & Loss				
- Forward contract & Options	(318.37)	(318.37)	(2,028.48)	(2,028.48)
(b) At Amortized Cost				
- Borrowing	105,024.57	105,024.57	90,934.36	90,934.36
- Trade payable	58,180.71	58,180.71	71,839.14	71,839.14
- Others	30,449.01	30,449.01	33,890.66	33,890.66
<b>Total (a) + (b)</b>	<b>1,93,335.92</b>	<b>1,93,335.92</b>	<b>1,94,635.68</b>	<b>1,94,635.68</b>

The following methods and assumptions were used to estimate the fair values:

- 1) Fair value of cash and deposits, trade receivables, trade payables, and other current financial assets and liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.



## Notes to Standalone Financial Statements

- 2) Fair value of borrowings from banks and other non-current financial liabilities, are estimated by discounting future cash flows using rates currently available for debt on similar terms and remaining maturities.
- 3) Other non-current receivables are evaluated by the Company, based on parameters such as interest rates, individual creditworthiness of the counterparty etc. Based on this evaluation, allowances are taken to account for the expected losses of these receivables.
- 4) The fair values of derivatives are calculated using the RBI reference rate as on the reporting date as well as other variable parameters.

### Fair Value hierarchy

All financial assets and liabilities for which fair value is measured in the financial statements are categorised within the fair value hierarchy, described as follows:

Level 1 - Quoted prices in active markets.

Level 2 - Inputs other than quoted prices included within Level 1 that are observable, either directly or indirectly.

Level 3 - Inputs that are not based on observable market data.

The following table presents the fair value measurement hierarchy of financial assets and liabilities, which have been measured subsequent to initial recognition at fair value as at 31<sup>st</sup> March, 2021 and 31<sup>st</sup> March 2020:

(₹ in Lakhs)

Assets / Liabilities measured at fair value (Accounted)	As at March 31, 2021		
	Level 1	Level 2	Level 3
<b>Financial assets</b>	-	-	-
Derivatives -Forward contracts & Options	-	318.37	-
<b>Financial liabilities</b>	-	-	-

(₹ in Lakhs)

Assets / Liabilities measured at fair value (Accounted)	As at March 31, 2020		
	Level 1	Level 2	Level 3
<b>Financial assets</b>	-	-	-
<b>Financial liabilities</b>	-	-	-
Derivatives- Forward contracts & Options	-	2,028.48	-

During the year ended March 31, 2021 and March 31, 2020, there were no transfers between Level 1 and Level 2 fair value measurements, and no transfer into and out of Level 3 fair value measurements. There is no transaction / balance under level 3.

54. (a) Capital work-in-progress includes machinery under installation, buildings under construction, construction/erection material in hand and other assets and also includes the following pre-operative expenses:

(₹ in Lakhs)

Particulars	2020-21	2019-20
Amount brought forward from previous year	2,251.37	1,131.93
Raw Material & Chemical Consumed	136.14	102.92
Salaries, wages and allowances etc.	360.71	428.56
Contribution to Provident and other funds	18.06	21.01
Staff Welfare Expenses	29.16	0.95
Legal and Professional charges	-	1.43
Travelling and Conveyance	120.03	5.24
Interest on Fixed Loans	2,038.82	1,862.48
Power and Fuel	1,323.08	917.29



## Notes to Standalone Financial Statements

	<b>6,277.37</b>	4,471.81
<b>Less: Transferred / Capitalised during the year</b>	<b>4,523.41</b>	2,220.44
Balance carried forward	<b>1,753.96</b>	2,251.37

(b) The company has received loans at 2% & 5% from DBT for Bio- mass plant. The loans are recognised at fair value using prevailing market interest of equivalent loan. The difference between the gross proceed and fair value of the loan is the benefit derived from lower rate of interest and is recognised as deferred income. The fair value of loan as March 31, 2021 and March 31, 2020 are ₹ 146.96 Lakhs and ₹ 283.92 Lakhs respectively.

### 55. Earnings per share (EPS)

#### I. Continuing Operation

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
Net profit/ (loss) for the year attributable to equity shareholders (₹ in Lakhs)	<b>6189.37</b>	8845.90
Weighted average number of equity shares outstanding	<b>3,09,61,500</b>	3,09,61,500
Basic and diluted earnings per share (face value of ₹10 each) (₹)	<b>19.99</b>	28.57

#### II. Discontinuing Operation

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
Net profit/ (loss) for the year attributable to equity shareholders (₹ in Lakhs)	<b>2240.54</b>	3980.57
Weighted average number of equity shares outstanding	<b>3,09,61,500</b>	3,09,61,500
Basic and diluted earnings per share (face value of ₹ 10 each) (₹)	<b>7.24</b>	12.86

#### III. Continuing & Discontinuing Operation

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
Net profit/ (loss) for the year attributable to equity shareholders (₹ in Lakhs)	<b>8,429.91</b>	12,826.47
Weighted average number of equity shares outstanding	<b>3,09,61,500</b>	3,09,61,500
Basic and diluted earnings per share (face value of ₹ 10 each) (₹)	<b>27.23</b>	41.43



## Notes to Standalone Financial Statements

### 56. Related Parties Disclosure (As identified by the management):

- (i) Relationships:
- A. Subsidiary Companies
    - IGL Finance Limited (IGLFL)
    - Shakumbari Sugar and Allied Industries Limited (SSAIL)
    - IGLCHEM International PTE. Ltd. (IGLCHEM)
    - IGLCHEM International USA LLC (IGLCHEM US)
    - IGL Green Chemicals Private Limited (IGCPL)
    - IGL Chemicals and Services Private Limited (ICSPL)
  - B. Key Management Personnel
    - U. S. Bhartia (Chairman and Managing Director)
    - Pragya Bhartia Barwale (Executive Director) w.e.f. 24.06.2020
    - Sudhir Agarwal (Executive Director)
    - Jayshree Bhartia (Non – Executive Director)
    - Pradip Kumar Khaitan (Independent Director)
    - Jitender Balakrishnan (Independent Director)
    - Ravi jhunjhunwala (Independent Director)
    - Jagmohan N. Kejriwal (Independent Director)
    - Sajeve Bhushan Deora (Independent Director)
    - Shukla Wassan (Independent Director) (w.e.f. 01.04.2020)
    - Rakesh Bhartia (Chief Executive Officer) – [Till 16.06.2020 (Close of business hours)]
    - Rupak Sarswat (Chief Executive Officer) - [From 21.12.2020]
    - Anand Singhal (Chief Financial Officer)
    - Ankur Jain (Company Secretary)
  - C. Relatives of Key Management Personnel
    - Executors to the estate of Late Sajani devi Bhartia
    - Pragya Bhartia Barwale (Till 23.06.2020)
    - Shirish Barwale
    - Pooja Bhartia
    - Vedant Jhaver
    - Anand Singhal (HUF)
    - Rakesh Bhartia (HUF) [Till 16.06.2020]
    - Smita Bhartia [Till 16.06.2020]
  - D. Enterprises over which Key Management Personnel have significant influence:
    - Ajay Commercial Co. (P) Ltd.
    - J. B. Commercial Co. (P) Ltd.
    - Kashipur Holdings Limited
    - Polylink Polymers (India) Ltd.
    - Hindustan Wires Limited
    - Supreet Vyapaar (P) Ltd.
    - Mayur Barter (P) Ltd.
    - Facit Commosales (P) Ltd.
    - J. Boseck & Co. (P) Ltd.
    - IGL Infrastructure Private Limited. (IGL Infra)
    - Khaitan & Company
    - Khaitan & company LLP
    - Lund & Blockley Pvt. Ltd
    - Sukhvarsha Distributors Pvt. Ltd
  - E. Joint Venture Enterprise
    - Kashipur Infrastructure and Freight Terminal Private Limited (KIFTPL)
  - F. Trust under company control
    - India Glycols Limited Employees Group Gratuity Trust Scheme



## Notes to Standalone Financial Statements

(₹ in Lakhs)

Related Party Transaction Summary	Subsidiaries		Significant Influence		Joint Venture		Key Managerial Person		Relative of KMP	
	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020
Purchase of Material	-	-	-	-	-	-	-	-	-	-
Purchase of Services	-	-	-	-	358.54	450.13	-	-	-	-
Sale of Material	662.96	2501.64	1724.64	574.53	0.64	-	-	-	-	-
Legal & Professional Fee	-	-	112.34	104.3	-	-	-	-	-	-
Directors sitting Fees	-	-	-	-	-	-	33.00	23.30	-	-
ICD given	-	-	-	-	-	-	-	-	-	-
ICD Received Back	282.00	-	-	-	-	-	-	-	-	-
Dividend Paid	-	-	-	1921.82	-	-	-	81.33	-	263.8
Interest Income	523.58	522.15	-	-	-	-	-	-	-	-
Interest Waived-Off	-	2,076.11	-	-	-	-	-	-	-	-
Commission Paid	276.87	325.67	-	-	-	-	340.6	848.49	-	-
Investment in Equity Shares	2.00	-	-	-	-	263.82	-	-	-	-
Sale of Investment in Equity Share	-	-	-	-	-	-	-	-	-	-
Reimbursement of Expenses made	-	-	32.29	40.73	-	-	-	-	-	-
Reimbursement of Expenses Received	-	-	9.28	10.34	69.08	12.16	-	-	-	-
Purchase of Capital Equipment	950.00	-	-	-	-	-	-	-	-	-
ICD Received	-	-	2010.00	3,750.00	-	-	-	-	-	-
ICD Paid Back	-	-	1335.00	1950.00	-	-	-	-	-	-
Capital Advances Given	-	497.55	-	-	-	-	-	-	-	-
Capital Advances Received back	-	-	-	-	-	-	-	-	-	-
Interest Expense	-	-	348.86	231.64	-	-	-	-	-	-
Rent & maintenance Paid	-	-	1,019.01	1,049.23	-	-	24.00	24.00	-	-
Vehicle Lease Rent	-	-	-	-	-	-	-	-	12.00	21.00
Salary Paid	-	-	-	-	-	-	353.52	319.77	6.35	28.01
Managerial Remuneration	-	-	-	-	-	-	689.36	679.03	-	-
Balance Outstanding	-	-	-	-	-	-	-	-	-	-
<b>Payable</b>										
ICD Payable (including Accrued Interest)	-	-	3276.44	2054.02	-	-	-	-	-	-
Others	-	-	14.57	129.01	4.43	18.94	1.70	18.94	0.74	1.72
<b>Receivable(Unsecured)</b>										
ICD (including accrued interest)*	19,539.85	21,307.63	-	-	-	-	-	-	-	-
Capital Advance Given	-	497.55	-	-	-	-	-	-	-	-
Security Deposit Receivable	-	-	1,063.85	1,063.85	-	-	500.00	500.00	-	-
Others*	761.26	9,054.44	160.89	4.73	13.39	6.96	4.16	10.28	0.32	0.32
<b>Provision/allowance for above Receivables</b>										
Provision/allowance for Doubtful ICD*	11719.71	13,634.84	-	-	-	-	-	-	-	-
Provision/allowance for Doubtful Others*	-	8,453.81	-	-	-	-	-	-	-	-

\*Refer Note No -44



## Notes to Standalone Financial Statements

(ii) (a) Remuneration/Salary paid to KMP (₹ in Lakhs)

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
Short-term employee benefits #	955.67	907.94
Post-employment benefits		
- Defined contribution plan \$	87.21	90.85
- Other long-term benefits *	-	-
<b>Total</b>	<b>1042.88</b>	<b>998.79</b>

# Including value of perquisites.

\* As the liability for gratuity and leave encashment are provided on actuarial basis for the Company as a whole, amounts accrued pertaining to key managerial personnel are not included above.

\$ Employer Contribution of Provident Fund

(b) Detail of remuneration to KMP:-

- Chairman & Managing Director – ₹ 545.98 Lakhs (Previous Year ₹ 546.25 Lakhs)
- Chairman & Managing Director (Commission) - ₹ 246.00 Lakhs (Previous Year ₹ 748.49 Lakhs)
- Executive Director – ₹ 88.28 Lakhs (Previous Year ₹ Nil Lakhs) – from 24<sup>th</sup> June 2020
- Executive Director – (Commission) - ₹ 94.60 Lakhs (Previous Year ₹ Nil)
- Executive Director – ₹ 55.09 Lakhs (Previous Year ₹ 22.58)
- Chief Executive Officer – ₹ 87.04 Lakhs (Previous Year ₹ 203.43 Lakhs) – upto 16<sup>th</sup> June 2020
- Chief Executive Officer – ₹ 161.72 Lakhs (Previous Year ₹ Nil Lakhs) from 21<sup>st</sup> Dec 2020
- Chief Financial Officer – ₹ 65.69 Lakhs (Previous Year ₹ 73.18 Lakhs)
- Company Secretary – ₹ 39.07 Lakhs (Previous Year ₹ 43.16 Lakhs)

(iii) Detail of transaction India Glycols Limited Employees Group Gratuity Trust Scheme (₹ in Lakhs)

Particulars	Year ended 31 March 2021	Year ended 31 March 2020
Contribution	468.43	50.00
Outstanding at the Year End	(131.12)	468.43

(iv) Disclosure in respect of Material Related Party transactions during the year:

- Purchase of Services are from:
  - KIFTPL ₹ 358.54 Lakhs (Previous Year ₹ 450.13 Lakhs)
- Sales of Material are to:
  - IGLCHEM International PTE Ltd. ₹ Nil Lakhs (Previous Year ₹ 1,943.39 Lakhs).
  - IGLCHEM, US ₹ 662.96 Lakhs (Previous Year ₹ 558.26 Lakhs).
  - Hindustan Wires Limited. ₹ 1,558.15 Lakhs (Previous Year ₹ 574.53 Lakhs).
  - IGL Infrastructure ₹ 166.49 Lakhs (Previous Year ₹ Nil Lakhs)
  - KIFTPL ₹ 0.64 Lakhs (Previous Year ₹ Nil Lakhs)
- Legal & Professional fees:
  - Khaitan & Co. LLP ₹ 71.28 Lakhs (Previous Year ₹ 68.30 Lakhs).
  - Khaitan & Co ₹ 5.06 Lakhs (Previous Year ₹ Nil Lakhs).
  - Hindustan Wires Ltd ₹ 36.00 Lakhs (Previous Year ₹ 36.00 Lakhs)
- Inter Corporate Deposit (ICD) Received back includes :
  - IGL Finance Ltd ₹ 282.00 Lakhs (Previous Year ₹ Nil Lakhs)
- Inter Corporate Deposit (ICD) Received includes :
  - Kashipur Holdings Ltd ₹ 700.00 Lakhs (Previous Year ₹ 1,500.00 Lakhs)
  - Hindustan Wires Ltd ₹ 825.00 Lakhs (Previous Year ₹ 2,250.00 Lakhs)
  - J Boseck & Co. (P) Ltd ₹ 485 Lakhs (Previous Year ₹ Nil)
- Inter Corporate Deposit (ICD) Paid back includes :
  - Hindustan Wires Ltd ₹ 100.00 Lakhs (Previous Year ₹ 1,350.00 Lakhs)



## Notes to Standalone Financial Statements

- Kashipur Holdings Ltd ₹ 900.00 Lakhs (Previous Year ₹ 600.00 Lakhs)
- J Boseck & Co. (P) Ltd ₹ 335 Lakhs (Previous Year ₹ Nil)
- g) Interest Expense includes from :
  - J Boseck & Co. (P) Ltd ₹ 106.46 Lakhs (Previous Year ₹ 91.25 Lakhs)
  - Kashipur Holdings Ltd ₹ 91.74 Lakhs (Previous Year ₹ 24.55 Lakhs)
  - Hindustan Wires Ltd ₹ 150.66 Lakhs (Previous Year ₹ 115.84 Lakhs)
- h) Interest Income includes from:
  - SSAIL ₹ 522.15 Lakhs (Previous Year ₹ 523.58 Lakhs)
- i) Interest Waived off includes:
  - SSAIL ₹ 135.03 Lakhs (Previous Year ₹ 135.03 Lakhs)
  - IGLFL ₹ 1,941.08 Lakhs (Previous Year ₹ 1,941.08 Lakhs)
- j) Capital Advance Given includes:
  - SSAIL ₹ Nil (Previous Year ₹ 497.55 Lakhs)
- k) Commission Paid:
  - IGL CHEM US ₹ 276.91 Lakhs (Previous Year ₹ 325.67 Lakhs)
- l) Purchase of Capital Equipment:
  - SSAIL ₹ 950.00 Lakhs (Previous Year ₹ Nil)
- m) Reimbursement of expense made.
  - Polylink Polymers (India) Ltd ₹ 30.78 Lakhs (Previous Year ₹ 29.48 Lakhs)
  - Hindustan Wires Limited ₹ 1.51 Lakhs (Previous Year ₹ 9.30 Lakhs)
  - Khaitan & Co LLP ₹ Nil Lakhs (Previous Year ₹ 1.95 Lakhs)
- n) Reimbursement of expense Received.
  - IGL Infrastructure ₹ 9.28 Lakhs (Previous Year ₹ 10.34 Lakhs)
  - KIFTPL ₹ 69.08 Lakhs (Previous Year ₹ 12.16 Lakhs)
- o) Rent & Maintenance Paid to :
  - Polylink Polymers (India) Ltd. ₹ 12.00 Lakhs (Previous Year ₹ 12.00 Lakhs)
  - IGL Infra ₹ 991.27 Lakhs (Previous Year ₹ 1,022.14 Lakhs)
  - Kashipur Holding Limited ₹ 11.06 Lakhs (Previous Year ₹ 10.41 Lakhs)
  - Ajay Commercial Co (P) Ltd ₹ 2.34 Lakhs (Previous Year ₹ 2.34 Lakhs)
  - J.B. Commercial Co (P) Ltd ₹ 2.34 Lakhs (Previous Year ₹ 2.34 Lakhs)
  - U.S Bhartia ₹ 24.00 Lakhs (Previous Year ₹ 24.00 Lakhs)
- p) Vehicle Lease Paid to:
  - Anand Singhal HUF ₹ 9.00 Lakhs (Previous Year ₹ 9.00 Lakhs )
  - Smita Bhartia ₹ 3.00 Lakhs (Previous Year ₹ 12.00 Lakhs)
- q) Investment in Equity Shares:
  - IGL Green Chemicals Pvt. Ltd ₹ 1.00 Lakhs (Previous Year ₹ Nil Lakhs)
  - IGL Chemical & Service Pvt. Ltd ₹ 1.00 Lakhs (Previous Year ₹ Nil Lakhs)

### Balance Outstanding

- a) ICD Payable (including Accrued Interest) :
  - Kashipur Holdings Ltd. ₹ 801.26 Lakhs (Previous Year ₹ 1,000.00 Lakhs)
  - Hindustan Wires Ltd. ₹ 1,625.18 (Previous Year ₹ 900.00 Lakhs)
  - J Boseck & Co. (P) Ltd. ₹ 850 Lakhs (Previous Year ₹ 154.02 Lakhs)
- b) Others Payable includes:
  - J.B. Commercial Co. (P) Limited ₹ 0.01 Lakhs (Previous Year ₹ 0.01 Lakhs)
  - Kashipur Holdings Ltd. ₹ Nil (Previous Year ₹ 13.67)
  - Hindustan Wires ₹ Nil (Previous Year ₹ 18.45 Lakhs)
  - IGL Infra ₹ Nil (Previous Year ₹ 69.91 Lakhs)
  - Khaitan & Co. LLP ₹ Nil (Previous Year ₹ 14.5 Lakhs)
  - Polylink Polymers (India) Ltd ₹ 11.73 Lakhs (Previous Year ₹ 12.47 Lakhs)
  - Khaitan & Co. ₹ 2.83 Lakhs (Previous Year ₹ Nil)
  - KIFTPL ₹ 4.43 Lakhs (Previous Year ₹ Nil)
  - US Bhartia ₹ Nil (Previous Year ₹ 0.74 Lakhs)
  - M.K.RAO ₹ Nil (Previous Year ₹ 16.02 Lakhs)
  - Sudhir Agarwal ₹ 0.26 Lakhs (Previous Year ₹ 0.26)
  - Smita Bhartia ₹ Nil (Previous Year ₹ 0.98 Lakhs)
  - Anand Singhal ₹ 1.22 Lakhs (Previous Year ₹ 1.92 Lakhs)
  - Anand Singhal HUF ₹ 0.74 Lakhs (Previous Year ₹ 0.74)



## Notes to Standalone Financial Statements

- Ankur Jain ₹ 0.45 Lakhs (Previous Year ₹ Nil)
- c) ICD Receivable including interest includes:
  - SSAIL ₹ 5,778.21 Lakhs (Previous Year ₹ 7,263.99 Lakhs). (Maximum balance outstanding during the year ₹ 7,263.99 Lakhs (Previous Year ₹ 7,263.99 Lakhs).
  - IGLFL ₹ 13,761.64 Lakhs (Previous Year ₹ 14,043.64 Lakhs) (Maximum balance outstanding during the year ₹ 14,043.64 Lakhs, Previous Year ₹ 14,043.64 Lakhs)..
- d) Security Deposit receivable:
  - Ajay Commercial Co. (P) Limited ₹ 240.00 Lakhs (Previous Year ₹ 240.00 Lakhs)
  - J.B. Commercial Co. (P) Limited ₹ 240.00 Lakhs (Previous Year ₹ 240.00 Lakhs)
  - IGL Infra ₹ 583.85 Lakhs (Previous Year ₹ 583.5 Lakhs)
  - US Bhartia ₹ 500.00 Lakhs (Previous Year ₹ 500.00 Lakhs)
- e) Others Receivable includes:
  - SSAIL ₹ Nil Lakhs (Previous Year ₹ 8,453.81 Lakhs) (Maximum balance outstanding during the year ₹8,453.81 Lakhs, Previous Year ₹ 8,453.81 Lakhs)..
  - IGL CHEM ₹ 356.71 Lakhs (Previous Year ₹ 369.11 Lakhs). (Maximum balance outstanding during the year ₹ 369.11 Lakhs, Previous Year ₹ 369.11 Lakhs).
  - IGL CHEM US ₹ 375.58 Lakhs (Previous Year ₹ 202.53 Lakhs). (Maximum balance outstanding during the year ₹ 375.58 Lakhs, Previous Year ₹ 202.53 Lakhs)..
  - IGL Finance Limited ₹ 28.99 Lakhs (Previous Year ₹ 28.99 Lakhs). (Maximum balance outstanding during the year ₹ 28.99 Lakhs, Previous Year ₹ 28.99 Lakhs)..
  - Ajay Commercial Co. (P) Limited ₹ 11.97 Lakhs (Previous Year ₹ Nil)
  - Hindustan Wires ₹ 4.11 Lakhs (Previous Year ₹ 4.73 Lakhs)
  - IGL Infra ₹ 144.80 Lakhs (Previous Year ₹ Nil)
  - KIFTPL ₹ 13.39 Lakhs (Previous Year ₹ 6.96 Lakhs)
  - US Bhartia ₹ 4.16 Lakhs (Previous Year ₹ 2.56 Lakhs)
  - Pragya Bhartia ₹ 0.32 Lakhs (Previous Year ₹ 0.32 Lakhs) upto 23.06.2020
  - Rakesh Bhartia ₹ Nil (Previous Year ₹ 7.72 Lakhs)
- f) Provision/Allowance relating to above Receivables
  - (i) Provision for Doubtful ICD including accrued Interest -
    - SSAIL ₹ Nil (Previous Year ₹ 1,915.13 Lakhs)
    - IGLFL ₹ 11,719.71 Lakhs (Previous Year ₹ 11,719.71 Lakhs)
  - (ii) Provision/Allowances for Doubtful Others
    - SSAIL ₹ Nil (Previous Year ₹ 8,453.81 Lakhs)

### 57. Dividend on Equity Share

#### Dividend on Equity shares declared and paid during the year

(₹ in Lakhs)

Particulars	Year Ended March 31,2021	Year Ended March 31,2020
Final Dividend of Nil for FY 2019-20 (Previous Year 2018-19 - ₹ 6 per share)	-	1,857.69
Dividend Distribution Tax	-	381.75

#### Interim Dividend on Equity shares declared and paid during the year

(₹ in Lakhs)

Particulars	Year Ended March 31,2021	Year Ended March 31,2020
Interim Dividend	-	1,857.69
Dividend Distribution Tax	-	381.75

#### Proposed Dividend on equity share not recognized as liability

(₹ in Lakhs)

Particulars	Year Ended March 31,2021	Year Ended March 31,2020
Dividend proposed for Equity shareholders of ₹ 6 per share (Previous Year 2019-20 - Nil per share)	1,857.69	-
Dividend Distribution Tax	-	-

Above is subject to approval of the shareholders in the Annual General Meeting.



## Notes to Standalone Financial Statements

Information about Operating Segments for the year ended 31-3-2021 & 31-3-2020 is as follows: -

Particulars	Industrial Chemicals		Ethyl Alcohol (Potable)		Nutraceutical (perviously termed as Herbal)		Unallocable		TOTAL	
	31.03.2021	31.03.2020	31.03.2021	31.03.2020	31.03.2021	31.03.2020	31.03.2021	31.03.2020	31.03.2021	31.03.2020
<b>A REVENUE</b>										
1 Gross Segment Revenue (External Customers)	149,440.91	197,102.17	374,499.31	304,150.62	15,059.81	18,308.41	-	-	539,000.03	519,561.20
Inter- Segment	-	-	-	-	-	-	-	-	-	-
Total	149,440.91	197,102.17	374,499.31	304,150.62	15,059.81	18,308.41	-	-	539,000.03	519,561.20
Other Income							1,218.62	1218.62	1,218.62	1,218.62
<b>B RESULTS</b>										
1 Segment Result (PBIT)	4,659.81	15,805.98	15,361.06	14,045.58	5,138.14	5,221.41	(5,781.82)	(6,626.44)	19,377.19	28,446.53
2 Interest Expense (Net)									7,345.11	13,675.66
3a Deferred Tax									5,842.71	5,924.97
4 Profit after Tax									6,189.37	8,845.90
<b>C Other information:</b>										
1 Segment Assets	261,123.76	298,151.04	52,998.68	52,347.13	31,744.34	28,708.81	23,281.58	23,509.61	369,148.36	402,716.59
2 Segment Liabilities	102,104.23	127,818.79	34,416.20	37,889.13	3,328.20	4,163.92	139,629.34	117,067.35	279,477.97	286,939.19
3 Depreciation and Amortization expenses	6,014.28	6,322.21	328.27	278.44	399.87	420.12	838.77	843.22	7,581.19	7,863.99
4 Capital Expenditure	10,657.06	11,791.16	1,666.49	1,761.99	2,843.12	1,966.88	-	-	15,166.67	15,520.02
<b>Information about geographical areas:</b>										
<b>Information about geographical areas:</b>										
<b>Particulars</b>			<b>Domestic</b>		<b>Overseas</b>		<b>Total</b>			
	31.03.2021	31.03.2020	31.03.2021	31.03.2020	31.03.2021	31.03.2020	31.03.2021	31.03.2020	31.03.2021	31.03.2020
1 Gross Segment Revenue (External Customers)	482,537.24	453,017.82	56,462.79	66,543.38	539,000.03	519,561.20				
<b>Overseas County-wise sales:</b>										
<b>Particulars</b>										
USA					2020-21	2019-20				
Other Countries					9,096.70	16,873.43				
Total					47,366.09	49,669.95				
					56,462.79	66,543.38				
All non-current assets of the Company are located in India. There is no transaction with single external customer which amounts to 10% or more of the Company's revenue. For Discontinuing Operations - Refer Note -61										



## Notes to Standalone Financial Statements

### 58. Segment Information:

#### Disclosures as required by Indian Accounting Standard (Ind AS) 108 Operating Segments

##### Identifications of Segments:

Segments have been identified in line with Indian Accounting Standard on 'Operating Segments' (Ind AS -108), taking into account the organizational structure as well as the differential risk and returns of this segment and as per the quantitative criteria specified under IND AS. The Company has identified the following segments:

##### Operating Segments:

Industrial Chemical Segment comprises Glycols, Specialty Chemicals, Natural Gum & other related goods etc. Liquor Segment comprises manufacture and sale of Ethyl Alcohol (Potable). Nutraceutical comprises manufacture and sale of Nutraceutical Products.

59. (a) In compliance with Ind AS 112 on Disclosure of Interests in Other Entities, following disclosures are made in respect of jointly controlled entity - Kashipur Infrastructure and Freight Terminal Private Limited, in which the Company is a joint venturer :

	(₹ in Lakhs)	
	March 31, 2021	March 31, 2020
Country of Incorporation	India	
Percentage of Share in Joint Venture	42.31%	42.31%
Current Assets	269.94	282.11
Non- Current Assets	4,039.79	4,023.49
Current Liabilities	711.56	665.04
Non- Current Liabilities	891.12	1,005.97
Revenue	856.78	736.22
Profit/(Loss) for the period	71.89	(41.14)
Total Comprehensive Income	72.46	(41.14)
Capital Commitment (Net of advances)	--	7.21

### 60. Income Tax:

During the current year, the Company decided to exercise the option available under section 115BAA of the Income Tax Act, 1961 as introduced by the Taxation Laws (Amendment) Ordinance, 2019 for A.Y. 2020-21 onwards and recognised the tax provision for the year ended 31<sup>st</sup> March, 2021 basis the rates prescribed in that section. The tax expense for the year ended 31<sup>st</sup> March, 2021 include one time net - non cash adjustment on account of re-measurement of deferred tax assets/ liabilities and write off MAT credit entitlement. (The auditors have been relied upon the management representation in respect of availability of certain deductions for tax purpose)

#### (A) Amounts recognized in Statement of Profit and Loss

(₹ in Lakhs)

Particulars	2020-21	2019-20
<b>Tax Expense:</b>		
Continued Operations	5,842.71	3,786.84
Discontinued Operations	2,277.85	2,138.13
<b>Total</b>	<b>8,120.56</b>	5,924.97
<b>Tax Expense:</b>		
- Current Tax	1,427.90	2,862.15
- Current Tax for earlier years	(1,714.66)	-
- Deferred tax Charged / (Credit)	2,514.47	5,924.97
- Deferred tax Charged / (Credit) relating to changes in tax rates	(10,105.27)	-
- Minimum Alternate Tax Credit entitlement	-	(2,862.15)
- Minimum Alternate Tax Credit Written off	15,998.12	-
<b>Total</b>	<b>8,120.56</b>	5,924.97

#### (B) Income Tax recognised in other comprehensive Income

(₹ in Lakhs)

Particulars	2020-21	2019-20
Current Income Tax on Re-measurement losses on defined benefit plans	(99.09)	5.94
<b>Total</b>	<b>(99.09)</b>	5.94



## Notes to Standalone Financial Statements

### (C) Reconciliation of effective tax rate

(₹ in Lakhs)

Particulars	2020-21	2019-20
Enacted income tax rate in India applicable to the Company	25.17%	34.94%
Profit Before Tax		
Continued Operations	12,032.08	12,632.74
Discontinued Operations	4,518.39	6,118.70
Total PBT	16,550.47	18,751.44
At Statutory Income Tax Rate	4,165.42	6,552.50
Current Tax for earlier years	(1,714.66)	-
Deferred tax Charged / (Credit) relating to changes in tax rates	(10,105.27)	-
Minimum Alternate Tax Credit Written off	15,998.12	-
In House R & D expenses	-	(241.10)
Related to Property, Plant & Equipment	(97.12)	(80.61)
Deferred tax Related to house property	(2.90)	(2.02)
Others	(123.03)	(303.80)
Income Tax expense/(income) reported in Statement of P&L Account	8,120.56	5,924.97

### (D) Reconciliation of deferred tax liabilities, net

(₹ In Lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
<b>Opening Balance</b>	<b>24,231.89</b>	<b>21,175.01</b>
Deferred Tax expense recognised in :-		
Statement of profit & loss	(7590.80)	5,924.97
Other comprehensive income	99.09	(5.94)
MAT Credit Entitlement	15998.12	(2,862.15)
<b>Closing balance</b>	<b>32,738.30</b>	<b>24,231.89</b>

### 61. Discontinued Operations

The Board of Directors of the Company at their meeting held on 24<sup>th</sup> June, 2020 had considered and approved transfer of Company's BioEO (Speciality Chemicals) Business to a wholly-owned subsidiary, which was further approved by the members of the Company at their Annual General Meeting held on 24<sup>th</sup> September, 2020. Further, in pursuance to the approval of the Board at their meeting held on 11<sup>th</sup> March, 2021, the Company had entered into a Business transfer agreement with IGL Green Chemical Private Limited, a wholly owned subsidiary for transfer of Company's BioEO (Speciality Chemicals) Business to IGCPPL and in the same meeting, the Board of Directors of the Company had also approved entering into a joint venture with IGCPPL and Clariant International Ltd., in connection with, inter alia, investment by Clariant in IGCPPL and issuance of subscription shares by IGCPPL to Clariant, which will result in IGCPPL becoming a 51:49 joint venture, in which 51% stake will be held by Clariant and the remaining 49% stake will be held by the Company. The members of the Company had also approved the same by way of a Special Resolution through Postal Ballot effective 25<sup>th</sup> April, 2021. The aforesaid transactions are likely to be completed during the financial year 2021-22 post completion of Condition Precedents and certain other actionable as identified in the said agreements.

The aforesaid transaction has been considered as highly probable and meet the criteria prescribed in Ind AS 105 "Non-current Assets Held for Sale and Discontinued Operations" to be considered as discontinued operation, hence 'BioEO (Speciality Chemicals) Business' has been disclosed as discontinued operations in Standalone financial results. Accordingly, all previous periods figures in the financial results have also been restated. Details of income/ expenses, Assets/liabilities and net cash flow of discontinuing operations are as under

(₹ In Lakhs)

Revenue/Expenses	31.03.2021	31.03.2020
<b>Revenue from operations</b>	<b>66,807.32</b>	<b>75,555.49</b>
Total Expenses	62,288.93	69,436.79
<b>Profit/ (Loss) before tax</b>	<b>4,518.39</b>	<b>6,118.70</b>
Tax Expense	2,277.85	2,138.13
Profit after tax	2,240.54	3,980.57



## Notes to Standalone Financial Statements

### The major classes of assets and liabilities (₹ In Lakhs)

Particulars	31.03.2021
<b>Assets</b>	
Property, Plant and Equipment	15,537.42
Capital work-in-progress	705.57
Inventories	6,141.37
Trade receivables	15,884.54
<b>Total Assets</b>	<b>38,268.90</b>
<b>Liabilities</b>	
Trade payables	3,357.34
Others	80.05
<b>Total Liabilities</b>	<b>3,437.39</b>

### Net cash flows attributable to the operating, investing and financing activities of discontinued operations:

Particulars	31.03.2021	31.03.2020
Operating Activities	5,607.00	5,069.19
Investing Activities	(1,780.26)	(417.82)
Financing Activities	(3,826.74)	(4,651.37)

#### 62. Event Occurring After Balance Sheet Date

The Board of Directors has recommended Equity dividend of ₹ 6 per share (previous year ₹ Nil) for the financial year 2020-21.

63. During the current year, the managerial remuneration payable by the Company to Executive Directors in terms of their appointment approved by the members, is in excess by ₹ 238 Lakhs of limits laid down under Section 197 of the Companies Act, 2013 read with Schedule V to the Act due to certain one-time adjustment like- write off business advance & other deductions arrived under Section 198 of the Act. The Company is in the process of obtaining approval of the members of the Company for waiver of such excess remuneration at its ensuing Annual General Meeting by way of a special resolution.

64. The Company has considered the possible effects that may result from the pandemic relating to COVID-19 on the carrying amounts of receivables, inventories, property, plant and equipment and intangible assets and it has also taken into account the future cash flows. On the basis of evaluation and current indicators of future economic conditions, the Company expects to recover the carrying amounts of these assets and does not anticipate any impairment to these financial and non-financial assets. However, the impact assessment of COVID-19 is a continuing process, given the uncertainties associated with its nature and duration.

65. The figures of the previous period/year have been restated/regrouped wherever necessary, to make them comparable.

As per our report of even date  
**For K N Gutgutia & Co.**  
 Chartered Accountants  
 Firm Registration no. 304153E

**U. S. Bhartia**  
 Chairman and Managing Director  
 DIN - 00063091

**Sudhir Agarwal**  
 Executive Director  
 DIN 08602216

**B.R.Goyal**  
 Partner  
 Membership Number 12172  
 Place : Noida, UP  
 Date : June 25, 2021

**Rupark Sarswat**  
 Chief Executive Officer

**Anand Singhal**  
 Chief Financial Officer

**Ankur Jain**  
 Company Secretary



**Form AOC-1**

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

**Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures**

**PART “A” : Subsidiaries**

(All figure in Lakhs except exchange rate)

S. No	1	2	3	4	5		
<b>Name of the Subsidiary Company</b>	<b>Shakumbari Sugar &amp; Allied Industries Limited</b>	<b>IGL Chem International PTE. LTD.</b>	<b>IGL Finance Limited</b>	<b>IGL Chem International USA LLC</b>	<b>IGL Green Chemicals Private Limited#</b>		
Financial year ending on	March 31, 2021	March 31, 2021	March 31, 2021	March 31, 2021	March 31, 2021		
Reporting Currency	INR	INR USD	INR	INR USD	INR		
Exchange Rate on the last date of financial year			73.12		73.12		
Share Capital	6,067.71	27.41	0.79	150.00	127.00	2.00	1.08
Reserves & Surplus	(9,589.56)	(452.74)	(6.61)	119.90	(165.10)	(2.53)	(0.99)
Total Assets	11,694.69	0.79	0.01	2,341.24	391.82	5.34	0.31
Total Liabilities	11,694.69	0.79	0.01	2,341.24	391.82	5.34	0.31
Investments	-	-	-	-	-	-	-
Turnover	1,016.39	1,736.81	-	-	601.18	8.08	-
Profit / (loss) before tax	10,233.58	(12.82)	(0.17)	(0.50)	87.24	1.18	(0.99)
Provision for Taxation	0.67	-	-	-	-	-	-
Profit / (loss) after Taxation	10,232.91	(12.82)	(0.17)	(0.50)	87.24	1.18	(0.99)
Proposed Dividend	-	-	-	-	-	-	-
% of Shareholding	98.89%	100%		100%	100%		92.60%

**Note :**

- i) Profit/ (loss) figure does not include Other Comprehensive Income.
- ii) A wholly owned subsidiary - IGL Chemicals and Services Private Limited was incorporated on 3<sup>rd</sup> March, 2021 whose financial year has not been closed till 31<sup>st</sup> March, 2021.
- # The Company was incorporated on 26<sup>th</sup> August, 2020.

**PART “B” : Associates and Joint Ventures**

Statement pursuant to Section 129(3) of the companies Act, 2013 related to Associate Companies and Joint Ventures

(₹ in Lakhs)

S.No	1
<b>Name of the Associates/Joint Venture</b>	<b>Kashipur Infrastructure and Freight Terminal Private Limited</b>
<b>1. Latest audited Balance Sheet Date</b>	March 31, 2021
Reporting Currency	INR
<b>2. Shares of Associate/Joint Ventures held by the company on the year end</b>	
No.	26,74,418
Amount of Investment in Associates/Joint Venture	2,704.33
Extend of Holding %	42.31%
<b>3. Description of how there is significant influence</b>	Joint Venture Agreement
<b>4. Reasons why the associate/joint venture is not consolidated</b>	N.A.
<b>5. Networth attributable to Shareholding as per latest audited Balance Sheet</b>	2,707.05
<b>6. Profit/Loss for the year</b>	
i. Considered in Consolidation	71.89
ii. Not Considered in Consolidation	0.58

**Note :** i) There are no Associates or Joint Venture which have been liquidated or sold during the year.



## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF INDIA GLYCOLS LIMITED

### I. Report on the Audit of Consolidated Financial Statements for the year ended 31<sup>st</sup> March, 2021

#### 1. Opinion

A. We have audited the accompanying Consolidated Financial Statements of INDIA GLYCOLS LIMITED (hereinafter referred to as "the Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group"), its Joint venture, which comprise the Consolidated Balance Sheet as at March 31, 2021, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows for the year then ended, and notes to the consolidated financial statements including a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the Consolidated Financial Statements").

B. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Consolidated Financial Statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group and its Joint venture as at March 31, 2021, of its consolidated Profit and other comprehensive income, consolidated changes in equity and its consolidated cash flows for the year then ended.

#### 2. Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibility for the Audit of the Consolidated Financial Statements section of our report. We are independent of the group and its joint venture in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the consolidated financial statements under the provisions of the Companies Act 2013, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Consolidated Financial Statements.

#### Emphasis of Matter

We draw attention to Note 48 of the Consolidated financial statements in respect of its one of the subsidiary namely Shakumbari Sugar And Allied Industries Ltd (SSAIL) continue to evaluate and explore options in consultation with expert(s) and stakeholders for restructuring/revival/disinvestments, hence the management of SSAIL consider it appropriate to

prepare Financial Statements on going concern basis despite negative net worth on the balance sheet date and we have relied upon the management representation in this regard.

Our opinion is not modified in respect of this matter on the consolidated financial statements for the year ended 31<sup>st</sup> March, 2021.

#### 3. Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Consolidated Financial Statements of the current period. These matters were addressed in the context of our audit of the Consolidated Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined that there are no key audit matters to be communicated in our report.

#### 4. Information Other than the Consolidated Financial Statements and Auditor's Report thereon

A. The Holding Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the Consolidated Financial Statements and our auditor's report thereon. Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

B. In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Consolidated Financial Statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

#### 5. Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

A. The Holding Company's Board of Directors is responsible for the preparation and presentation of these Consolidated Financial Statements in term of the requirements of the Companies Act, 2013 (the Act) that give a true and fair view of the consolidated financial position, Consolidated financial performance including other comprehensive income, consolidated changes in equity and consolidated cash flows of the Group and its joint venture in accordance with the other accounting principles generally accepted in India including Indian Accounting Standards (Ind AS) specified under section 133 of the Act. The respective Board of Directors of the companies included in the Group and its joint venture are responsible for maintenance



of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error. These financial statements have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

B. In preparing the Consolidated Financial Statements, the respective Board of Directors of the companies included in the Group and its joint venture are responsible for assessing the Group's ability and its joint venture to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the group and of its Joint venture are also responsible for overseeing the financial reporting process of the Group and its Joint venture.

#### **6. Auditor's Responsibilities for the Audit of the Consolidated Financial Statements**

A. Our objectives are to obtain reasonable assurance about whether the Consolidated Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Consolidated Financial Statements.

B. As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

i) Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions,

misrepresentations, or the override of internal control.

ii) Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Holding Company has adequate internal financial controls system in place and the operating effectiveness of such controls.

iii) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

iv) Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Consolidated Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

v) Evaluate the overall presentation, structure and content of the Consolidated Financial Statements, including the disclosures, and whether the Consolidated Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

vi) Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group and jointly controlled entities to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

C. We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.



- D. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.
- E. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Consolidated Financial Statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

## II. Report on Other Legal and Regulatory Requirements

As required by Section 143(3) of the Act, based on our audit we report to the extent applicable that:

- A. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
- B. In our opinion, proper books of account as required by law have been kept so far as it appears from our examination of those books;
- C. The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including Other Comprehensive Income, Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flow dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
- D. In our opinion, the aforesaid consolidated financial statements comply with the Ind AS specified under Section 133 of the Act.
- E. On the basis of the written representations received from the directors as on March 31, 2021 taken on record by the Board of Directors of the Holding Company and the report of the statutory auditor's of its subsidiaries and joint venture incorporated in India, none of the directors is disqualified as on March 31, 2021 from being appointed as a director in terms of Section 164 (2) of the Act;
- F. With respect to the adequacy of the internal financial controls over financial reporting of and the operating effectiveness of such controls, refer to our separate Report in "Annexure A", which is based on the auditors' reports of the Holding and subsidiaries and its joint venture incorporated in India;
- G. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

- i. the consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group and its joint venture - Refer Note No.-39(A)(i),39(A) (ii), 39(A)(iv),40,41 and 42 to the consolidated financial statements.
- ii. Provision has been made in the consolidated financial statements, as required under the applicable law or Ind AS, for material foreseeable losses, if any, on long-term contracts including derivative contracts. Refer Note No.-50(b) to the consolidated financial statements.
- iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the group and its joint venture incorporated in India.

- H. With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

We draw attention to note 62 to the consolidated financial statements for the year ended 31 March 2021, relating to the Managerial Remuneration paid/ accrued by the Company for the year then ended which exceeds the limits prescribed under section 197 of the Companies Act, 2013 by ₹ 238 Lakhs and hence, is subject to approval of the members of the company at its ensuing Annual General Meeting.

For **K.N. Gutgutia & Co.**  
Chartered Accountants  
(Firm's Registration No. 304153E)  
**(B.R. GOYAL)**

Place: Noida

Date: 25<sup>th</sup> June, 2021

Partner  
(Membership No. 12172)  
(UDIN :21012172AAAAPA9776)

## ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in point F of paragraph II under "Report on Other Legal and Regulatory Requirements" section of our report to the members of INDIA GLYCOLS LIMITED of even date)

### Report on the Internal Financial Controls Over Financial Reporting under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act") Opinion

In conjunction with our audit of the consolidated Ind AS financial statements of the Company as of and for the year ended March 31, 2021, we have audited the internal financial controls over financial reporting of INDIA GLYCOLS LIMITED (hereinafter referred to as "Holding") and its subsidiaries company, which are incorporated in India as of that date.

In our opinion to the best of our information and according to the explanations given to us, the Holding and its subsidiaries company, which are companies incorporated in India, have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2021, based on the



criteria for internal financial control over financial reporting established by the respective companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Control over Financial Reporting issued by the Institute of Chartered Accountants of India.

#### **Emphasis of Matter**

We draw attention to Note 48 of the Consolidated financial statements in respect of its one of the subsidiary namely Shakumbari Sugar And Allied Industries Ltd (SSAIL) continue to evaluate and explore options in consultation with expert(s) and stakeholders for restructuring/revival/disinvestments, hence the management of SSAIL consider it appropriate to prepare Financial Statements on going concern basis despite negative net worth on the balance sheet date and we have relied upon the management representation in this regard.

Our opinion is not modified in respect of this matter on the consolidated financial statements for the year ended 31<sup>st</sup> March, 2021.

#### **Management's Responsibility for Internal Financial Controls**

The respective Board of Directors of the Holding and its subsidiaries company, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the respective Companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI) (the "Guidance Note"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

#### **Auditor's Responsibility**

Our responsibility is to express an opinion on the internal financial controls over financial reporting of the Holding and its subsidiaries company, which are companies incorporated in India, based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their

operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

#### **Meaning of Internal Financial Controls over Financial Reporting**

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

#### **Inherent Limitations of Internal Financial Controls over Financial Reporting**

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

For **K.N. Gutgutia & Co.**

Chartered Accountants  
(Firm's Registration No. 304153E)

**(B.R. GOYAL)**

Partner

(Membership No.12172)

Place: Noida

Date: 25<sup>th</sup> June, 2021



## Consolidated Balance Sheet as at March 31, 2021

(₹ in Lakhs)

Particulars	Note No.	As at March 31, 2021	As at March 31, 2020
<b>ASSETS</b>			
<b>(1) NON-CURRENT ASSETS:</b>			
(a) Property, Plant and Equipment	2	217,134.48	220,118.34
(b) Capital work-in-progress		12,576.72	17,170.58
(c) Investment Property	3	788.74	802.48
(d) Other Intangible assets	4	187.09	203.99
(e) Right to use assets	5	1,148.85	1,723.27
(f) Investment in Joint Venture	6	2,706.61	2,634.72
(g) Financial Assets			
(i) Loans	7	74.16	73.40
(ii) Others	8	4,772.54	4,838.58
(h) Other Non-Current assets	9	1,511.04	1,559.47
<b>Total Non Current Assets</b>		<b>240,900.23</b>	<b>249,124.83</b>
<b>(2) CURRENT ASSETS:</b>			
(a) Inventories	10	60,975.23	68,218.93
(b) Financial Assets			
(i) Trade receivables	11	36,171.68	56,872.22
(ii) Cash and cash equivalents	12	339.11	364.87
(iii) Bank balances other than (ii) above	13	9,415.09	8,806.42
(iv) Loans	14	2,548.17	2,551.46
(v) Others	15	5,149.84	5,954.37
(c) Current Tax Assets (Net)	16	1,605.02	30.39
(d) Other current assets	17	16,550.80	16,699.84
<b>Total Current Assets</b>		<b>132,754.94</b>	<b>159,498.51</b>
<b>(3) Assets held for sale and discontinued operations</b>	59	<b>38,268.90</b>	<b>-</b>
<b>TOTAL ASSETS</b>		<b>411,924.07</b>	<b>408,623.34</b>
<b>EQUITY AND LIABILITIES</b>			
<b>EQUITY:</b>			
(a) Equity Share capital	18	3,096.15	3,096.15
(b) Other Equity	18A	113,756.16	100,290.45
<b>Total Equity</b>		<b>116,852.31</b>	<b>103,386.60</b>
<b>LIABILITIES:</b>			
<b>NON-CURRENT LIABILITIES:</b>			
(a) Financial Liabilities			
(i) Borrowings	19	50,821.95	40,721.65
(ii) Lease liabilities		727.14	1,377.50
(iii) Other financial liabilities	20	4,242.92	2,794.42
(b) Provisions	21	595.00	617.43
(c) Deferred tax liabilities (Net)	22	35,744.18	31,953.57
(d) Other non-current liabilities	23	26,166.92	29,372.04
<b>Total Non Current Liabilities</b>		<b>118,298.11</b>	<b>106,836.61</b>
<b>CURRENT LIABILITIES:</b>			
(a) Financial Liabilities			
(i) Borrowings	24	48,288.80	48,425.92
(ii) Lease Liabilities		650.36	486.86
(iii) Trade payables	25		
Total Outstanding dues of micro enterprises and small enterprises		18.04	18.04
Total Outstanding dues of creditors other than micro enterprises and small enterprises		58,060.11	72,184.51
(iv) Other financial liabilities	26	39,705.36	39,663.88
(b) Other current liabilities	27	26,289.06	36,390.98
(c) Provisions	28	324.53	766.55
(d) Current Tax Liabilities (Net)	29	-	463.39
<b>Total Current Liabilities</b>		<b>173,336.26</b>	<b>198,400.13</b>
<b>Liabilities held for sale and discontinued operations</b>	59	<b>3,437.39</b>	<b>-</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>411,924.07</b>	<b>408,623.34</b>

Company Overview, Basis of preparation and significant accounting policies 1  
The accompanying notes are an integral part of these consolidated financial statements.

As per our report of even date  
**For K N Gutgutia & Co.**  
Chartered Accountants  
Firm Registration no. 304153E  
**B.R.Goyal**  
Partner  
Membership Number 12172  
Place : Noida, UP  
Date : June 25, 2021

**U. S. Bhartia**  
*Chairman and Managing Director*  
DIN - 00063091  
**Rupark Sarswat**  
Chief Executive Officer

**Sudhir Agarwal**  
*Executive Director*  
DIN - 08602216  
**Anand Singhal**  
*Chief Financial Officer*

**Ankur Jain**  
Company Secretary



## Consolidated Statement of Profit & Loss for the year ended March 31, 2021

(₹ in Lakhs), except as otherwise stated

Particulars	Note No.	Year ended March 31, 2021	Year ended March 31, 2020
<b>Income continuing Operations</b>			
Revenue from operations	30	542,747.16	521,709.61
Other income	31	1,526.12	876.53
<b>Total Revenue</b>		<b>544,273.28</b>	<b>522,586.14</b>
<b>Expenses:</b>			
Cost of materials consumed	32	118,559.66	118,849.12
Excise Duty on Sales		311,047.71	248,164.25
Purchase of Stock-in-Trade	33	32,826.86	63,089.24
Change in inventories of finished goods, work-in-progress and Stock-in-trade	34	(1,470.04)	2,663.95
Employee benefits expense	35	8,332.79	9,328.04
Finance costs	36	8,338.30	9,690.06
Depreciation and amortization expense	37	8,011.84	7,753.11
Other expenses	38	46,650.29	51,734.99
<b>Total Expenses</b>		<b>532,297.41</b>	<b>511,272.76</b>
<b>Profit/ (Loss) before exceptional items and tax</b>		<b>11,975.87</b>	<b>11,313.38</b>
Exceptional Items (Net)		-	-
<b>Profit/ (Loss) before tax</b>		<b>11,975.87</b>	<b>11,313.38</b>
<b>Share of net profit/ (loss) of Joint Venture</b>		<b>71.89</b>	<b>(41.14)</b>
<b>Profit/ (Loss) before tax</b>		<b>12,047.76</b>	<b>11,272.24</b>
Tax Expense:	58		
- Current Tax		1,016.02	1,761.87
- Deferred tax Charged / (Credit)		(820.48)	3,787.24
- Tax for earlier years		932.05	-
- Minimum Alternate Tax (Credit) entitlement		-	(1,761.87)
<b>Profit after tax from continuing operations</b>		<b>10,920.17</b>	<b>7,485.00</b>
<b>DISCONTINUING OPERATIONS</b>			
Profit from discontinued operations before tax	59	4,518.39	6,118.70
Tax expense of discontinued operations		2,277.85	2,138.13
<b>Profit after tax from discontinued operations</b>		<b>2,240.54</b>	<b>3,980.57</b>
<b>Profit/ (Loss) for the year</b>		<b>13,160.71</b>	<b>11,465.57</b>
<b>Other Comprehensive Income</b>			
(A) Items that will not be reclassified to Profit or Loss			
(i) Re-measurement benefit of defined benefit plans		393.68	(17.31)
(ii) Income tax expense on re-measurement benefit of defined benefit plans		(99.09)	5.94
(B) Items that will be reclassified to Profit or Loss			
Exchange differences on translating the financial statement of foreign subsidiary		10.41	(124.26)
<b>Other comprehensive Income/ (Loss) for the year</b>		<b>305.00</b>	<b>(135.63)</b>
<b>Total Comprehensive Income for the year</b>		<b>13,465.71</b>	<b>11,329.94</b>
<b>Net Profit/ (Loss) attributable to</b>			
(a) Owners of the Company		13,160.71	11,465.57
(b) Non Controlling interests		-	-
<b>Other Comprehensive Income attributable to</b>			
(a) Owners of the Company		305.00	(135.63)
(b) Non Controlling interests		-	-
<b>Total Comprehensive Income attributable to</b>			
(a) Owners of the Company		13,465.71	11,329.94
(b) Non Controlling interests		-	-
<b>Earnings per Equity share of ₹ 10 each basic/ diluted (in ₹)</b>	53	<b>42.51</b>	<b>37.03</b>
- For continuing operations (in ₹) - For continuing operations (in ₹)		<b>35.27</b>	<b>24.18</b>
- For discontinuing operations (in ₹)		<b>7.24</b>	<b>12.86</b>

Company Overview, Basis of preparation and significant accounting policies 1

The accompanying notes are an integral part of these consolidated financial statements.

As per our report of even date

**For K N Gutgutia & Co.**

Chartered Accountants  
Firm Registration no. 304153E

**B.R.Goyal**

Partner

Membership Number 12172

Place : Noida, UP

Date : June 25, 2021

**U. S. Bhartia**

Chairman and Managing Director

DIN - 00063091

**Rupark Sarswat**

Chief Executive Officer

**Sudhir Agarwal**

Executive Director

DIN - 08602216

**Anand Singhal**

Chief Financial Officer

**Ankur Jain**

Company Secretary



## Consolidated Statement of Changes in Equity for the year ended March 31, 2021

### A. Equity Share Capital

(₹ in Lakhs)

Particulars	Balance as at 31 <sup>st</sup> March, 2019	Changes during the year	Balance as at 31 <sup>st</sup> March, 2020	Changes during the year	Balance as at 31 <sup>st</sup> March, 2021
<b>ISSUED, SUBSCRIBED AND PAID UP</b>					
30,961,500 Equity Shares of ₹10/- each fully paid up	3,096.15	-	3,096.15	-	3,096.15
<b>Total</b>	<b>3,096.15</b>	<b>-</b>	<b>3,096.15</b>	<b>-</b>	<b>3,096.15</b>

### B. Other Equity

(₹ in Lakhs)

Particulars	Reserve & Surplus							Other Comprehensive Income		Total
	Securities Premium	Reserve for Contingencies	Molasses Reserve Fund	General Reserve	Retained Earnings	Capital Reserve	Capital Redemption Reserve	Items of Other Comprehensive Income that will not be classified to profit & loss	Items of Other Comprehensive Income that will be classified to profit & loss	
<b>Balance As at March 31, 2019</b>	<b>3,958.36</b>	<b>200.00</b>	<b>1.89</b>	<b>10,600.44</b>	<b>77,817.36</b>	<b>416.00</b>	<b>0.19</b>	<b>98.23</b>	<b>74.10</b>	<b>93,166.57</b>
Profit / (Loss) for the year					11,465.57					11,465.57
Re-measurement of the net defined benefit Plans								(11.37)		(11.37)
Exchange differences on translating the financial statement of foreign subsidiary									(124.26)	(124.26)
Addition on account of purchase of shares of JV					273.03					273.03
Dividends					4,479.09					(4,479.09)
<b>Balance As at March 31, 2020</b>	<b>3,958.36</b>	<b>200.00</b>	<b>1.89</b>	<b>0,600.44</b>	<b>85,076.87</b>	<b>416.00</b>	<b>0.19</b>	<b>86.86</b>	<b>(50.16)</b>	<b>100,290.45</b>
Profit / (Loss) for the year					13,160.71					13,160.71
Re-measurement of the net defined benefit Plans								294.59		294.59
Exchange differences on translating the financial statement of foreign subsidiary									10.41	10.41
<b>Balance As at March 31, 2021</b>	<b>3,958.36</b>	<b>200.00</b>	<b>1.89</b>	<b>10,600.44</b>	<b>98,237.58</b>	<b>416.00</b>	<b>0.19</b>	<b>381.45</b>	<b>(39.75)</b>	<b>113,756.16</b>

As per our report of even date

**For K N Gutgutia & Co.**

Chartered Accountants

Firm Registration no. 304153E

**B.R.Goyal**

Partner

Membership Number 12172

Place : Noida, UP

Date : June 25, 2021

**U. S. Bhartia**

Chairman and Managing Director

DIN - 00063091

**Rupark Sarswat**

Chief Executive Officer

**Sudhir Agarwal**

Executive Director

DIN - 08602216

**Anand Singhal**

Chief Financial Officer

**Ankur Jain**

Company Secretary



## Consolidated Cash Flow Statement for the year ended March 31, 2021

(₹ in Lakhs)

	2020-21		2019-20	
<b>A Cash Flow from Operating Activities</b>				
Net Profit/(Loss) Before Tax		11,975.87		11,313.38
Adjustments For:				
Depreciation and amortisation expense	8,011.84		7,753.11	
(Profit)/Loss on Sale of Property, plant & equipment	5.53		(8.30)	
Net Unrealised Foreign Exchange Fluctuation (Gain) / Loss	(1,066.09)		1,637.70	
Govt Grant (Net)	(30.21)		(39.03)	
Capital Advance forfeited	(800.00)		-	
Provision No Longer Required Written Back	(1,684.13)		(532.35)	
Finance Costs	8,652.75		10,014.10	
Interest/Dividend Income	(928.87)	12,160.82	(968.93)	17,856.30
<b>Operating Profit/ (Loss) before Working Capital Changes</b>		<b>24,136.69</b>		<b>29,169.68</b>
Adjustments For:				
(Increase)/Decrease in Trade & Other Receivables	6,583.78		(13,501.85)	
(Increase)/Decrease in Inventories	(341.80)		(2,712.21)	
Increase / (Decrease) in Trade & Other Payables	(20,512.11)	(14,270.13)	20,381.56	4,167.50
<b>Cash Generated from / (Used in) Operations</b>		<b>9,866.56</b>		<b>33,337.18</b>
Income Tax Paid (Net)		(1,740.69)		(4,080.46)
<b>Net Cash flow from / (Used in) Operating Activities</b>		<b>8,125.87</b>		<b>29,256.72</b>
Net cash from discontinued activities		5,607.00		5,069.19
<b>Net Cash from continuing and discontinued activities</b>		<b>13,732.87</b>		<b>34,325.91</b>
<b>B Cash Flow from Investing Activities</b>				
Purchase/(Sale) of Property, plant & equipment	(14,888.30)		(15,080.48)	
Sale of Property, plant & equipment	21.09		42.28	
Interest/Dividend received	1,814.29		628.97	
Purchase of non-current investments	-		(263.83)	
<b>Net Cash flow from / (Used in) Investing Activities</b>		<b>(13,052.92)</b>		<b>(14,673.06)</b>
Net cash from discontinued activities		(1,780.26)		(417.82)
<b>Net Cash from continuing and discontinued activities</b>		<b>(14,833.18)</b>		<b>(15,090.88)</b>
<b>C Cash Flow from Financing Activities</b>				
Net Proceeds from Borrowings	29,878.82		15,064.52	
Repayment of Borrowings	(15,656.88)		(17,762.52)	
Payment of lease liabilities	(486.86)		(434.92)	
Finance Costs	(8,795.33)		(9,348.90)	
Dividends Paid (Including Corporate Dividend Tax)	(38.43)		(4,433.39)	
<b>Net Cash flow from / (Used in) Financing Activities</b>		<b>4,901.32</b>		<b>(16,915.21)</b>
Net cash from discontinued activities		(3,826.77)		(4,651.38)
<b>Net Cash from continuing and discontinued activities</b>		<b>1,074.55</b>		<b>(21,566.59)</b>
<b>Net Increase/(Decrease) in Cash &amp; Cash Equivalents [A+B+C]</b>		<b>(25.76)</b>		<b>(2,331.56)</b>
Opening Cash & Cash Equivalent (refer note 12)		364.87		2,696.42
Closing Cash & Cash Equivalent (refer note 12)		<b>339.11</b>		364.87

The accompanying notes are an integral part of these consolidated financial statements.

### Notes:

The Cash flow statement has been prepared under the indirect method as set out in Indian Accounting Standard (Ind AS 7) statement of cash flows. This is the Cash Flow Statement referred to in our report of even date.

As per our report of even date

**For K N Gutgutia & Co.**

Chartered Accountants  
Firm Registration no. 304153E

**B.R.Goyal**

Partner

Membership Number 12172

Place : Noida, UP

Date : June 25, 2021

**U. S. Bhartia**

Chairman and Managing Director

DIN - 00063091

**Rupark Sarswat**

Chief Executive Officer

**Sudhir Agarwal**

Executive Director

DIN - 08602216

**Anand Singhal**

Chief Financial Officer

**Ankur Jain**

Company Secretary



# Notes to Consolidated Financial Statements

## 1 Group Overview, Basis of Preparation and Significant Accounting Policies

### 1.1. Group Overview

The Group, India Glycols Limited (Parent) and its subsidiaries, manufactures green technology based bulk, specialty and performance chemicals and sugar, spirits, industrial gases and nutraceuticals etc. The Joint venture Company develop, manage and operate Private Freight Terminal (PFT) and Inland Container Depot (ICD) at Kashipur, Uttarakhand.

These Consolidated financial statements were approved and adopted by board of directors of the Company in their meeting held on June 25, 2021.

### 1.2. Statement of compliance:

The Consolidated financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) as prescribed under Section 133 of the Companies Act, 2013 read with Companies (Indian Accounting Standards) Rules, 2015 and amended and relevant provisions of the Companies Act, 2013.

### 1.3. Basis of preparation of Consolidated financial statements:

- a) The consolidated financial statements relate to the Group, and joint ventures. Subsidiary are those entities in which the Parent directly or indirectly, has interest more than 50% of the voting power or otherwise control the composition of the board or governing body so as to obtain economic benefits from activities. The consolidated financial statements have been prepared on the following basis:-
- b) The financial statements of the subsidiaries are combined on a line-by-line basis by adding together the like items of assets, liabilities, income and expenses after fully eliminating intra-group balances and intra-group transactions and unrealized profits or losses in accordance with IND AS 110 – ‘Consolidated Financial Statements’ notified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015 as amended time to time. The deferred tax to be recognised for temporary differences arises from elimination of profits and losses resulting from intra group transactions.
- c) Interest in joint ventures are consolidated using equity method as per IND AS 28 – ‘Investment in Joint Ventures’. Under the equity method, post-acquisition attributable profit/losses are adjusted in the carrying value of investment upto the Group investment in the joint venture.
- d) The Consolidated Financial Statements (CFS) comprises the financial statements of India Glycols Limited (IGL) and its following Subsidiaries/ Joint Venture as on March 31, 2021.

Name of the Company	Nature	Country of Incorporation	% of Shareholding & Voting Power
Shakumbari Sugar & Allied Industries Limited (SSAIL)#	Subsidiary	India	98.89%
IGL Chem International PTE. LTD.	Subsidiary	Singapore	100%
IGL Chem International USA LLC (IGLCHEM US)	Subsidiary	USA	100%
IGL Finance Limited (IGLFL)	Subsidiary	India	100%
IGL Green Chemicals Private Limited	Subsidiary	India	100%
IGL Chemicals and Services Private Limited	Subsidiary	India	100%
Kashipur Infrastructure and Freight Terminal Private Limited (KIFTPL)	Joint Venture	India	42.31%

# Impact of minority interest is insignificant and immaterial, hence not considered.

- e) The difference between the cost of investment and the share of net assets at the time of acquisition of shares in the subsidiaries is identified in the financial statements as Goodwill or Capital Reserve as the case may be.
- f) In case of foreign subsidiaries, revenue items are consolidated at the average exchange rate during the year. All assets and liabilities are translated at year end exchange rate. The resulting exchange differences are recognised as Other Comprehensive Income/(loss) and disclosed accordingly.
- g) Significant Accounting Policies of the financial statements of the company and its subsidiaries are set out in their respective Financial Statements.

### 1.4. Significant accounting policies:

The significant accounting policies to prepare consolidated financial statements are in uniformity with the standalone financial statements of the Company. Following are the additional policies



## Notes to Consolidated Financial Statements

specifically considered for preparation of consolidated financial statements:

(i) **Business Combination:**

Business Combinations are accounted for using the acquisition method. The cost of acquisition is measured at the aggregate of the fair values at the date of exchange of assets given, liabilities incurred or assumed and equity instruments issued by the Company in exchange for control of the acquiree. The acquiree's identifiable assets, liabilities and contingent liabilities that meet the recognition criteria are stated at their fair values at the acquisition date except certain assets and liabilities required to be measured as per the applicable standard.

(ii) **Goodwill**

Goodwill is an asset representing the future economic benefits arising from other assets acquired in a business combination that are not individually identified and separately recognized. Goodwill is initially measured at cost, being the excess of the consideration transferred over the net identifiable assets acquired and liabilities assumed, measured in accordance with Ind AS 103 – Business Combinations. An impairment loss is recognized whenever the carrying amount of an asset or its cash generating unit (CGU) exceeds its recoverable amount.

(iii) **The policy adopted by SSAIL for valuation of Inventories is enumerated below:-**

- (a) Finished Goods and Stock in Process of Sugar - At cost or at net realisable value whichever is lower, the net realizable value of sugar in case of finished goods stock of levy sugar is considered based on the levy price notified by the Central Government.
- (b) Store and spares parts – At cost arrived at applying weighted average method.
- (c) Cane crop – At net realisable value determined on the basis of estimated yield per hectare and Inventory of Molasses, Bagasse, Press mud and Bio Compost are considered at net realizable value.



## Notes to Consolidated Financial Statements

### 2. Property, Plant & Equipment

(₹ in Lakhs)

Particulars	Freehold Land @	Leasehold Land	Buildings @	Plant & Equipment	Office Equipment	Furniture & Fixtures	Vehicles #	Total
<b>Gross block</b>								
<b>As at March 31, 2019</b>	<b>17,304.48</b>	<b>11,895.00</b>	<b>9,905.45</b>	<b>202,189.71</b>	<b>797.47</b>	<b>2,126.82</b>	<b>481.15</b>	<b>244,700.08</b>
Additions			955.86	9,776.26	133.07	212.72	308.30	11,386.21
Disposals					21.90	3.64	116.64	142.18
<b>As at March 31, 2020</b>	<b>17,304.48</b>	<b>11,895.00</b>	<b>10,861.31</b>	<b>211,965.97</b>	<b>908.64</b>	<b>2,335.90</b>	<b>672.81</b>	<b>255,944.11</b>
Additions			1,709.92	18,424.43	163.79	101.55	130.51	20,530.20
Disposals					35.06	0.72	47.92	83.70
Relating to discontinued operations	1,729.00		417.72	18,757.22	75.59	715.49	10.96	21,705.98
<b>As at March 31, 2021</b>	<b>15,575.48</b>	<b>11,895.00</b>	<b>12,153.51</b>	<b>211,633.18</b>	<b>961.78</b>	<b>1,721.24</b>	<b>744.44</b>	<b>254,684.63</b>
<b>Accumulated Depreciation As at March 31, 2019</b>	-	<b>707.60</b>	<b>1,465.94</b>	<b>24,691.49</b>	<b>365.89</b>	<b>927.46</b>	<b>79.25</b>	<b>28,237.63</b>
Charge for the year		176.90	355.43	6,704.95	138.84	221.57	98.64	7,696.33
Disposals					18.36	3.35	86.48	108.19
<b>As at March 31, 2020</b>	-	<b>884.50</b>	<b>1,821.37</b>	<b>31,396.44</b>	<b>486.37</b>	<b>1,145.68</b>	<b>91.41</b>	<b>35,825.77</b>
Charge for the year		152.85	397.05	6,498.98	123.65	121.44	105.12	7,399.09
Disposals					30.03	0.47	26.58	57.08
Relating to discontinued operations			126.97	5,167.26	41.58	277.39	4.43	5,617.63
<b>As at March 31, 2021</b>	-	<b>1,037.35</b>	<b>2,091.45</b>	<b>32,728.16</b>	<b>538.41</b>	<b>989.26</b>	<b>165.52</b>	<b>37,550.15</b>
<b>Net Carrying Amount</b>								
As at March 31, 2020	<b>17,304.48</b>	<b>11,010.50</b>	<b>9,039.94</b>	<b>180,569.53</b>	<b>422.27</b>	<b>1,190.22</b>	<b>581.40</b>	<b>220,118.34</b>
As at March 31, 2021	<b>15,575.48</b>	<b>10,857.65</b>	<b>10,062.06</b>	<b>178,905.02</b>	<b>423.37</b>	<b>731.98</b>	<b>578.92</b>	<b>217,134.48</b>

Notes:

# Gross block includes ₹ 368.65 Lakhs (Previous Year ₹ 328.29 Lakhs) secured by hypothecation against loan.

@ Gross Block includes ₹ 79.77 Lakhs (Previous Year ₹ 79.77 Lakhs) Pending transfer of title in the name of the Company.

### 3. Investment Property

(₹ in Lakhs)

Particulars	Amount
<b>Gross block As at March 31, 2019</b>	<b>835.03</b>
Additions	-
Disposals	1.49
<b>As at March 31, 2020</b>	<b>833.54</b>
Additions	-
Disposals	-
<b>As at March 31, 2021</b>	<b>833.54</b>
<b>Accumulated Depreciation As at March 31, 2019</b>	<b>17.30</b>
Charge for the year	13.76
Disposals	-
<b>As at March 31, 2020</b>	<b>31.06</b>
Charge for the year	13.74
Disposals	-
<b>As at March 31, 2021</b>	<b>44.80</b>
<b>Net Carrying Amount</b>	
As at March 31, 2020	802.48
As at March 31, 2021	788.74
<b>Fair Value</b>	
As at March 31, 2020	976.22
As at March 31, 2021	976.22



## Notes to Consolidated Financial Statements

	2020-21	2019-20
Rental Income derived from investment properties	38.36	19.09
Direct operating expenses	3.63	3.16
<b>Profit arising from investment properties</b>	<b>34.73</b>	<b>19.09</b>

### 4. Other Intangibles

		(₹ in Lakhs)
Particulars		Amount
<b>Computer Software</b>		
<b>Gross block As at March 31, 2019</b>		<b>90.25</b>
Additions		205.83
Disposal		-
<b>As at March 31, 2020</b>		<b>296.08</b>
Additions		7.69
Disposals		-
<b>As at March 31, 2021</b>		<b>303.77</b>
<b>Accumulated Amortisation As at March 31, 2019</b>		<b>81.07</b>
Charge for the year		11.02
Disposals		-
<b>As at March 31, 2020</b>		<b>92.09</b>
Charge for the year		24.59
Disposals		-
<b>As at March 31, 2021</b>		<b>116.68</b>
<b>Net Carrying Amount</b>		
As at March 31, 2020		203.99
As at March 31, 2021		187.09

### 5. Right to use assets

		(₹ in Lakhs)
Particulars		Amount
<b>Gross block As at March 31, 2019</b>		<b>2,299.27</b>
Additions		-
Disposal		-
<b>As at March 31, 2020</b>		<b>2,299.27</b>
Additions		-
Disposals		-
<b>As at March 31, 2021</b>		<b>2,299.27</b>
<b>Accumulated Amortisation As at March 31, 2019</b>		<b>-</b>
Charge for the year		576.00
Disposals		-
<b>As at March 31, 2020</b>		<b>576.00</b>
Charge for the year		574.42
Disposals		-
<b>As at March 31, 2021</b>		<b>1,150.42</b>
<b>Net Carrying Amount</b>		
As at March 31, 2020		1,723.27
As at March 31, 2021		1,148.85

### 6. NON CURRENT ASSETS : INVESTMENTS IN JOINT VENTURES

Particulars	(₹ in Lakhs), except as otherwise stated					
	As at March 31, 2021			As at March 31, 2020		
	No. of shares	Face Value	Amount	No. of shares	Face Value	Amount
<b>- UNQUOTED</b>						
<b>(A) Investment in Equity Instruments</b>						
<b>Joint Venture</b>						
Kashipur Infrastructure and Freight Terminal Pvt Ltd.	2,674,418	₹ 10.00	2,706.61	2,674,418	₹ 10.00	2,634.72
			<b>2,706.61</b>			<b>2,634.72</b>



## Notes to Consolidated Financial Statements

### 7. Non Current Loans

(₹ in Lakhs)		
Particulars	As at March 31, 2021	As at March 31, 2020
<b>Other Loans</b>		
Loans to Employee		
- Unsecured, considered good	74.16	73.40
	<b>74.16</b>	<b>73.40</b>

### 8. Other non-Current financial assets

(₹ in Lakhs)		
Particulars	As at March 31, 2021	As at March 31, 2020
<b>Bank deposits with remaining maturity of more than 12 months (Note no. 13)*</b>	1,393.44	1,456.00
<b>Security Deposits</b>		
- Unsecured, considered good#	3,379.10	3,254.23
<b>Interest receivable</b>	-	128.35
	<b>4,772.54</b>	<b>4,838.58</b>

\* Pledged with bank/Government Authorities as margin money/security against guarantees, packing credit facility and other borrowings maturing after 12 months

# Includes ₹ 1,387.39 lakhs (Previous Year ₹ 1,341.34 lakhs) (net of deferred expenditure) security deposit to director, private companies in which director/directors of company is director and are also related parties.

### 9. Other non-current assets

(₹ in Lakhs)		
Particulars	As at March 31, 2021	As at March 31, 2020
<b>Capital Advances</b>		
- Unsecured, considered good	1,218.56	1,199.60
<b>Advances other than capital advances:</b>		
- Prepaid Expenses	140.62	164.61
- Deferred Expenditure	151.86	195.26
	<b>292.48</b>	<b>359.87</b>
	<b>1,511.04</b>	<b>1,559.47</b>

### 10. Inventories (At lower of cost and net realisable value)

(₹ in Lakhs)		
Particulars	As at March 31, 2021	As at March 31, 2020
Raw Materials	14,490.93	16,447.85
Add: Goods in transit	7,566.33	3,216.85
	<b>22,057.26</b>	<b>19,664.70</b>
Work-in-Process	7,971.83	6,595.79
Finished Goods	3,599.72	8,575.45
Add: Goods in transit	68.81	-
	<b>3,668.53</b>	<b>8,575.45</b>
Stores and Spares	27,151.80	33,087.31
Stock - in - Trade	2.57	4.32
Residue Product	69.70	238.50
Scrap	4.19	4.25
Loose Tools	49.35	48.61
	<b>60,975.23</b>	<b>68,218.93</b>



## Notes to Consolidated Financial Statements

11. Trade Receivables		
(₹ in Lakhs)		
Particulars	As at March 31, 2021	As at March 31, 2020
- Considered good-secured	-	-
- Considered good-Unsecured	36,171.68	56,872.22
- Trade Receivables which have significant increase in Credit Risk	-	-
- Trade Receivables credit impaired	78.79	373.51
Less: Loss Allowance	(78.79)	(373.51)
	<b>36,171.68</b>	<b>56,872.22</b>

12. Cash & Cash Equivalents		
(₹ in Lakhs)		
Particulars	As at March 31, 2021	As at March 31, 2020
<b>Balances with Banks</b>		
- On Current Accounts	303.80	329.32
- Cash on Hand	35.31	35.55
	<b>339.11</b>	<b>364.87</b>

13. Bank balance other than cash & cash equivalents		
(₹ in Lakhs)		
Particulars	As at March 31, 2021	As at March 31, 2020
<b>Other bank balances</b>		
- In Fixed Deposit Accounts * - Current	9,313.39	8,666.29
- In Fixed Deposit Accounts * - Non current	1,293.50	1,456.00
- On Unpaid Dividend Accounts	101.70	140.13
	<b>10,708.59</b>	<b>10,262.42</b>
Less: Amount disclosed under Other Non Current Assets (Note No 8)	1,293.50	1,456.00
	<b>9,415.09</b>	<b>8,806.42</b>

\* Pledged with bank/Government Authorities as margin money/security against guarantees, packing credit facility and other borrowings maturing after 12 months.

14. Current loans		
(₹ in Lakhs)		
Particulars	As at March 31, 2021	As at March 31, 2020
<b>a) Inter Corporate Deposits (ICD)</b>		
- Unsecured, considered good	2,544.50	2,544.50
<b>b) Advances To Employees</b>		
- Unsecured, considered good	3.67	6.96
- Loans which have significant increase in Credit Risk	-	-
- Loans- Credit Impaired	15.86	15.86
Less: Provision/ Allowance for Doubtful ICD	(15.86)	(15.86)
	<b>2,548.17</b>	<b>2,551.46</b>



## Notes to Consolidated Financial Statements

### 15. Other financial assets

(₹ in Lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
Export Incentive receivable - Duty Drawback	204.73	361.84
Interest receivable	1,323.10	2,080.17
Others (including security deposit, claims & other receivable)*	17,102.84	17,943.84
Less : Provision/ Allowance for doubtful other financial assets	(13,480.83)	(14,431.48)
	3,622.01	3,512.36
	<b>5,149.84</b>	<b>5,954.37</b>

### 16. Current tax assets (Net)

(₹ in Lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
Advance Income Tax/ Tax deducted at source	1,605.02	30.39
(net of income tax provision )	<b>1,605.02</b>	<b>30.39</b>

### 17. Other current assets

(₹ in Lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
Export Incentive receivable	934.77	683.99
Balance with Excise and Other Authorities	4,243.70	4,357.25
Deposits with Government Departments & Others	800.95	881.26
Prepaid expenses	4,078.97	4,329.68
Other Advances:		
Advances recoverable in cash or in kind or for value to be received	6,492.41	6,447.66
Doubtful advances	204.11	8,657.94
	<b>6,696.52</b>	<b>15,105.60</b>
Less : Provision/ Allowance for doubtful advances	(204.11)	(8,657.94)
	<b>6,492.41</b>	<b>6,447.66</b>
	<b>16,550.80</b>	<b>16,699.84</b>



## Notes to Consolidated Financial Statements

### 18. EQUITY SHARE CAPITAL

(₹ in Lakhs), except as otherwise stated

Particulars	As at March 31, 2021	As at March 31, 2020
<b>Authorised :</b>		
45,000,000 Equity Shares of ₹ 10/- each	4,500.00	4500.00
	<b>4,500.00</b>	<b>4,500.00</b>
<b>Issued, Subscribed and paid up :</b>		
30,961,500 Equity Shares of ₹ 10/- each fully paid up	3,096.15	3,096.15
<b>Total Equity share capital</b>	<b>3,096.15</b>	<b>3,096.15</b>

#### a) Terms/rights attached to equity shares:

The Company has only one class of shares referred to as equity shares having a par value of ₹ 10/- per share. Each holder of equity shares is entitled to one vote per share.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

#### b) Details of shareholders holding more than 5% equity shares in the company

Name of Shareholders	As at March 31, 2021		As at March 31, 2020	
	No. of Shares	% of holding	No. of Shares	% of holding
Kashipur Holdings Limited	11,808,472	38.14%	10,352,406	33.44%
Executors to the Estate of Late Sajani Devi Bhartia*	2,100,249	6.78%	2,100,249	6.78%

#### c) Reconciliation of the number of shares outstanding at the beginning and at the end of the reporting period

Particulars	No. of Shares As at March 31, 2021	No. of Shares As at March 31, 2020
Shares outstanding as at the beginning of the year	30,961,500	30,961,500
Additions during the year	-	-
Deletions during the year	-	-
Shares outstanding as at the end of the year	<b>30,961,500</b>	<b>30,961,500</b>

d) In last 5 years there was no Bonus Issue, buy back and /or issue of shares other than for cash consideration.



## Notes to Consolidated Financial Statements

### 18A. Other Equity

(₹ in Lakhs)

Particulars	Reserve & Surplus							Other Comprehensive Income		Total
	Securities Premium	Reserve for Contingencies	Molasses Reserve	General Reserve	Retained Earnings	Capital Reserve	Capital Redemption Reserve	Items of Other Comprehensive Income that will not be classified to profit & loss	Items of Other Comprehensive Income that will be classified to profit & loss*	
<b>Balance As at March 31, 2019</b>	3,958.36	200.00	1.89	10,600.44	77,817.36	416.00	0.19	98.23	74.10	93,166.57
Profit / (Loss) for the year					11,465.57					11,465.57
Re-measurement of the net defined benefit Plans								(11.37)		(11.37)
Dividend Paid					(4,479.09)					(4,479.09)
Addition on account of purchase of shares of JV					273.03					273.03
Exchange differences on translating the financial statement of foreign subsidiary									(124.26)	(124.26)
<b>Balance As at March 31, 2020</b>	3,958.36	200.00	1.89	10,600.44	85,076.87	416.00	0.19	86.86	(50.16)	100,290.45
Profit / (Loss) for the year					13,160.71					13,160.71
Re-measurement of the net defined benefit Plans								294.59		294.59
Exchange differences on translating the financial statement of foreign subsidiary							-		10.41	10.41
<b>Balance As at March 31, 2021</b>	3,958.36	200.00	1.89	10,600.44	98,237.58	416.00	0.19	381.45	(39.75)	113,756.16

#### Nature of reserves

Reserve from Contingencies are created in earlier years to meet any contingencies in future and in the nature of free reserve..

General reserve amount transferred/ apportioned represents is in accordance with Indian Corporate law (The Companies Act, 1956) wherein a portion of profit is apportioned to general reserve, before a company can declare dividend.

Other comprehensive Income Reserve represent the balance in equity for items to be accounted in Other Comprehensive Income. OCI is classified into i) Items that will not be reclassified to profit & loss ii) Items that will be reclassified to profit & loss.

Capital reserve was created on reversal of provision for diminution in value of investment.



## Notes to Consolidated Financial Statements

### 19. Non-current borrowings

(₹ in Lakhs)

	Non-Current Portion		Current Maturities	
	As at March 31, 2021	As at March 31, 2020	As at March 31, 2021	As at March 31, 2020
<b>SECURED LOANS</b>				
Rupee Term Loans				
- from Banks & NBFCs	36,212.52	35,487.06	11,699.99	8,848.59
- Vehicle Loan & others	294.86	484.59	61.33	63.70
- Foreign Currency Term Loans from Banks	7,939.57	-	1,428.000	-
	<b>44,446.95</b>	<b>35,971.65</b>	<b>13,189.32</b>	<b>8,912.29</b>
<b>UNSECURED LOANS</b>				
Loan from (Body Corporates)	6,375.00	4,750.00	-	-
	<b>6,375.00</b>	<b>4,750.00</b>	-	-
Less: Amount disclosed under the head "other financial liabilities "( Note No. 26)			13,189.32	8,912.29
<b>Total Non- Current Borrowings</b>	<b>50,821.95</b>	<b>40,721.65</b>	-	-

Note - in respect of security clause & repayment are disclosed in separate respective financial statements of the company and its subsidiaries.

### 20. Other non-current financial liabilities

(₹ in Lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
Security Deposits	4,242.92	2,794.42
	<b>4,242.92</b>	<b>2,794.42</b>

### 21. Provisions

(₹ in Lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
<b>Provision for employee benefits</b>		
- Leave Encashment	595.00	617.43
	<b>595.00</b>	<b>617.43</b>

### 22. Deferred Tax Liabilities (Net)

(₹ in Lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
<b>Deferred Tax Assets :-</b>		
Amount covered U/s 43B of Income Tax Act, 1961	262.13	517.49
Provision for doubtful debts / advances	512.15	788.87
Others	513.84	754.94
<b>Gross Deferred tax Assets</b>	<b>1,288.12</b>	<b>2,061.30</b>
<b>Deferred Tax Liabilities :-</b>		
Property, Plant & Equipment	36,952.17	49,168.97
Others	80.13	844.02
<b>Gross Deferred tax Liability</b>	<b>37,032.30</b>	<b>50,012.99</b>
<b>MAT credit entitlements</b>	-	<b>15,998.12</b>
<b>Net Deferred Tax Liability</b>	<b>35,744.18</b>	<b>31,953.57</b>



## Notes to Consolidated Financial Statements

### 23. Other non-current liabilities

Particulars	(₹ in Lakhs)	
	As at March 31, 2021	As at March 31, 2020
Advance from Customers*	25,870.07	29,044.98
Deferred Income-Govt Grant & Security Deposit	296.85	327.06
	<b>26,166.92</b>	<b>29,372.04</b>

\* Long term export advance received from customers with supply schedule over period of 8-10 years. Export advance are secured by Guarantees given by State Bank of India (SBI) to the customers, while other export performance bank guarantee (EPBG) member banks have given counter guarantee in favour of SBI. Such guarantee are secured by first charge on the fixed assets and second charge on the current assets of the Company on pari passu basis.

### 24. Current Borrowings

Particulars	(₹ in Lakhs)	
	As at March 31, 2021	As at March 31, 2020
<b>a) Secured Loans</b>		
Loans repayable on demand from Banks:		
- Working Capital Loans*	41,013.30	41,300.42
<b>Secured borrowings</b>	<b>41,013.30</b>	<b>41,300.42</b>
<b>b) Unsecured Loans</b>		
Loan from Others	7,275.50	7,125.50
<b>Unsecured borrowings</b>	<b>7,275.50</b>	<b>7,125.50</b>
	<b>48,288.80</b>	<b>48,425.92</b>

\* Working Capital Loans from Banks are secured / to be secured by way of hypothecation of book debts and stocks including in-transit and other specified movable properties and second charge on all immovable properties of the Company. Buyers Credit facility is secured against non-fund based facility sanctioned to the Company.

### 25. Trade Payable

Particulars	(₹ in Lakhs)	
	As at March 31, 2021	As at March 31, 2020
Payable to Micro Enterprises and Small Enterprises	18.04	18.04
Payable to Others	58,060.11	72,184.51
	<b>58,078.15</b>	<b>72,202.55</b>

### 26. Other current financial liabilities

Particulars	(₹ in Lakhs)	
	As at March 31, 2021	As at March 31, 2020
Current maturities of long term borrowings (Note No. 19)	13,189.32	8,912.29
Interest accrued but not due on borrowings	1,264.61	1,407.22
Capital Payables	13,957.50	16,879.46
Retention Money	4,577.86	4,811.38
Expenses payable (Including derivative liabilities)	4,895.97	4,539.28
Investor education & protection fund shall be credited by the following amounts when due:		
(i) Unclaimed Dividends	101.70	140.13
(ii) Unclaimed matured deposits	-	-
(iii) Unclaimed interest on above (ii)	-	-
Other Payables	1,718.40	2,974.12
	<b>39,705.36</b>	<b>39,663.88</b>



## Notes to Consolidated Financial Statements

### 27. Other current liabilities

Particulars	(₹ in Lakhs)	
	As at March 31, 2021	As at March 31, 2020
Duties, taxes and other statutory dues	1,572.58	1,079.43
Advance from Customers	24,389.74	34,065.06
Deferred Income Govt Grant & others	47.93	50.43
Advance received for sale of PPE	-	800.00
Other Payables	184.26	301.51
Provision for State excise duty on closing stock	94.55	94.55
	<b>26,289.06</b>	<b>36,390.98</b>

### 28. Current Provisions

Particulars	(₹ in Lakhs)	
	As at March 31, 2021	As at March 31, 2020
<b>Provision for employee benefits</b>		
- Gratuity	-	468.43
- Leave Encashment	324.53	298.12
	<b>324.53</b>	<b>766.55</b>

### 29. Current tax liabilities (Net)

Particulars	(₹ in Lakhs)	
	As at March 31, 2020	As at March 31, 2020
<b>Provision for MAT</b>	-	463.39
	-	<b>463.39</b>

### 30. Revenue from Operations

Particulars	(₹ in Lakhs)	
	Year Ended March 31, 2021	Year Ended March 31, 2020
<b>a) Sales of Products</b>		
Glycols & Others	104,142.89	113,467.04
Power Alcohol (DAE)	7,363.09	14,341.95
Guar Gum Powder and derivatives	2,331.02	3,001.55
Ethyl Alcohol (Potable)	371,785.05	301,368.93
Industrial Gases	4,114.21	4,039.06
Sale of traded goods		
Chemical and oil Products	30,148.76	59,909.29
Nutraceutical	14,754.13	17,751.51
	<b>534,639.15</b>	<b>513,879.33</b>
<b>b) Sales of Service</b>	1,227.73	1,031.71
	<b>1,227.73</b>	<b>1,031.71</b>
<b>c) Other Operating Revenue</b>		
Provision no longer required/ Sundry balances written back	1,684.13	532.35
Export Incentive	862.05	1,567.71
Miscellaneous Income	4,334.10	4,698.51
	<b>6,880.28</b>	<b>6,798.57</b>
<b>Total Revenue from operations</b>	<b>542,747.16</b>	<b>521,709.61</b>



## Notes to Consolidated Financial Statements

### 31. Other Income

(₹ in Lakhs)		
Particulars	Year Ended March 31, 2021	Year Ended March 31, 2020
Interest	614.42	644.89
Rent	38.36	19.50
Capital Advance forfeited	800.00	-
Profit on sale of Property, Plant & Equipment	3.17	11.91
Govt Grant	30.21	39.03
Miscellaneous Income	39.96	161.20
	<b>1,526.12</b>	<b>876.53</b>

### 32. Cost of Materials Consumed

(₹ in Lakhs)		
Particulars	Year Ended March 31, 2021	Year Ended March 31, 2020
Raw Materials	102,587.53	104,305.00
Packing Material	15,972.13	14,544.12
	<b>118,559.66</b>	<b>118,849.12</b>

### 33. Purchase of Stock-In-Trade

(₹ in Lakhs)		
Particulars	Year Ended March 31, 2021	Year Ended March 31, 2020
Chemical and Oil Products	<b>32,826.86</b>	63,089.24

### 34. Changes in Inventories of Finished Goods, Work- In-Progress and Stock-in-Trade

(₹ in Lakhs)		
Particulars	Year Ended March 31, 2021	Year Ended March 31, 2020
<b>CLOSING STOCK</b>		
Finished Goods	3,599.72	3,336.92
Work-in-Process	7,971.83	6,595.79
Residue Product	69.70	238.50
	<b>11,641.25</b>	<b>10,171.21</b>
<b>OPENING STOCK</b>		
Finished Goods	3,336.92	5,667.91
Work-in-Process	6,595.79	7,090.80
Residue Product	238.50	76.45
Change in inventories of finished goods, work-in-progress and Stock-in-trade	<b>1,470.04</b>	<b>2,663.95</b>
	<b>10,171.21</b>	<b>12,835.16</b>



## Notes to Consolidated Financial Statements

### 35. Employee Benefit Expenses

(₹ in Lakhs)

Particulars	Year Ended March 31, 2021	Year Ended March 31, 2020
Salaries, Wages, Allowances, etc.	7,366.41	8,280.62
Contribution to Provident and other Funds	582.22	583.39
Employees' Welfare and other Benefits	384.16	464.03
	<b>8,332.79</b>	<b>9,328.04</b>

### 36. Finance Costs

(₹ in Lakhs)

Particulars	Year Ended March 31, 2021	Year Ended March 31, 2020
Interest on Fixed Loans	3,191.00	3,631.11
Other Interest	3,945.97	4,965.70
Other Borrowing Cost		
Financial Charges	1,515.78	1,417.29
	<b>8,652.75</b>	<b>10,014.10</b>
Less: Interest Received on temporary deposits	314.45	324.04
	<b>8,338.30</b>	<b>9,690.06</b>

a) Forex losses treated as finance cost ₹ 286.63 lakhs (previous year ₹ 350.10) as per IND AS23 -Borrowing Costs.

b) Net of ₹ 2038.82 Lakhs (previous year ₹1862.48) interest capitalised during the year as per IND AS 23- Borrowing Costs. .

### 37. Depreciation and Amortisation Expense

(₹ in Lakhs)

Particulars	Year Ended March 31, 2021	Year Ended March 31, 2020
Depreciation on Property, Plant & Equipment	7,399.09	7,152.33
Depreciation on Right to use assets	574.42	576.00
Depreciation on Investment Property	13.74	13.76
Amortisation on other intangible assets	24.59	11.02
	<b>8,011.84</b>	<b>7,753.11</b>



## Notes to Consolidated Financial Statements

### 38. Other Expenses

(₹ in Lakhs)				
Particulars		Year Ended March 31, 2021		Year Ended March 31, 2020
Stores and spares consumed		4,329.09		4,222.20
Power and Fuel		21,393.28		25,034.32
Repairs and Maintenance				
- Buildings		559.65		481.27
- Plant and Equipment		2,431.09		2,267.73
- Others		637.70		647.01
Rent		129.22		73.21
Rates and Taxes		1,818.11		2,004.51
Travelling and Conveyance		646.78		954.61
Insurance		1,350.36		790.30
Directors' sitting Fee		35.86		23.30
Commission to Selling agents		901.78		589.35
Freight forwarding and others (Net of recovery from customers / provision written back)		6,175.03		6,334.67
Exchange Fluctuation loss/ (gain) (Net)*		1,499.05		3,777.84
Bad debts written off	697.04	-	493.32	
Less : Provision for doubtful debts Advance written back	294.72	402.32	493.32	13.53
		8.70		3.61
Loss on Sale / Discard of Property, Plant & Equipment		2,323.94		2,455.49
Legal & Professional		2,008.33		2,062.04
Printing & Stationery, Postage, Telephone, security and other Miscellaneous Expenses				
		<b>46,650.29</b>		<b>51,734.99</b>

\* Net of Forex losses treated as finance cost ₹ 286.63 Lakhs (Previous Year ₹ 350.10) as per IND AS 23- Borrowing Costs.

### Notes accompanying to the consolidated financial statements for the Year Ended 31.03.2021

#### 39. (A) Contingent Liabilities not Provided For

(i) In respect of :-

(₹ in Lakhs)			
S. No	Particulars	As at March 31, 2021	As at March 31, 2020
1	Central Excise/ State Excise @	2015.69	1999.80
2	Customs	971.74	971.74
3	Service Tax	13.80	16.28
4	Sales Tax	45.61	140.40
5	Other matters	180.79	210.52
	<b>Total</b>	<b>3227.63</b>	<b>3,338.74</b>

@ Excluding show cause notice (SCNs), where management is confident that on merits SCNs will be dropped and also as legally advised possibility of an outflow of fund is remote.

- (ii) In respect of subsidiary company (SSAIL), claims against the Company not acknowledged as debts ₹127.33 Lakhs (Previous Year: ₹ 336.19 Lakhs).
- (iii) Bills discounted with banks/others ₹ 660.44 Lakhs (Previous Year: ₹ 2,084.55 Lakhs).



## Notes to Consolidated Financial Statements

- (iv) In respect of subsidiary company (SSAIL), Recovery Charges claimed by S.D.M. Behat towards payment of cane dues ₹ 66.82 Lakhs (Previous Year ₹ 66.82 Lakhs) including the interest on cane dues ₹ 46.89 Lakhs (Previous Year ₹ 46.89 Lakhs).
- (B)** Custom duty saved on import of raw material under Advance License pending fulfillment of export obligation amounting to ₹ 596.97 Lakhs (Previous Year ₹ 1,212.05 Lakhs). The Management is of the view that considering the past export performance and future prospects there is certainty that pending export obligation under advance licenses will be fulfilled before expiry of the validity of respective advance licenses, accordingly and also on "Going Concern Concept" basis there is no need to make any provision for custom duty saved.
- (C)** Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances of ₹ 1218.56 Lakhs, Previous Year ₹ 1,199.60 Lakhs) are ₹ 8365.16 Lakhs (Previous Year ₹ 7863.59 Lakhs).
- 40.** In the earlier years, the State Government of Uttar Pradesh (UP) had imposed a levy of license fee on transfer of alcohol from the distillery to the chemical plant. The levy was challenged by the Company in the Hon'ble Supreme Court and on October 18, 2006 the matter was finally decided by The Hon'ble Supreme Court in favour of the Company. Accordingly, Company had filed an application for refund of amount paid ₹ 507.05 Lakhs (Previous Year ₹ 507.05 Lakhs) (shown as recoverable under the head Other Current Assets) with State Government of Uttarakhand, which is still pending for refund of the amount.
- 41.** In the earlier years, the State Government of Uttarakhand had levied Export Pass Fee on ENA/R.S. export outside India. The matter is finally disposed of by Hon'ble High Court of Uttarakhand vide its Order dated 9th January, 2012 and has declared the levy of said fee as unsustainable and irrecoverable. Subsequently, on June 8, 2012, vide Uttarakhand Excise (Amendment) Act, 2012, vide Uttarakhand Excise (Amendment) Uttarakhand Government retrospectively revived old notification relating to imposition of export fee on ENA and R.S. The Company filed Writ Petition challenging the above said notification and vide order dated September 12, 2012 the Hon'ble High Court of Uttarakhand has granted stay and restrained State from imposing export fee. Amount of ₹ 106.15 Lakhs (Previous Year ₹ 106.15 Lakhs) paid under protest is shown as recoverable from State Govt. of Uttarakhand, under the head Other Current Assets.
- 42.** During the year, Directorate of Revenue Intelligence (DRI) issued summons to the Company in connection with investigation in respect to import of Denatured Ethyl Alcohol by importer other than manufacturer of Excisable Goods and as per DRI, Company was not eligible for lower rate of BCD @ 2.5% under notification no. 50/2017 dated 30.06.2017. The Company has filed Writ Petition before Gujarat High Court that Company is eligible to avail benefit of concessional rate of 2.5% BCD on import of DEA and for quashing of investigations initiated by DRI. A sum of ₹ 750.00 Lakhs (Previous Year ₹ NIL) paid under protest is shown as recoverable from department, under the head Other Current Assets.
- 43.** a) During the current year, the Company paid ₹ 177.69 lakhs as uncharged bank guarantee commission and ₹90.88 lakhs as interest on the same against settlement of dispute with the Central Bank of India. Subsequently, the Central Bank of India has issued 'no dues certificate' to the Company vide its letter dated 15.12.2020.
- (b) The subsidiary company, IGL Finance Limited, had invested funds for short term in commodity financing contracts offered by National Spot Exchange Limited (NSEL). NSEL has defaulted in settling the contracts on due dates. IGL Finance has made a loss allowance of ₹ 11,719.71 Lakhs based on expected credit loss Policy and other estimation made by the management and for balance ₹ 2,333.86 Lakhs, the management and IGLFL is confident for recovery of dues from NSEL over a period of time and hence shown as good (considering the arrangement of merger of NSEL with Financial Technologies (India) Limited (FTIL) and other measure which have so far been taken for and pending before the Govt. and other authorities and current scenario/present state of affairs).

### 44. Financial risk management objectives and Policies

The Company's activities are exposed to a variety of financial risks from its operations. The key financial risks include market risk (including foreign currency risk, interest rate risk and commodity risk etc.), credit risk and liquidity risk. The company's overall risk management policy seeks to minimize potential adverse effects on company's financial performance.

(i) **Market Risk:** Market Risk: Market risk is the risk that the fair value of future cash flow of a financial instruments will fluctuate because of change in market prices. Market risk comprises mainly three types of risk: interest rate, currency risk and other price risk such as commodity price risk.

(a) **Foreign Currency Risk:** Foreign Currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The company has obtained foreign



## Notes to Consolidated Financial Statements

currency borrowing and has foreign currency trade payable and receivable and is therefore, exposed to foreign exchange risk.

After taking cognizance of the natural hedge, the company takes appropriate hedge to mitigate its risk resulting from fluctuation in foreign currency exchange rate(s).

**Foreign Currency sensitivity:** : The following tables demonstrate the sensitivity to a reasonable possible change in Foreign Currency with all other variable held constant. The impact on company's profit/(loss) before tax is due to change in the foreign exchange rate for:

(₹ in Lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
Change in USD	+ 1%	+ 1%
Effect on profit/(loss) before tax	(155.31)	(55.11)
Change in USD	-1%	-1%
Effect on profit/(loss) before tax	155.31	55.11

- (b) **Interest rate risk:-** Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Any change in the interest rates environment may impact future rates of borrowing. The company mitigates this risk by regularly assessing the market scenario, finding appropriate financial instruments, interest rate negotiation with the lenders for ensuring the cost-effective method of financing.

**Interest Rate Sensitivity:** The following table demonstrates the sensitivity to a reasonable possible change in interest rate on financial assets affected. With all other variable held constant, the company's profit before tax is affected through the impact on finance cost with respect to our borrowing, as follows:

A change in 25 basis points in interest rates would have following impact on profit/(Loss) before tax

(₹ in Lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
Change in basis point	+25	+25
Effect on profit before tax	(335.20)	(321.52)
Change in basis point	-25	-25
Effect on profit before tax	335.20	321.52

- (c) **Commodity Price risk:** The Company is affected by the price volatility of certain commodities. Its operating activities require the purchase of raw material therefore, requires a continuous supply of certain raw materials. To mitigate the commodity price risk, the Company has an approved supplier base to get competitive prices for the commodities and to assess the market to manage the cost without any compromise on quality.

(ii) **Credit Risk:**

Credit risk refers to risk that a counter party will default on its contractual obligations resulting in financial loss to the Company. Credit risk arises primarily from financial assets such as trade receivables, Inter Corporate deposit, derivative financial instruments, other balances with banks, loans and other receivables. The Company's exposure to credit risk is disclosed in Note 7, 8, 11, 14 & 15.

Credit risk arising from investment derivative financial instruments and other balances with banks is limited and there is no collateral held against these because the counter parties are banks and recognised financial institutions with high credit ratings.

The Company applies expected credit losses (ECL) model for measurement and recognition of loss allowance on the following:

i. Trade receivables

ii. Financial assets measured at amortized cost (other than trade receivables)

In case of trade receivables, the Company follows a simplified approach wherein an amount equal to lifetime ECL is measured and recognized as loss allowance.



## Notes to Consolidated Financial Statements

The ageing of the trade receivables are given below:

(₹ in Lakhs)

Particulars	Due Ageing			Total
	Upto 6 Months	6-12 Months	Above 12 Months	
<b>Trade Receivables</b>				
<b>As at March 31, 2021</b>				
Unsecured*	33,920.14	465.51	1864.82	36,250.47
Provision/Allowance for Doubtful Receivables	-	-	(78.79)	(78.79)
<b>Net Total</b>	<b>33,920.14</b>	<b>465.51</b>	<b>1786.03</b>	<b>36,171.68</b>
<b>As at March 31, 2020</b>				
Unsecured*	55,219.88	569.42	1,456.43	57,245.73
Provision/Allowance for Doubtful Receivables	-	-	(373.51)	(373.51)
<b>Net Total</b>	<b>55,219.88</b>	<b>569.42</b>	<b>1,082.92</b>	<b>56,872.22</b>

ECL impairment loss allowance (or reversal) recognized during the period is recognized as income/ expense in the Statement of Profit and Loss under the head 'Other expenses. The balance sheet presentation for financial instruments is described below:

Financial assets measured as at amortised cost: ECL is presented as an allowance, i.e., as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write-off criteria, the company does not reduce impairment allowance from the gross carrying amount.

- (iii) **Liquidity Risk:** Liquidity risk is the risk, where the company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The company's approach to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when due.

The table below summarizes the maturity profile of company's financial liabilities based on contractual undiscounted payments:-

(₹ in Lakhs)

Particulars	As at March 31, 2021					
	Carrying Amount	On Demand	< 1 Year	1 to 2 Years	>2 Years	Total
Interest bearing borrowings	1,12,300.07	48,288.80	13,189.32	15,795.23	35,026.72	1,12,300.07
Other Liabilities	32,136.46	-	27,166.40	4,970.06	-	32,136.46
Trade Payable	58,078.15	-	58,078.15	0	-	58,078.15
<b>Total</b>	<b>2,02,514.68</b>	<b>48,288.80</b>	<b>98,433.87</b>	<b>20,765.29</b>	<b>35,026.72</b>	<b>2,02,514.68</b>
Particulars	As at March 31, 2020					
	Carrying Amount	On Demand	< 1 Year	1 to 2 Years	>2 Years	Total
Interest bearing borrowings	98,059.86	48,425.92	8,912.29	12,895.56	27,826.09	98,059.86
Other Liabilities	35,410.37	-	31,238.45	4,171.92	-	35,410.37
Trade Payable	72,202.55	-	72,202.55	0	-	72,202.55
<b>Total</b>	<b>2,05,672.78</b>	<b>48,425.92</b>	<b>1,12,353.29</b>	<b>17,067.48</b>	<b>27,826.09</b>	<b>2,05,672.78</b>



## Notes to Consolidated Financial Statements

### 45. In respect of subsidiary company (SSAIL): -

- (i) The Subsidiary Company has not carried out physical verification of fixed assets during the year.
- (ii) The Management of the said subsidiary is in process of assessment of item wise details of depreciation on fixed assets and in the opinion of the management there will not be material impact on final assessment.

### 46. Corporate social responsibility (CSR)

Particulars	2020-21	2019-20
Amount required to be spent by the company during the year	135.39	10.64
Amount spent during the year	156.66	34.81
Amount unspent	NIL	NIL

### 47. Details of Loan given during the year covered under Section 186(4) of the Companies Act, 2013:

Nil

48. In respect of subsidiary SSAIL, the Company has been incurring cash losses due to which its net worth has been completely eroded and its current liabilities are far in excess of its current assets. However, the company continues to evaluate and explore options in consultation with expert(s) and stakeholders for restructuring/revival/disinvestment, hence the management of the Company considers it appropriate to prepare the Financial Statements on going concern basis despite the negative net worth on the balance sheet date.

### 49. Capital risk management

The Company's policy is to maintain an adequate capital base so as to maintain creditor and market confidence and to sustain future development. Capital includes issued capital, share premium and all other equity reserves attributable to equity holders. The primary objective of the Company's capital management is to maintain an optimal structure so as to maximize the shareholder's value. In order to strengthen the capital base, the company may use appropriate means to enhance or reduce capital, as the case may be.

The Company is not subject to any external imposed capital requirement. The company monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. Net Debt is calculated as borrowings less cash and cash equivalents.

(₹ in Lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
Borrowings	1,12,300.07	98,059.86
Less: Cash and Cash equivalents	339.11	364.87
<b>Net debt</b>	<b>111,960.96</b>	97,694.99
Equity Share Capital	3,096.15	3,096.15
Other Equity	113,756.16	100,290.45
<b>Total Capital</b>	<b>116,852.31</b>	103,386.60
<b>Capital and net debt</b>	<b>228,813.27</b>	201,081.59
<b>Gearing ratio</b>	<b>48.93%</b>	48.58%



## Notes to Consolidated Financial Statements

### 50. Derivative financial instruments

Commodity and Foreign Exchange Derivatives and exposures.

(a) Outstanding at the year- end as follows

Nature of Instruments	2020-21 Amount (FC in millions)	2020-21 Amount (₹ in Lakhs)	2019-20 Amount (FC in millions)	2019-20 Amount (₹ in Lakhs)
Forward Contracts - USD	--	--	--	--
Foreign currency options -USD	58.97	43110.02	89.68	67753.24
<b>Open foreign exchange exposures:</b>				
Packing Credit Net of Export debtors - USD	7.43	5432.13	7.89	5960.90
Loans - USD	--	--	--	--
Payable - USD	--	--	--	--

(b) The Company has derivative instruments for hedging possible losses and exchange fluctuation losses. During the year company has incurred net off loss of ₹ 1417.89 Lakhs (previous year ₹ 995.98 Lakhs - Gain) out of which gain of ₹ 318.37 Lakhs (previous year gain of ₹ 2028.48 Lakhs) relating to provision for mark to market gain/loss on account of outstanding financial transactions as on 31<sup>st</sup> March 2021.

### 51. Fair valuation techniques

The Company maintains policies and procedures to value financial assets or financial liabilities using the best and most relevant data available. The fair values of the financial assets and liabilities are included at the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

(₹ in Lakhs)

Particular	As at March 31, 2021		As at March 31, 2020	
	Carrying amount	Fair Value	Carrying Amount	Fair Value
(i) Financial Assets				
(a) At Amortized Cost				
Trade Receivable	36,171.68	36,171.68	56,872.22	56,872.22
Others	22,298.91	22,298.91	25,223.82	25,223.82
<b>Total (a) + (b)</b>	<b>58,470.59</b>	<b>58,470.59</b>	<b>82,096.04</b>	<b>82,096.04</b>
(ii) Financial Liabilities				
(a) At Fair value through Profit & Loss				
- Forward contract & Options	(318.37)	(318.37)	(2,028.48)	(2,028.48)
(b) At Amortized Cost				
- Borrowing	1,12,300.07	1,12,300.07	98,059.86	98,059.86
- Trade payable	32,136.46	32,136.46	72,202.55	72,202.55
- Others	58,078.15	58,078.15	35,410.37	35,410.37
<b>Total (a) + (b)</b>	<b>2,02,199.31</b>	<b>2,02,199.31</b>	<b>2,03,644.30</b>	<b>2,03,644.30</b>



## Notes to Consolidated Financial Statements

The following methods and assumptions were used to estimate the fair values:

- 1) Fair value of cash and deposits, trade receivables, trade payables, and other current financial assets and liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.
- 2) Fair value of borrowings from banks and other non-current financial liabilities, are estimated by discounting future cash flows using rates currently available for debt on similar terms and remaining maturities.
- 3) Other non-current receivables are evaluated by the Company, based on parameters such as interest rates, individual creditworthiness of the counterparty etc. Based on this evaluation, allowances are taken to account for the expected losses of these receivables.
- 4) The fair values of derivatives are calculated using the RBI reference rate as on the reporting date as well as other variable parameters.

### Fair Value hierarchy

All financial assets and liabilities for which fair value is measured in the financial statements are categorised within the fair value hierarchy, described as follows: -

Level 1 - Quoted prices in active markets.

Level 2 - Inputs other than quoted prices included within Level 1 that are observable, either directly or indirectly.

Level 3 - Inputs that are not based on observable market data.

The following table presents the fair value measurement hierarchy of financial assets and liabilities, which have been measured subsequent to initial recognition at fair value as at 31<sup>st</sup> March, 2021 and 31<sup>st</sup> March 2020:

(₹ in Lakhs)

Assets / Liabilities measured at fair value (Accounted)	As at March 31, 2021		
	Level 1	Level 2	Level 3
<b>Financial assets</b>	-		-
Derivatives -Forward contracts & Options		318.37	
<b>Financial liabilities</b>	-		-

(₹ in Lakhs)

Assets / Liabilities measured at fair value (Accounted)	As at March 31, 2020		
	Level 1	Level 2	Level 3
<b>Financial assets</b>	-	-	-
<b>Financial liabilities</b>	-		-
Derivatives- Forward contracts & Options		2028.48	

During the year ended March 31, 2021 and March 31, 2020, there were no transfers between Level 1 and Level 2 fair value measurements, and no transfer into and out of Level 3 fair value measurements. There is no transaction / balance under level 3.

52. In accordance with the Indian Accounting Standard (IND AS-36) on "Impairment of Assets" issued by the Institute of Chartered Accountants of India, in view of the management with respect to subsidiary SSAIL, no impairment loss on its fixed assets.

53. Earnings per share (EPS)

#### I. Continuing Operation

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
Net profit/ (loss) for the year attributable to equity shareholders (₹ in Lakhs)	10920.17	7485.00
Weighted average number of equity shares outstanding	3,09,61,500	3,09,61,500
Basic and diluted earnings per share (face value of ₹ 10 each) (₹)	35.27	24.18



## Notes to Consolidated Financial Statements

### II. Discontinuing Operation

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
Net profit/ (loss) for the year attributable to equity shareholders (₹ in Lakhs)	2240.54	3980.57
Weighted average number of equity shares outstanding	3,09,61,500	3,09,61,500
Basic and diluted earnings per share (face value of ₹ 10 each) (₹)	7.24	12.86

### III. Continuing & Discontinuing Operation

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
Net profit/ (loss) for the year attributable to equity shareholders (₹ in Lakhs)	13160.71	11465.57
Weighted average number of equity shares outstanding	3,09,61,500	3,09,61,500
Basic and diluted earnings per share (face value of ₹ 10 each) (₹)	42.51	37.03

### 54. Related Parties Disclosure (As identified by the management):

#### A. Key Management Personnel

- U. S. Bhartia (Chairman and Managing Director)
- Pragya Bhartia Barwale (Executive Director) w.e.f. 24.06.2020
- Sudhir Agarwal (Executive Director)
- Jayshree Bhartia (Non – Executive Director)
- Pradip Kumar Khaitan (Independent Director)
- Jitender Balakrishnan (Independent Director)
- Ravi jhunjhunwala (Independent Director)
- Jagmohan N. Kejriwal (Independent Director)
- Sajeve Bhushan Deora (Independent Director)
- Shukla Wassan (Independent Director) (w.e.f. 01.04.2020)
- Rakesh Bhartia (Chief Executive Officer) – [Till 16.06.2020 (Close of business hours)]
- Rupak Sarswat (Chief Executive Officer) - [From 21.12.2020]
- Anand Singhal (Chief Financial Officer)
- Ankur Jain (Company Secretary)

#### B. Relatives of Key Management Personnel

- Executors to the estate of Late Sajani devi Bhartia
- Pragya Bhartia Barwale (Till 23.06.2020)
- Shirish Barwale
- Pooja Bhartia
- Vedant Jhaver
- Anand Singhal (HUF)
- Rakesh Bhartia (HUF) [Till 16.06.2020]
- Smita Bhartia [Till 16.06.2020]

#### C. Enterprises over which Key Management Personnel have significant influence:

- Ajay Commercial Co. (P) Ltd.
- J. B. Commercial Co. (P) Ltd.
- Kashipur Holdings Limited
- Polylink Polymers (India) Ltd.
- Hindustan Wires Limited
- Supreet Vyapaar (P) Ltd.
- Mayur Barter (P) Ltd.
- Facit Commosales (P) Ltd.
- J. Boseck & Co. (P) Ltd.
- IGL Infrastructure Private Limited. (IGL Infra)
- Khaitan & Company
- Khaitan & company LLP
- Lund & Blockley Pvt. Ltd
- Sukhvarsha Distributors Pvt. Ltd

#### D. Joint venture enterprises

- Kashipur Infrastructure And Freight Terminal Private Limited (KIFTPL)

#### E. Trust under company control

- India Glycols Limited Employees Group Gratuity Trust Scheme



## Notes to Consolidated Financial Statements

(₹ in Lakhs)

Related Party	Significant Influence		Joint venture		Key Managerial Person		Relative of KMP	
	2021	2020	2021	2020	2021	2020	2021	2020
<b>Transaction Summary</b>								
Purchase of Material		-		-		-		-
Purchase of Services		-	<b>358.54</b>	450.13		-		-
Sale of Material	<b>1724.64</b>	574.53	<b>0.64</b>	-		-		-
Legal & Professional Fee	<b>112.34</b>	104.3		-		-		-
Directors sitting Fees		-		-	<b>33</b>	23.3		-
ICD given		-		-		-		-
ICD Received Back		-		-		-		-
Dividend Paid		1921.82		-		81.33		263.8
Interest Income		-		-		-		-
Interest Waived-Off		-		-		-		-
Commission Paid		-		-	<b>340.6</b>	848.49		-
Investment in Equity Shares		-		263.82		-		-
Sale of Investment in Equity Share		-		-		-		-
Reimbursement of Expenses made	<b>32.29</b>	40.73		-		-		-
Reimbursement of Expenses Received	9.28	10.34	<b>69.08</b>	12.16		-		-
Purchase of Capital Equipment		-		-		-		-
ICD Received	2010	3,750.00		-		-		-
ICD Paid Back	<b>1335</b>	1950		-		-		-
Capital Advances Given		-		-		-		-
Capital Advances Received back		-		-		-		-
Interest Expense	<b>395.62</b>	270.68		-		-		-
Rent & maintenance Paid	<b>1,019.01</b>	1,049.23		-	<b>24</b>	24		-
Vehicle Lease Rent		-		-		-	<b>12</b>	<b>21</b>
Salary Paid		-		-	<b>353.52</b>	319.77	<b>6.35</b>	<b>28.01</b>
Managerial Remuneration		-		-	<b>689.36</b>	679.03		-
Balance Outstanding								
Payable								
ICD Payable (including Accrued Interest)	<b>3632.44</b>	2410.02		-		-		-
Others	<b>14.57</b>	129.01	<b>4.43</b>	-	<b>1.7</b>	18.94	<b>0.74</b>	<b>1.72</b>
Receivable(Unsecured)								
ICD (including accrued interest)*		-		-		-		-
Capital Advance Given		-		-		-		-
Security Deposit Receivable	<b>1,063.85</b>	1,063.85		-	<b>500</b>	500		-
Others*	<b>160.89</b>	4.73	<b>13.39</b>	6.96	<b>4.16</b>	10.28	<b>0.32</b>	<b>0.32</b>
Provision/allowance for above Receivables								
Provision/allowance for Doubtful ICD*		-		-		-		-
Provision/allowance for Doubtful Others*		-		-		-		-



## Notes to Consolidated Financial Statements

### (ii) (a) Remuneration/Salary paid to KMP

(₹ in Lakhs)

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
<b>Short-term employee benefits #</b>	955.67	907.94
Post-employment benefits		
- <b>Defined contribution plan \$</b>	87.21	90.85
- <b>Other long-term benefits *</b>	-	-
Total	1042.88	998.79

# Including value of perquisites.

\* As the liability for gratuity and leave encashment are provided on actuarial basis for the Company as a whole, amounts accrued pertaining to key managerial personnel are not included above..

\$ Employer Contribution of Provident Fund

### (b) Detail of remuneration to KMP: -

- Chairman & Managing Director – ₹ 545.98 Lakhs (Previous Year ₹ 546.25 Lakhs)
- Chairman & Managing Director (Commission) - ₹ 246.00 Lakhs (Previous Year ₹ 748.49 Lakhs)
- Executive Director – ₹ 88.28 Lakhs (Previous Year ₹ Nil Lakhs) – from 24<sup>th</sup> June 2020
- Executive Director – (Commission) - ₹ 94.60 Lakhs (Previous Year ₹ Nil)
- Executive Director – ₹ 55.09 Lakhs (Previous Year ₹ 22.58)
- Chief Executive Officer – ₹ 87.04 Lakhs (Previous Year ₹ 203.43 Lakhs) – upto 16<sup>th</sup> June 2020
- Chief Executive Officer – ₹ 161.72 Lakhs (Previous Year ₹ Nil Lakhs) from 21<sup>st</sup> Dec 2020
- Chief Financial Officer – ₹ 65.69 Lakhs (Previous Year ₹ 73.18 Lakhs)
- Company Secretary – ₹ 39.07 Lakhs (Previous Year ₹ 43.16 Lakhs)

### (iii) Detail of transaction India Glycols Limited Employees Group Gratuity Trust Scheme

(₹ in Lakhs)

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
Contribution	468.43	50.00
Outstanding at the Year End	(131.12)	468.43

### (iv) Disclosure in respect of Material Related Party transactions during the year:

- Purchases of Services are from:
  - KIFTPL ₹ 358.54 Lakhs (Previous Year ₹ 450.13 Lakhs)
- Sales of Material are to:
  - Hindustan Wires Limited. ₹ 1,558.15 Lakhs (Previous Year ₹ 574.53 Lakhs).
  - IGL Infrastructure ₹ 166.49 Lakhs (Previous Year ₹ Nil Lakhs)
  - KIFTPL ₹ 0.64 Lakhs (Previous Year ₹ Nil Lakhs)
- Legal & Professional fees:
  - Khaitan & Co. LLP ₹ 71.28 Lakhs (Previous Year ₹ 68.30 Lakhs).
  - Khaitan & Co ₹ 5.06 Lakhs (Previous Year ₹ Nil Lakhs).
  - Hindustan Wires Ltd ₹ 36.00 Lakhs (Previous Year ₹ 36.00 Lakhs)
- Inter Corporate Deposit (ICD) Received includes :
  - Kashipur Holdings Ltd ₹ 700.00 Lakhs (Previous Year ₹ 1,500.00 Lakhs)
  - Hindustan Wires Ltd ₹ 825.00 Lakhs (Previous Year ₹ 2,250.00 Lakhs)
  - J Boseck & Co. (P) Ltd ₹ 485 Lakhs (Previous Year ₹ Nil)
- Inter Corporate Deposit (ICD) Paid back includes :
  - Hindustan Wires Ltd ₹ 100.00 Lakhs (Previous Year ₹ 1,350.00 Lakhs)
  - Kashipur Holdings Ltd ₹ 900.00 Lakhs (Previous Year ₹ 600.00 Lakhs)
  - J Boseck & Co. (P) Ltd ₹ 335 Lakhs (Previous Year ₹ Nil)



## Notes to Consolidated Financial Statements

- f) Interest Expense includes from :
- J Boseck & Co. (P) Ltd ₹ 106.46 Lakhs (Previous Year ₹ 91.25 Lakhs)
  - Kashipur Holdings Ltd ₹ 94.00 Lakhs (Previous Year ₹ 24.55 Lakhs)
  - Hindustan Wires Ltd ₹ 150.66 Lakhs (Previous Year ₹ 115.84 Lakhs)
  - IGL Infrastructure ₹ 44.50 Lakhs (Previous Year ₹ 39.04 Lakhs)
- g) Reimbursement of expense made.
- Polylink Polymers (India) Ltd ₹ 30.78 Lakhs (Previous Year ₹ 29.48 Lakhs)
  - Hindustan Wires Limited ₹ 1.51 Lakhs (Previous Year ₹ 9.30 Lakhs)
  - Khaitan & Co LLP ₹ Nil Lakhs (Previous Year ₹ 1.95 Lakhs)
- h) Reimbursement of expense Received.
- IGL Infrastructure ₹ 9.28 Lakhs (Previous Year ₹ 10.34 Lakhs)
  - KIFTPL ₹ 69.08 Lakhs (Previous Year ₹ 12.16 Lakhs)
- i) Rent & Maintenance Paid to :
- Polylink Polymers (India) Ltd. ₹12.00 Lakhs (Previous Year ₹ 12.00 Lakhs)
  - IGL Infra ₹ 991.27 Lakhs (Previous Year ₹ 1,022.14 Lakhs)
  - Kashipur Holding Limited ₹ 11.06 Lakhs (Previous Year ₹ 10.41 Lakhs)
  - Ajay Commercial Co (P) Ltd ₹ 2.34 Lakhs (Previous Year ₹ 2.34 Lakhs)
  - J.B. Commercial Co (P) Ltd ₹ 2.34 Lakhs (Previous Year ₹ 2.34 Lakhs)
  - U.S Bhartia ₹ 24.00 Lakhs (Previous Year ₹ 24.00 Lakhs)
- j) Vehicle Lease Paid to.
- Anand Singhal HUF ₹ 9.00 Lakhs (Previous Year ₹ 9.00 Lakhs )
  - Smita Bhartia ₹ 3.00 Lakhs (Previous Year ₹ 12.00 Lakhs)

### Balance Outstanding

- a) ICD Payable (including Accrued Interest) :
- Kashipur Holdings Ltd. ₹ 801.26 Lakhs (Previous Year ₹ 1,000.00 Lakhs)
  - Hindustan Wires Ltd. ₹ 1,625.18 (Previous Year ₹ 900.00 Lakhs)
  - J Boseck & Co. (P) Ltd. ₹ 850 Lakhs (Previous Year ₹ 154.02 Lakhs)
  - IGL Infrastructure ₹ 356.00 Lakhs (Previous Year ₹ 356.00 Lakhs)
- b) Others Payable includes:
- J.B. Commercial Co. (P) Limited ₹ 0.01 Lakhs (Previous Year ₹ 0.01 Lakhs)
  - Kashipur Holdings Ltd. ₹ Nil (Previous Year ₹ 13.67)
  - Hindustan Wires ₹ Nil (Previous Year ₹ 18.45 Lakhs)
  - IGL Infra ₹ Nil (Previous Year ₹ 69.91 Lakhs)
  - Khaitan & Co. LLP ₹ Nil (Previous Year ₹ 14.5 Lakhs)
  - Polylink Polymers (India) Ltd ₹ 11.73 Lakhs (Previous Year ₹ 12.47 Lakhs)
  - Khaitan & Co. ₹ 2.83 Lakhs (Previous Year ₹ Nil)
  - KIFTPL ₹ 4.43 Lakhs (Previous Year ₹ Nil)
  - US Bhartia ₹ Nil (Previous Year ₹ 0.74 Lakhs)
  - M.K.RAO ₹ Nil (Previous Year ₹ 16.02 Lakhs)
  - Sudhir Agarwal ₹ 0.26 Lakhs (Previous Year ₹ 0.26)
  - Smita Bhartia ₹ Nil (Previous Year ₹ 0.98 Lakhs)
  - Anand Singhal ₹ 1.22 Lakhs (Previous Year ₹ 1.92 Lakhs)
  - Anand Singhal HUF ₹ 0.74 Lakhs (Previous Year ₹ 0.74)
  - Ankur Jain ₹ 0.45 Lakhs (Previous Year ₹ Nil)
- c) Security Deposit recoverable:
- Ajay Commercial Co. (P) Limited ₹ 240.00 Lakhs (Previous Year ₹ 240.00 Lakhs)
  - J.B. Commercial Co. (P) Limited ₹ 240.00 Lakhs (Previous Year ₹ 240.00 Lakhs)
  - IGL Infra ₹ 583.85 Lakhs (Previous Year ₹ 583.5 Lakhs)
  - US Bhartia ₹ 500.00 Lakhs (Previous Year ₹ 500.00 Lakhs)
- d) Others Receivable includes:
- Ajay Commercial Co. (P) Limited ₹ 11.97 Lakhs (Previous Year ₹ Nil)
  - Hindustan Wires ₹ 4.11 Lakhs (Previous Year ₹ 4.73 Lakhs)
  - IGL Infra ₹ 144.80 Lakhs (Previous Year ₹ Nil)



## Notes to Consolidated Financial Statements

- KIFTPL ₹ 13.39 Lakhs (Previous Year ₹ 6.96 Lakhs)
- US Bhartia ₹ 4.16 Lakhs (Previous Year ₹ 2.56 Lakhs)
- Pragya Bhartia ₹ 0.32 Lakhs (Previous Year ₹ 0.32 Lakhs) upto 23.06.2020
- Rakesh Bhartia ₹ Nil (Previous Year ₹ 7.72 Lakhs)

### 55. Dividend on Equity Share

**Dividend on Equity shares declared and paid during the year** (₹ in Lakhs)

Particulars	Year Ended March 31, 2021	Year Ended March 31, 2020
Final Dividend of Nil for FY 2019-20 (Previous Year 2018-19 - ₹ 6 per share)	--	1,857.69
Dividend Distribution Tax	--	381.75

**Interim Dividend on Equity shares declared and paid during the year** (₹ in Lakhs)

Particulars	Year Ended March 31, 2021	Year Ended March 31, 2020
Interim Dividend of ₹ 6 per share	--	1,857.69
Dividend Distribution Tax	--	381.75

**Proposed Dividend on equity share not recognized as liability** (₹ in Lakhs)

Particulars	Year Ended March 31, 2021	Year Ended March 31, 2020
Dividend proposed for Equity shareholders of ₹ Nil per share (Previous Year 2018-19 - ₹ 6 per share)	1,857.69	--
Dividend Distribution Tax	--	--

Above is subject to approval of the shareholders in the Annual General Meeting.

56. (a) In compliance with Ind AS 112 on Disclosure of Interests in Other Entities, following disclosures are made in respect of jointly controlled entity - Kashipur Infrastructure and Freight Terminal Private Limited, in which the Company is a joint venturer :

(₹ in Lakhs)

Particulars	March 31, 2021	March 31, 2020
Country of Incorporation	India	
Percentage of Share in Joint Venture	42.31%	42.31%
Current Assets	269.94	282.11
Non- Current Assets	4,039.79	4,023.49
Current Liabilities	711.56	665.04
Non- Current Liabilities	891.12	1,005.97
Revenue	856.78	736.22
Profit/(Loss) for the period	71.89	(41.14)
Total Comprehensive Income	72.46	(41.14)
Capital Commitment (Net of advances)	--	7.21

### 57. Segment Information

**Disclosures as required by Indian Accounting Standard (Ind AS) 108 Operating Segments**

#### Identifications of Segments:

Segments have been identified in line with Indian Accounting Standard on 'Operating Segments' (Ind AS -108), taking into account the organizational structure as well as the differential risk and returns of this segment and as per the quantitative criteria specified under IND AS. The Company has identified the following segments.

#### Operating Segments:

Industrial Chemical Segment comprises Glycols, Specialty Chemicals, Natural Gum & other related goods etc.  
Liquor Segment comprises manufacture and sale of Ethyl Alcohol (Potable).  
Nutraceutical (Previously termed as Herbal) comprises manufacture and sale of Nutraceutical Products



**Information about Operating Segments (Continuing Operation) for the year ended March 31, 2021 & March 31, 2020 is as follows:-** (₹ in Lakhs)

Particulars	Industrial Chemicals		Ethyl Alcohol (Potable)		Nutraceutical (previously termed as Herbal)		Unallocable		Total	
	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020
<b>A REVENUE</b>										
1 Gross Segment Revenue (External Customers)	153,188.04	199,250.58	374,499.31	304,150.62	15,059.81	18,308.41	-	-	542,747.16	521,709.61
Inter- Segment	-	-	-	-	-	-	-	-	-	-
Total	153,188.04	199,250.58	374,499.31	304,150.62	15,059.81	18,308.41	-	-	542,747.16	521,709.61
2 Other Net Income							1,526.12	876.53	1,526.12	876.53
<b>B RESULTS</b>										
1 Segment Result (PBIT)	6,622.55	8,755.46	15,361.06	14,045.58	5,138.14	5,221.41	(6,807.58)	(7,019.01)	20,314.17	21,003.44
2 Share of Profit/(Loss) of Joint Venture									71.89	(41.14)
3 Interest Expense (Net)									8,338.30	9,690.06
4 Tax Expenses									1,127.59	3,787.24
5 Profit after Tax									10,920.17	7,485.00
<b>C Other information:</b>										
1 Segment Assets	271,558.31	308,508.82	52,998.68	52,347.13	31,744.34	28,708.81	17,353.84	19,058.57	373,655.17	408,623.33
2 Segment Liabilities	102,734.75	130,358.75	34,416.20	37,889.13	3,328.20	4,163.92	151,155.22	132,824.93	291,634.37	305,236.73
3 Depreciation and Amortization expenses	6,444.93	6,755.43	328.27	278.44	399.87	420.12	838.77	843.22	8,011.84	8,297.21
4 Capital Expenditure	10,657.06	11,791.16	1,666.49	1,761.99	2,843.12	1,966.88	-	-	15,166.67	15,520.02

**Information about geographical areas:** (₹ in Lakhs)

Particulars	Domestic		Overseas		Total	
	31.03.2021	31.03.2020	31.03.2021	31.03.2020	31.03.2021	31.03.2020
1. Gross Segment Revenue (External Customers)	484,541.96	453,017.82	58,205.20	68,691.79	542,747.16	521,709.61
<b>Overseas County- wise sales:</b>						
<b>Particulars</b>						
USA					2020-21	2019-20
Other Countries					9,102.30	19,021.84
<b>Total</b>					49,102.90	49,669.95
					58,205.20	68,691.79

All non-current assets of the Company are located in India.  
 There is no transaction with single external customer which amounts to 10% or more of the Company's revenue.  
 For Discontinuing Operations - Refer Note -59.



## Notes to Consolidated Financial Statements

### 58. Income Tax

During the current year, the Company decided to exercise the option available under section 115BAA of the Income Tax Act, 1961 as introduced by the Taxation Laws (Amendment) Ordinance, 2019 for A.Y. 2020-21 onwards and recognised the tax provision for the year ended 31<sup>st</sup> March, 2021 basis the rates prescribed in that section. The tax expense for the year ended 31<sup>st</sup> March, 2021 include one time net - non cash adjustment on account of re-measurement of deferred tax assets/ liabilities and write off MAT credit entitlement. (The auditors have been relied upon the management representation in respect of availability of certain deductions for tax purpose)

#### (A) Amounts recognized in Statement of Profit and Loss

(₹ in Lakhs)

Particulars	2020-21	2019-20
<b>Tax Expense:</b>		
Continued Operations	1,127.59	3,787.24
Discontinued Operations	2,277.85	2,138.13
<b>Total</b>	<b>3,405.44</b>	<b>5,925.37</b>
<b>Tax Expense:</b>		
- Current Tax	1,427.90	1,761.87
- Current Tax for earlier years	(1,713.99)	-
- Deferred tax Charged / (Credit)	(95.18)	5,925.37
- Deferred tax Charged / (Credit) relating to changes in tax rates	(12,211.41)	-
- Minimum Alternate Tax Credit entitlement	-	(1,761.87)
- Minimum Alternate Tax Credit Written off	15,998.12	-
<b>Total</b>	<b>3,405.44</b>	<b>5,925.37</b>

#### (B) Income Tax recognised in other comprehensive Income

(₹ in Lakhs)

Particulars	2020-21	2019-20
Current Income Tax on Re-measurement losses on defined benefit plans	(99.09)	5.94
<b>Total</b>	<b>(99.09)</b>	<b>5.94</b>

#### (C) Reconciliation of deferred tax liabilities, net

(₹ in Lakhs)

Particulars	2020-21	2019-20
Enacted income tax rate in India applicable to the Company	25.17%	34.94%
Profit Before Tax		
Continued Operations	11,975.87	11,313.38
Discontinued Operations	4,518.39	6,118.70
<b>Total PBT</b>	<b>16,494.26</b>	<b>17,432.08</b>
At Statutory Income Tax Rate	4,151.28	6,091.46
Current Tax for earlier years	(1,713.99)	-
Deferred tax Charged / (Credit) relating to changes in tax rates	(12,211.41)	-
Minimum Alternate Tax Credit Written off	(15,998.12)	-
In House R & D expenses	-	(241.10)
Related to Property, Plant & Equipment	(97.12)	(80.61)
Deferred tax Related to house property	(2.90)	(2.02)
Others	(142.54)	(567.89)
Deferred Tax Charge/(Credit) not recognized in subsidiary companies	(2,576.00)	725.53
<b>Income Tax expense/(income) reported in Statement of P&amp;L Account</b>	<b>3,405.44</b>	<b>5,925.37</b>



**(D) Reconciliation of deferred tax liabilities, net**

(₹ in Lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
<b>Opening Balance</b>	<b>31,953.57</b>	28,896.69
Deferred Tax expense recognised in :-		
Statement of profit & loss	<b>(12306.60)</b>	5,925.37
Other comprehensive income	<b>99.09</b>	(5.94)
MAT Credit Entitlement	<b>15998.12</b>	(2,862.15)
<b>Closing balance</b>	<b>35,744.18</b>	31,953.57

The subsidiary Companies have been incurring taxable losses and deferred tax assets (net) amounting to ₹ 1,746.01 Lakhs (Previous Year ₹ 2,650.25 Lakhs) has not been recognized based on prudence by the subsidiary companies.

**59. Discontinued Operations**

The Board of Directors of the Company at their meeting held on 24<sup>th</sup> June, 2020 had considered and approved transfer of Company's BioEO (Speciality Chemicals) Business to a wholly-owned subsidiary, which was further approved by the members of the Company at their Annual General Meeting held on 24<sup>th</sup> September, 2020. Further, in pursuance to the approval of the Board at their meeting held on 11<sup>th</sup> March, 2021, the Company had entered into a Business transfer agreement with IGL Green Chemical Private Limited, a wholly owned subsidiary for transfer of Company's BioEO (Speciality Chemicals) Business to IGCPCL and in the same meeting, the Board of Directors of the Company had also approved entering into a joint venture with IGCPCL and Clariant International Ltd., in connection with, inter alia, investment by Clariant in IGCPCL and issuance of subscription shares by IGCPCL to Clariant, which will result in IGCPCL becoming a 51:49 joint venture, in which 51% stake will be held by Clariant and the remaining 49% stake will be held by the Company. The members of the Company had also approved the same by way of a Special Resolution through Postal Ballot effective 25<sup>th</sup> April, 2021. The aforesaid transactions are likely to be completed during the financial year 2021-22 post completion of Condition Precedents and certain other actionable as identified in the said agreements.

The aforesaid transaction has been considered as highly probable and meet the criteria prescribed in Ind AS 105 "Non-current Assets Held for Sale and Discontinued Operations" to be considered as discontinued operation, hence 'BioEO (Speciality Chemicals) Business' has been disclosed as discontinued operations in Standalone financial results. Accordingly, all previous periods figures in the financial results have also been restated. Details of income/expenses, Assets/liabilities and net cash flow of discontinuing operations are as under.

(₹ in Lakhs)

Revenue/Expenses	31.03.2021	31.03.2020
<b>Revenue from operations</b>	<b>66,807.32</b>	<b>75,555.49</b>
Total Expenses	62,288.93	69,436.79
<b>Profit/ (Loss) before tax</b>	<b>4,518.39</b>	<b>6,118.70</b>
Tax Expense	2,277.85	2,138.13
Profit after tax	<b>2,240.54</b>	<b>3,980.57</b>

**The major classes of assets and liabilities**

(₹ in Lakhs)

Particulars	31.03.2021
<b>Assets</b>	
Property, Plant and Equipment	15,537.42
Capital work-in-progress	705.57
Inventories	6,141.37
Trade receivables	15,884.54
<b>Total Assets</b>	<b>38,268.90</b>
<b>Liabilities</b>	
Trade payables	3,357.34
Others	80.05
<b>Total Liabilities</b>	<b>3,437.39</b>

**Net cash flows attributable to the operating, investing and financing activities of discontinued operations:**

(₹ in Lakhs)

Particulars	31.03.2021	31.03.2020
<b>Operating Activities</b>	<b>5,607.00</b>	<b>5,069.19</b>
Investing Activities	(1,780.26)	(417.82)
Financing Activities	(3,826.74)	(4,651.37)



**60. Additional Information as required under schedule III of the Companies Act, 2013, of the enterprises consolidated as subsidiary & Joint Ventures for the Year 2020-21**

(₹ in Lakhs)

Sl. No	Name of the entity	Net Assets (i.e., total assets minus total liabilities)		Share in profit or (loss)		Other Comprehensive Income		Total Comprehensive Income	
		As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount	As % of consolidated profit or loss	Amount	As % of consolidated profit or loss	Amount
<b>A</b>	<b>Parent</b>								
	India Glycols Limited	106.55%	124501.90	64.05%	8429.91	96.59%	294.59	64.79%	8724.50
<b>B</b>	<b>Subsidiaries</b>								
<b>(a)</b>	<b>Indian</b>								
1	Shakumbari Sugar & Allied Industries Limited (SSAIL)	(3.87%)	(4521.85)	77.75%	10232.91	0.00%	-	75.99%	10232.91
2	IGL Finance Limited	0.23%	269.90	0.00%	(0.50)	0.00%	-	0.00%	(0.50)
<b>3</b>	<b>IGL Green Chemicals Private Limited</b>	<b>0.00%</b>	<b>0.09</b>	<b>(0.01%)</b>	<b>(0.99)</b>	<b>0.00%</b>	<b>-</b>	<b>(0.01%)</b>	<b>(0.99)</b>
4	IGL Chemicals and Services Private Limited	0.00%	1.00	0.00%	-	0.00%	-	0.00%	-
<b>(b)</b>	<b>Foreign</b>								
1	IGL Chem International PTE LTD	(0.36%)	(425.33)	(0.10%)	(12.82)	4.56%	13.92	0.01%	1.10
2	IGL Chem International USA LLC	(0.03%)	(38.10)	0.66%	87.24	0.89%	2.71	0.67%	89.95
<b>(C)</b>	<b>Minority Interest is insignificant and immaterial, hence not considered</b>								
<b>(D)</b>	<b>Joint Venture (as per Equity Consolidation Method)</b>								
<b>(a)</b>	<b>Indian</b>								
	Kashipur Infrastructure and Freight Terminal Private Limited (KIFTPL)	2.32%	2,706.61	0.55%	71.89	0.00%	-)	0.53%	71.89
	Eliminations	(4.83%)	-5641.91	(42.91%)	(5646.93)	(2.04%)	(6.22)	(41.98%)	(5653.15)
	<b>TOTAL</b>	<b>100.00%</b>	<b>1,16,852.31</b>	<b>100.00%</b>	<b>13,160.71</b>	<b>100.00%</b>	<b>305.00</b>	<b>100.00%</b>	<b>13,465.71</b>

**61. Event Occurring After Balance Sheet Date**

**The Board of Directors has recommended Equity dividend of ₹ 6 per share (previous year ₹ Nil) for the financial year 2020-21.**

- 62.** During the current year, the managerial remuneration payable by the parent Company to its Executive Directors in terms of their appointment approved by the members, is in excess by ₹ 238 Lakhs of limits laid down under Section 197 of the Companies Act, 2013 read with Schedule V to the Act due to certain one-time adjustment like write off business advance & other deductions arrived under Section 198 of the Act. The parent Company is in the process of obtaining approval of the members of the Company for waiver of such excess remuneration at its ensuing Annual General Meeting by way of a special resolution.
- 63.** The Company has considered the possible effects that may result from the pandemic relating to COVID-19 on the carrying amounts of receivables, inventories, property, plant and equipment and intangible assets and it has also taken into account the future cash flows. On the basis of evaluation and current indicators of future economic conditions, the Company expects to recover the carrying amounts of these assets and does not anticipate any impairment to these financial and non-financial assets. However, the impact assessment of COVID-19 is a continuing process, given the uncertainties associated with its nature and duration.
- 64.** The figures of the previous period/year have been restated/regrouped wherever necessary, to make them comparable.

As per our report of even date  
**For K N Gutgutia & Co.**  
 Chartered Accountants  
 Firm Registration no. 304153E  
**B.R.Goyal**  
 Partner  
 Membership Number 12172  
 Place : Noida, UP  
 Date : June 25, 2021

**U. S. Bhartia**  
 Chairman and Managing Director  
 DIN - 00063091  
**Rupark Sarawat**  
 Chief Executive Officer

**Sudhir Agarwal**  
 Executive Director  
 DIN - 08602216  
**Anand Singhal**  
 Chief Financial Officer

**Ankur Jain**  
 Company Secretary







## INDIA GLYCOLS LIMITED

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