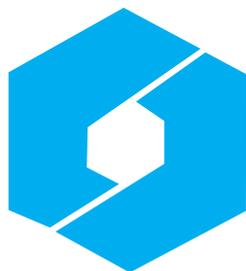


Thirty First  
Annual Report  
2014-15



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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# Corporate Information

## Board of Directors

U.S. Bhartia	Chairman & Managing Director
Jayshree Bhartia	Director
Pradip Kumar Khaitan	Director
Jitender Balakrishnan	Director
Ravi Jhunjunwala	Director
Jagmohan N. Kejriwal	Director
R.C. Misra	Director
M.K. Rao	Executive Director

## Audit Committee

R.C. Misra	Chairman
Jagmohan N. Kejriwal	
Pradip Kumar Khaitan	
M.K. Rao	

## Stakeholders' Relationship Committee

R.C. Misra	Chairman
U.S. Bhartia	
Jagmohan N. Kejriwal	

## Chief Executive Officer

Rakesh Bhartia

## Chief Financial Officer

Anand Singhal

## Company Secretary

Lalit Kumar Sharma

## Statutory Auditors

Lodha & Co., Chartered Accountants

## Cost Auditors

R.J. Goel & Co., Cost Accountants

## Bankers

State Bank of India  
State Bank of Patiala  
Axis Bank Limited  
Punjab National Bank  
Union Bank of India  
IDBI Bank Ltd.  
State Bank of Hyderabad  
State Bank of Travancore  
State Bank of Bikaner and Jaipur

## Registered Office

India Glycols Limited  
CIN: L24111UR1983PLC009097  
A-1, Industrial Area,  
Bazpur Road, Kashipur -244 713  
Distt. Udham Singh Nagar,  
Uttarakhand  
Phone : +91 5947 269000/269500/275320  
Fax : +91 5947 275315/269535  
Website : [www.indiaglycols.com](http://www.indiaglycols.com)  
E-mail : [iglho@indiaglycols.com](mailto:iglho@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 Limited  
F-65, Okhla Industrial Area Phase-I  
New Delhi - 110 020

# Notice

NOTICE is hereby given that the Thirty First Annual General Meeting of the members of India Glycols Limited will be held on Friday, the 28<sup>th</sup> day of August, 2015 at 12.30 p.m. at the Registered Office of the Company at A-1, Industrial Area, Bazpur Road, Kashipur-244 713, District Udham Singh Nagar, Uttarakhand to transact the following business:

## ORDINARY BUSINESS

1. To receive, consider and adopt:
  - (a) the Audited Financial Statements of the Company for the financial year ended March 31, 2015, together with the Reports of the Board of Directors and Auditors thereon; and
  - (b) the Audited Consolidated Financial Statements of the Company for the financial year ended March 31, 2015, together with the Reports of the Auditors thereon.
2. To appoint a Director in place of Smt. Jayshree Bhartia (DIN: 00063018), who retires by rotation and being eligible, offers herself for re-appointment.
3. To appoint Statutory Auditors to hold office upto the conclusion of the next Annual General Meeting and to fix their remuneration.

## 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 of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), M/s. R.J. Goel & Co., Cost Accountants, appointed as Cost Auditors of the Company by the Board of Directors of the Company be paid remuneration of ₹ 1,50,000/- (Rupees One Lac Fifty Thousand only) plus actual out of pocket expenses for conducting Cost Audit of the records of the Company for the financial year 2015-16.

**RESOLVED FURTHER THAT** the Company Secretary be and is hereby authorised to file requisite form seeking approval of the Central Government, if any, required for the appointment of Cost Auditor and also obtain such other approvals/sanctions as may be required.”
5. To consider and if, thought fit to pass, the following resolution as a **SPECIAL RESOLUTION**:

**“RESOLVED THAT** in accordance with the provisions of Section 41, 42 and 62 and other applicable provisions, if any, of the Companies Act, 2013 and Rules thereunder as also of any other applicable laws, rules, regulations, (including any amendment thereto or re-enactment thereof for the time being in force)

and subject to all other applicable Rules, Regulations and Guidelines of the Securities and Exchange Board of India (“SEBI”), the applicable provisions of Foreign Exchange Management Act, 1999 (“FEMA”), Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulation, 2000, Issue of Foreign Currency Convertible Bonds and Ordinary Shares (Through Depository Receipt Mechanism) Scheme, 1993 and in accordance with the rules, regulations, guidelines, policies, notifications, circulars & clarifications issued / to be issued thereon by the Government of India (“GOI”), Reserve Bank of India (“RBI”), Securities and Exchange Board of India (“SEBI”), the Department of Industrial Policy & Promotion, Ministry of Commerce & Industry (“DIPP”), the Foreign Investment Promotion Board (“FIPB”), the Ministry of Finance (Department of Economic Affairs) and / or any other Regulatory / Statutory Authorities and/ or other Authorities / Institutions / Bodies (hereinafter singly or collectively referred to as the “Appropriate Authorities”) and in accordance with the provisions in the Memorandum and Articles of Association of the Company and the Listing Agreements entered into by the Company with the Stock Exchanges where the shares of the Company are listed and subject to such approvals, consents, permissions and sanctions of the Appropriate Authorities concerned 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 (“Board”) (which term shall be deemed to include any Committee which the Board may have constituted or hereinafter constitute for exercising the powers conferred on the Board by this resolution), the Company be and is hereby authorized to issue, offer 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) with or without Green Shoe option, including by way of a qualified institutional placement under Chapter XIII A of the SEBI (Disclosure and Investor Protection) Guidelines, 2000 (“SEBI Guidelines”), 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 such as public financial institutions, scheduled commercial banks, mutual funds, foreign institutional investors, multilateral and bilateral development financial institutions, venture capital funds, foreign venture capital investors, state industrial development corporations, insurance

companies, pension funds and provident funds), 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 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 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, up to an aggregate principal amount of ₹ 250,00,00,000 (Rupees Two Hundred Fifty Crores) or its equivalent in any other currency, (hereinafter referred to as "Securities") 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 or tranches at such price (premium/discount) as may be determined in accordance with relevant guidelines, 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.

**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 Company 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 FCCB, 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 or the Committee of Directors duly authorized by 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 qualified institutional placement:

- (i) the relevant date on the basis of which price of the resultant shares shall be determined as specified under applicable law, shall be the date of the meeting in which the Board or the committee of directors duly authorized by the Board decides to open the proposed issue of Securities;
- (ii) the allotment of Securities shall be completed within 12 months from the date of this resolution approving the proposed issue or such other time as may be allowed by the SEBI Guidelines from time to time; and
- (iii) 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 by the SEBI Guidelines.

**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 authorised to finalise and approve the offering circular / placement document for the proposed issue of the Securities and to authorise 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 authorised 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 authorised person, 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** the Board be and is hereby authorised to issue and allot such number of equity shares as may be required to be issued and allotted for the issue of the Securities referred above or as may be necessary in accordance with the terms of the offering, all such equity shares being *paripassu* with the then existing equity shares of the Company in all respects.

**RESOLVED FURTHER THAT** the Board be and is hereby authorised 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) sign, execute and issue all documents necessary in connection with the issue of the Securities, including listing applications to stock exchanges (whether in India or abroad) and various agreements, undertakings, deeds, declarations;
- (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) giving or authorising the giving, by concerned persons, of such declarations, affidavits, certificates, consents and authorities as may be required from time to time; and
- (iv) 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; and
- (v) enter into and execute arrangements / agreements with Lead Managers / Underwriters / Guarantors / Depository (ies) / Custodians / Payment & Collection Agents/ Advisors / Banks / Trustees / Merchant Bankers / Practising Chartered Accountant / Practising Cost Accountant / Practising Company Secretary and all such agencies as may be involved or concerned 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 Equity Shares or FCCBs and other expenses, if any or the like.

**RESOLVED FURTHER THAT** the Board be and is hereby authorized to delegate all or any of the powers herein conferred to any Committee of Directors or Directors or any other officer or officers of the Company to give effect to these resolutions.”

By order of the Board

Place : NOIDA, U.P.

**U.S. Bhartia**

Date : 28.05.2015 *Chairman and Managing Director*

**NOTES:**

1. A member entitled to attend and vote at the meeting is entitled to appoint one or more proxies to attend and vote instead of himself/herself. The proxy need not be a member of the Company. Proxies, in order to be effective, must be received by the Company not less than 48 hours before commencement of the meeting.  
A person can act as proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the company carrying voting rights. A member holding more than ten percent, of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.
2. The Register of Members and Share Transfer books of the Company will remain closed from 25<sup>th</sup> August, 2015 to 28<sup>th</sup> August, 2015 (both days inclusive). The names of the shareholders, whose share transfer request received in order, either at the Head office/ Registered office of the Company or at the Registrars & Share Transfer Agents, M/s. MCS Limited, F-65, Okhla Industrial Area Phase-I, New Delhi 110020, before the book closure, shall be included in the members register as on the date of the Annual General Meeting.
3. Pursuant to the provisions of Section 205A (5) of the Companies Act, 1956, dividend for the financial year ended 31<sup>st</sup> March, 2008, which remain unclaimed/ unpaid for a period of 7 years from the date such dividend first become due for payment, will be transferred on or before 18<sup>th</sup> September, 2015 to the Investors Education and Protection Fund (IEPF) established by the Central Government. Pursuant to the provisions of Investor Education and Protection Fund (Uploading of information regarding unpaid and unclaimed amounts lying with companies) Rules, 2012 (IEPF Rules), the Company has uploaded the details of unpaid and unclaimed amounts lying with the Company as on the date of the 30<sup>th</sup> AGM held on 20<sup>th</sup> September, 2014, on the website of the IEPF viz [www.iepf.gov.in](http://www.iepf.gov.in) and on the website of the Company ([www.indiaglycols.com](http://www.indiaglycols.com)). It has been noticed that some shareholders have not encashed the dividend warrant(s) so far for financial

year ended 31<sup>st</sup> March, 2008 or any subsequent financial years. Such shareholders are requested to make their claim to the Company in respect of their unclaimed/unpaid dividend, before being transferred to Investors Education and Protection Fund as aforesaid. The Shareholders are requested to note that no claim shall lie against the Company in respect of said unclaimed and unpaid dividend, if transferred to the Investors Education and Protection Fund on due dates.

#### 4. Voting through electronic means.

- I. In compliance with provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration Rules, 2014) and Clause 35B of the Listing Agreement, the Company is pleased to provide the members with facility to exercise their right to vote at the Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services. 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 provided by National Securities Depository Limited (NSDL).
- II. The facility for voting through ballot paper shall be made available at the venue of the Annual General Meeting and members attending the meeting who have not already cast their vote by remote e-voting shall be able to exercise their right at the meeting through ballot paper.
- III. The members who have cast their vote by remote e-voting prior to the AGM may also attend the AGM but shall not be entitled to cast their vote again.
- IV. The instructions for remote e-voting are as under:

A. In case a Member receives an e-mail from NSDL [for members whose e-mail IDs are registered with the Company/ Depository Participant(s)]:

1	Open e-mail and open PDF file viz; “IGL e-Voting.pdf” with your Client ID or Folio No. as password. The said PDF file contains your user ID and password/PIN for remote e-voting. Please note that the password is an initial password.
2	Launch internet browser by typing the following – URL: <a href="https://www.evoting.nsd.com/">https://www.evoting.nsd.com/</a>
3	Click on “Shareholder – Login”

4	Put user ID and password as initial password/PIN noted in step (1) above. Click Login.
5	Password change menu appears. Change the password/PIN with new password of your choice with minimum 8 digits/characters or combination thereof. Note new password. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
6	Home page of remote “e-voting” opens. Click on e-Voting: Active Voting Cycles.
7	Select “REVEN” of India Glycols Limited.
8	Now you are ready for remote e-voting as “Cast Vote” page opens.
9	Cast your vote by selecting appropriate option and click on “Submit” and also “Confirm” when prompted.
10	Upon confirmation, the message “Vote cast successfully” will be displayed.
11	Once you have voted on the resolution, you will not be allowed to change/modify your vote. 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. together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer through e-mail to <a href="mailto:ashish@asandco.net">ashish@asandco.net</a> (e-mail address of Scrutinizer) with a copy marked to <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a>

B. In case a Member receives physical copy of the Notice of AGM [for members whose e-mail IDs are not registered with the Company/Depository Participant(s) or requesting physical copy]:

(i) Initial password is provided in the attached sheet on the ‘Process and manner for e-voting’		
REVEN (Remote E-Voting Event Number)	USER ID	PASS-WORD/PIN
(ii) Please follow all steps from Sl. No. (2) to Sl. No.(6) above, to cast vote.		

V. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for

- Shareholders and remote e-voting user manual for Shareholders available at the 'Downloads' section of [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
- VI. If you are already registered with NSDL for remote e-voting then you can use your existing user ID and password/PIN for casting your vote.
  - VII. You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s).
  - VIII. The remote e-voting period commences on 24<sup>th</sup> August, 2015 (9:00 am) and ends on 27<sup>th</sup> August, 2015 (5:00 pm). During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of 21<sup>st</sup> August, 2015, may cast their vote electronically. The e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the shareholder, the shareholder shall not be allowed to change it subsequently or cast the vote again.
  - IX. The voting rights of shareholders shall be in proportion to their shares of the paid-up equity share capital of the Company as on the cut-off date of 21<sup>st</sup> August, 2015.
  - X. Any person, who acquires shares of the Company and become member of the Company after dispatch of the Notice of AGM and holding shares as of the cut-off date of 21<sup>st</sup> August, 2015, may obtain the login ID and password by sending a request at [e-voting@nsdl.co.in](mailto:e-voting@nsdl.co.in) or [admin@mcsdel.com](mailto:admin@mcsdel.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" option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
  - XI. 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 only shall be entitled to avail the facility of remote e-voting as well as voting at the AGM through ballot paper.
  - XII. Mr. Ashish Saxena, FCS has been appointed as the Scrutinizer having their office at 32A, Nyay Khand-I, Indirapuram, Ghaziabad-201010, to scrutinize the remote e-voting process in a fair and transparent manner.
  - XIII. The Chairman shall, at the AGM, at the discussion on the resolutions on which voting is to be held, allow voting with the assistance of scrutinizer, by use of ballot paper for all those members who are present at the AGM but have not cast their votes by availing the remote e-voting facility.
  - XIV. The Scrutinizer shall after the conclusion of voting at the AGM, will first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two (2) witnesses not in the employment of the Company and shall make, not later than three days of the conclusion of the AGM, a consolidated scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.
  - XV. The Results of the AGM shall be declared by the Chairman or person authorized or any one of the director of the Company after the AGM within the prescribed time limits.
  - XVI. The Results declared alongwith the Scrutinizer's Report shall be placed on the Company's website [www.indiaglycols.com](http://www.indiaglycols.com) and on the website of NSDL and communicated to BSE Limited (BSE) and National Stock Exchange of India Limited (NSE) accordingly.
5. MEMBERS ARE REQUESTED TO:
- A. Immediately notify any change of address or bank mandates and their PAN to their Depository Participants (DPs) in respect of their holding in electronic form and to the Company in respect of their holding in physical form.
  - B. Send their queries, if any, atleast 15 days in advance of the meeting at the Company's Head Office at Plot No. 2-B, Sector-126, Distt. Gautam Budh Nagar, Noida-201304, Uttar Pradesh so that the information can be made available at the meeting.
  - C. Fill the attendance slip for attending the meeting and those who hold the shares in dematerialised form are requested to bring their Client ID and DP ID numbers for easy identification of attendance at the meeting.
  - D. Send their shares for dematerialisation to the Company's Registrars and Share Transfer Agents, if so far, are not held in dematerialised form, as the Company comes under compulsory demat as per directives issued by the SEBI.
  - E. Relevant documents referred to in the accompanying Notice and the Statement are open for inspection by

the members at the Registered Office of the Company on all working days, except Saturdays, during business hours up to the date of the Meeting.

F. Non Resident Indian members are requested to immediately inform the MCS Limited, Registrar and Share Transfer Agent, of change in their residential address 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.

G. In terms of the provisions of Section 136 of the Companies Act, 2013 read with Rule 11 of the Companies (Accounts) Rules, 2014, service of notices/documents to the shareholders can be made through electronic mode, provided the Company has obtained the e-mail address(es) of the shareholder(s). Also, the shareholders who have not registered their e-mail address for receiving the Balance Sheet etc., they will be sent the physical copies through any recognised mode of delivery as specified under Section 20 of the Companies Act, 2013.

Further, Clause 32 of the Listing Agreement entered into by the Company with the Stock Exchanges provides that the Company shall supply:

- (i) Soft copies of full annual reports containing its Balance Sheet, Statement of Profit & Loss and Board's Report to all those shareholder(s) who have registered their e-mail address(es) for the purpose;
- (ii) Hard copy of statement containing the salient features of all the documents as prescribed in Section 136 of the Companies Act, 2013 to those shareholder(s) who have not so registered;
- (iii) Hard copies of full annual reports to those shareholders who request for the same.

As a result, 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 Registrar and Share Transfer Agent, MCS Limited 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 such other documents to those Members via electronic mode/e-mail.

6. Smt. Jayshree Bhartia, Director due to retire by rotation and is eligible for reappointment at this Annual General Meeting. Brief resume of Smt. Jayshree Bhartia is as under:

Name	Smt. Jayshree Bhartia
Age	58
Qualifications	B.A.
Expertise in Specific functional Area	Mrs. Jayshree Bhartia holds Bachelors degree in Arts from the University of Kolkata. Mrs. Bhartia is a business woman and is holding position of Director in various Companies. Mrs. Bhartia also has keen interest in Social work activities and is associated with various renowned Social welfare organisations. Mrs. Bhartia joined India Glycols Limited in 1999.
Date of appointment on the Board of the Company	28.05.1999
Name(s) of the other companies in which Directorships held (as per Sections 165 of the Companies Act, 2013)	1. Kashipur Holdings Limited 2. IGL Finance Limited 3. IGL Infrastructure Pvt. Ltd.
Name(s) of Companies in which Committee membership (s)/ Chairmanship(s) held (as per Clause 49 of the Listing Agreement with the Stock Exchanges)	India Glycols Limited – Share Transfer Committee
Shareholding as on 31.03.2015	400003

7. As stipulated in the Clause 49 of the Listing Agreement, 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.

8. Explanatory statement pursuant to section 102(1) of the Companies Act, 2013 with respect to items of Special Business under item no. 4 & 5 is appended hereto, and forms part of this Notice.

## EXPLANATORY STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013

### ITEM NO.4

The Board, on the recommendation of the Audit Committee, has approved the appointment and payment of remuneration of M/s R. J. Goel & Co., Cost Auditor, to conduct the audit of the cost records of the Company for the financial year ending March 31, 2016 at an audit fee of ₹1,50,000 Lacs (Rupees One Lac Fifty Thousand Only).

In accordance with the provisions of Section 148 of the Act read with the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditors has to be ratified by the shareholders of the Company.

Accordingly, consent of the members is sought for passing an Ordinary Resolution as set out at Item No. 4 of the Notice for ratification of the remuneration payable to the Cost Auditors for the financial year ending March 31, 2016.

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

The Board of Directors has recommended the proposed resolution set out at item No.4 of this Notice for your approval by way of an Ordinary Resolution.

The resolution set out at Item No. 4 is proposed to be passed as an Ordinary Resolution.

### ITEM NO. 5

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 and for other expenditures as permitted under the prevailing Guidelines in this regard, the Company proposes to issue 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 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, up to an aggregate principal amount of ₹ 250,00,00,000 (Rupees

Two Hundred Fifty Crores) or its equivalent in any other currency on the terms and conditions as stated in the Notice of the Meeting.

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 the 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 Directors to raise long term finance as well as meeting Company's fund requirements for expansion, capital expenditure and for other expenditures as permitted under the prevailing Guidelines in this regard meeting Company's fund requirements for expansion, capital expenditure and for other expenditures as permitted under the prevailing Guidelines in this regard. This resolution also gives adequate flexibility in respect of working out the modalities of issue as also to issue FCCBs in such tranches, at such times as the Board may in its absolute discretion deem fit.

Under Section 41, 42 and 62 of the Companies Act, 2013, Shareholders approval by a special resolution is required for issue of shares to persons other than existing shareholders of the Company. None of the Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the Special Resolution set out at Item No.5 of the Notice.

The resolution set out at Item No. 5 is proposed to be passed as a Special Resolution.

By order of the Board

Place : NOIDA, U.P.

Date : 28.05.2015

**U.S. Bhartia**

*Chairman and Managing Director*

# Board's Report

## To The Members

Your Directors are pleased to present the Thirty First Annual Report together with the Audited Financial Statements of the Company for the year ended 31<sup>st</sup> March, 2015.

### FINANCIAL RESULTS

(Amount in ₹ Crores except earnings per share)

	Year ended 31.03.2015	Year ended 31.03.2014
Sales and Other Income	2601	2914
Profit/(Loss) before Depreciation, Exceptional Item and Tax	23	105
Exceptional Item (Net)	58	192
Depreciation	81	83
Profit / (Loss) Before Tax	(116)	(170)
Provision For Tax	(55)	(50)
Net Profit / (Loss)	(61)	(120)
Earning Per Share (In ₹)	(19.81)	(38.61)

### DIVIDEND

In view of the financial performance of your Company, your Directors have not recommended any dividend for the financial year 2014-15.

### PERFORMANCE

During the year under review, performance of the Company has been adversely affected on account of depressed global economic situation which has resulted in reduction of commodity demand. The performance of the Company has been adversely affected due to steep fall in prices of the Chemical products and the demand for Guar Gum. The performance was further adversely affected as domestic prices of our feedstock viz. molasses and alcohol, were high on account of poor availability of alcohol and diversion of alcohol towards the implementation of Ethanol Blending with Petrol (EBP) Program of Government of India at an unrealistic price resulting in a sharp increase in the prices of alcohol.

Sales and other income for the year under review has decreased to ₹ 2601 Crores as compared to ₹ 2914 Crores last year. Loss after depreciation, exceptional items and tax for the year has been ₹ 61 Crores as compared to loss of ₹ 120 Crores last year.

### CHEMICALS

The Company is the largest manufacturer of Bio-Mono Ethylene Glycol (Bio-MEG) in the world made out of renewable feedstock i.e. Molasses and Ethanol. Bio-MEG has an application, apart from other products, in PET bottles, which is used for packaging of beverage products.

Sales of Glycols [Monoethylene Glycol (MEG), Diethylene Glycol (DEG), Triethylene Glycol (TEG) and Heavy Glycols] have decreased from 95,342 MT in FY 2013-14

to 90,140 MT in FY 2014-15 and in Sales Value from ₹ 758 Crores in FY 2013-14 to ₹ 706 Crores in FY 2014-15.

Sales under Ethylene Oxide Derivatives (EOD) business decreased to 99,034 MT in FY 2014-15 from 1,03,713 MT during previous year. However, in value terms it has increased from ₹1,106 Crores in FY 2013-14 to ₹1,109 Crores in FY 2014-15. EOD business has witnessed improvement due to higher prices of Ethylene and Ethylene Oxide in the world market.

During the year, your Company produced 93,029 MT of Glycols compared to 96,275 MT last year. Ethylene Oxide Derivatives (EODs) production has been 1,36,837 MT compared to 1,05,510 MT last year.

### EXPORTS

During the year under review, your Company has achieved total export turnover of ₹ 1,030 Crores as compared to ₹ 1,195 Crores last year. The decline in exports can be attributed to the steep fall in demand and price of guar gum. Your Company hopes to achieve reasonable growth in the overall export sales in the current year though the market conditions remain extremely challenging. Company has been granted 'One Star Export House' status by Government of India.

### ETHYL ALCOHOL (POTABLE) & EXTRA NEUTRAL ALCOHOL

During the year, your Company registered total sales of ₹691 Crores as compared to ₹ 657 Crores last year in the Ethyl Alcohol (Potable) division. During the year thrust was given on the export of high quality Extra Neutral Alcohol (ENA) and IGL has gained the position of premium quality ENA suppliers in the international markets.

Monde Selection Committee is conducting evaluation sessions for different categories of consumer products & accordingly provides quality awards. Our Company has won fifth time in a row the prestigious GRAND GOLD AWARD from MONDE SELECTION, Belgium for its high quality of Extra Neutral Alcohol and also the GOLD AWARD for Soulmate Premium Whiskey for the first time.

Company has a tie-up with Bacardi for bottling of their products at our Kashipur bottling unit and Bacardi has also started the bottling of more brands at our bottling facility at Kashipur.

Company is having license for operations in and sale of Country Liquor and Indian Made Foreign Liquor (IMFL) in the States of Uttar Pradesh and Uttarakhand. During the year under review, Company has launched its premium products under the brand name of "V<sub>2</sub>O Vodka" in three flavors viz. Orange, Green Apple and Smooth. We have also extended the launch of Beach House Premium XXX Rum. During the year, the IMFL brands of the Company have been supplied to Canteen Stores Department (CSD) of Indian Defence Forces. The Company is also in the process of introducing its IMFL brands in the higher range

market and a brand building program shall be introduced in the current financial year.

#### **ENNATURE BIO-PHARMA DIVISION (100% EXPORT ORIENTED UNDERTAKING)**

Company has a 100% Export Oriented Unit (100% EOU) by the name of Ennature Bio-pharma division. The unit has established Supercritical Fluid Extraction- CO<sub>2</sub> and solvent extraction facility at Dehradun. The unit is Current Good Manufacturing Practices (CGMP), ISO 9001, ISO22000, Hazard Analysis and Critical Control Points (HACCP), Kosher and Halal certified. The R&D center at Ennature Bio-Pharma plant at Dehradun is working vigorously on the process of stabilizing and developing various Phytopharmaceutical and Nutraceutical products for the developed markets.

During the year, Company has become a qualified supplier to many large conglomerates worldwide for natural colors, nutraceuticals, health supplements and plant based Active Pharmaceutical Ingredients (APIs). Company has established its name as a quality manufacturer and supplier with stringent Quality Control (QC) and Quality Assurance (QA) controls in place.

During the year 2014-15, Company has taken several initiatives and improved functioning of the division and reported much better results. Sales turnover of Ennature Bio-Pharma division has increased to ₹ 68 Crores as compared to ₹ 43 Crores last year and registered a growth of over 60%. Both domestic & export sales have increased and existing product sales have increased with increase in the customer base and more usage from the old customers.

Company has also been able to develop new products like Vinpocetine EP/BP\*. Variety in Product Folio available with the Company has created better business opportunities to deeply penetrate into domestic as well as international markets. (\*EP/BP – European Pharmacopoeia/British Pharmacopoeia)

Company is working towards creating value for its generic products by branding, repositioning & generating technical backup with the help of professional institutes.

#### **INDUSTRIAL GASES**

During the year under review, the Company produced approximately 19,195 MT of Oxygen and 1,428 MT of Nitrogen. Both Oxygen and Nitrogen were sold in the market and also used for in house requirement. In addition, Argon of 2,864 MT was also produced and its sales were 2,770 MT.

Industrial Gas Division also produced Beverage and Industrial Grade Liquid Carbon Di-oxide (LCO<sub>2</sub>) at Kashipur. During the year the Company has produced 36,331 MT of LCO<sub>2</sub> and its sale was 35,477 MT.

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 facility for production of EO and LCO<sub>2</sub> which

are also 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 the Company has sold 913 MT of Steri Gas as compared to 722 MT in the last year.

During the year, the Industrial Gases segment registered total sales of all gases of ₹ 38.00 Crores as compared to ₹ 40.00 Crores in the last year.

#### **JOINT VENTURE FOR PRIVATE FREIGHT TERMINAL (PFT)**

The Company has entered into a Joint Venture with Apollo Logisolutions Limited (“ALS”) for setting up a Private Freight Terminal (PFT) and Inland Container Depot (ICD) providing railway based logistic services and other facilities at Bazpur Road, Kashipur, Uttarakhand, as provided under extant guidelines of the Indian Railways. The facility is coming up at the area adjacent to the existing plant of Company at Kashipur.

ALS is engaged in the business of offering 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. India Glycols Limited holds 48.9% of the capital contribution of the JV Company.

The Joint Venture Company will develop, manage and operate Private Freight Terminal (PFT) and Inland Container Depot (ICD) at Kashipur, Uttarakhand. The facility is expected to be operational by Q3 of this financial year.

The facility shall provide multi-modal logistics solutions to our Company and external customers and enhance its service delivery capacity. With the commissioning of this facility, logistics movement for both inbound and outbound cargo would become more dependable, reliable and economical, would also ensure on-time delivery of goods and enable better inventory management.

#### **EXPANSION / MODERNISATION / DIVERSIFICATION PLANS**

Your Company is actively pursuing growth opportunities and looking at areas to reduce its cost of production. The Company is also evaluating plans to further expand its Ethoxylates capacity to improve its product portfolio.

At Dehradun Herbal plant, Diesel boiler has been replaced with green herbal waste/briquette based boiler, which would result in significant fuel cost saving.

With the Commissioning of 12 MW Bio-mass based co-generation plant based on Multi-fuel i.e. Rice Husk & Concentrated Spent Wash (Slop) for Power generation, the Company has started sale of the surplus power to the Power Grid. This new setup is designed to supply approx. 8 MW per hour Power to the Grid after meeting the in-house requirements. With the successful commissioning of this Power Project, we are contributing towards reduction of the power deficit in the Uttar Pradesh State and also meeting our commitment of zero effluent discharge from our distillery Plant.

The Company is setting up a 10 ton biomass/day capacity

pilot plant to convert lignocellulosic agricultural waste biomass to ethanol by using the bench-scale process developed at DBT-ICT Centre for Energy Bio-Sciences, Mumbai. The Pilot Plant will use agricultural non-fodder lignocellulosic waste (i.e. Rice Straw, Wheat Straw & Bagasse) as feedstock to manufacture ethanol. The plant will aim at solving technical roadblocks in Lignocellulosic Ethanol Technology in order to improve the overall situation with regard to alcohol availability. The plant is being set-up with the Department of Bio-Technology aid/loan.

The Company has started manufacturing of special spirits, maturation and bottling of high proof brands. The Company has started to produce Bacardi brands including Superior white rum, flavoured rum in five variants, black rum, Eristoff Vodka in four variants and Bacardi whisky. The Company is in the process of developing a new premium range Whisky. The Company is also introducing its premium range Rum for supply to the CSD of Indian Defence Forces.

The Company has also set up a guar-gum based Propylene Oxide (PO) derivatives plant for oil field industry.

The Company in its Board Meeting held on 18<sup>th</sup> December, 2014 granted approval for the Segregation of the non core rental business of the Company for reducing the debt and improving the liquidity position of the Company. The Shareholders have approved, through Postal Ballot, by way of a special resolution under Section 180(1)(a) and 188 of the Companies Act, 2013 for sale of "Rental Business" of the Company to IGL Infrastructure Private Limited for a consideration of ₹ 184.20 Crores being enterprise value. The said segregation shall also help to achieve the other objectives such as reduce business complexity and release management time, provide impetus to future growth and create structure amenable for raising funds through leverage of assets and income.

#### **FINANCE**

During the year under review, Company has raised Term Loans of ₹ 239 Crores and repaid total loans of ₹ 286 Crores.

The Company has been regular in meeting its obligations towards payment of principal/interest to Financial Institutions/Banks. Details of the Loans, Guarantees and Investments covered under the provisions of Section 186 of the Companies Act, 2013 are given in the notes to the Financial Statements.

The Company had discontinued its fixed deposits scheme in the financial year 2009-10 and has not accepted any fresh deposits covered under Chapter V of the Companies Act, 2013 during the year. There are no overdue deposits except unclaimed deposits amounting to ₹ 3.36 Lacs. During the year, unclaimed deposit of ₹ 1.24 Lacs was transferred to IEPF.

#### **INTERNAL FINANCIAL CONTROLS AND THEIR ADEQUACY**

The Company periodically discusses and reviews at its Audit Committee and with its auditors the effectiveness of the internal financial controls 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.

#### **LISTING OF SECURITIES**

The shares of the Company are listed on BSE Limited and the National Stock Exchange of India Limited (NSE).

#### **SUBSIDIARY COMPANIES**

##### **Shakumbari Sugar and Allied Industries Limited**

The Company operates a sugar manufacturing plant in the state of Uttar Pradesh through its subsidiary Company M/s Shakumbari Sugar and Allied Industries Ltd. (SSAIL) with a crushing capacity of 7,500 tons crushed per day (TCD) alongwith 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.

The net worth of Shakumbari Sugar and Allied Industries Limited (SSAIL) has been completely eroded due to accumulated losses and, therefore, the Company has been declared a Sick Industrial Company under the provisions of section 3(1)(o) of the Sick Industrial Companies (Special Provisions) Act, 1985 (SICA) after obtaining necessary consents from its secured lenders including Central Bank of India, IDBI Bank Ltd., etc. IDBI Bank Ltd. being the Operating Agency has prepared and submitted the revival scheme for SSAIL, and the final order of the BIFR on revival of SSAIL is awaited. During the year the operations of the sugar manufacturing plant ceased to operate due to mounting debt burden of the Company and the uneconomical sugar scenario in the State of Uttar Pradesh. During the year ended 31<sup>st</sup> March, 2015, SSAIL suffered a loss of ₹ 25.42 Crores.

##### **IGL Finance Limited**

IGL Finance Ltd. (IGLFL) is a 100% subsidiary of the Company. IGL Finance Ltd. had invested funds in short term commodity financing contracts by the National Spot Exchange Ltd. (NSEL). Even though NSEL has defaulted in settling the contracts on due dates we are confident of recovery of our dues from NSEL over a period of time in view of the action taken by the Government and other investigating agencies. Company has so far recovered ₹ 10.31 Crores from NSEL. During the year ended 31<sup>st</sup> March, 2015, IGLFL suffered a loss of ₹ 0.74 Lacs.

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

IGL Chem International Pte. Ltd., a 100% subsidiary in Singapore to augment its activities in South Eastern region & 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, 2015, IGL Chem International Pte. Ltd. suffered a loss of ₹ 182.19 Lacs.

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

Company has also set up a 100% subsidiary company in USA, named as IGL Chem International USA LLC with the main objective of trading in the Company's products and related activities in the American and Latin American regions.

### **IGL Infrastructure Private Limited**

During the year under review, Company has incorporated IGL Infrastructure Pvt. Ltd. as a 100% subsidiary company, with the objectives of acquiring land, estates, buildings, tenements and other property of every description whether freehold or leasehold or other tenure by purchase, lease, exchange, hire or otherwise. During the year under review, the Company has transferred its Rental business on slump sale basis to IGL Infrastructure Pvt. Ltd. for an enterprise value of ₹184.20 Crores.

Statement containing salient features of the financial statement of subsidiaries/associate company/Joint ventures under first proviso to sub-section (3) of Section 129 in Form AOC-1 forms part of the financial statements.

The Company undertakes that annual accounts of the subsidiary companies and the related detailed information shall be made available to shareholders of the Company and subsidiary companies seeking such information at any point of time. The annual accounts of the subsidiary companies shall also be kept for inspection by any shareholders in the head office of the company and of the subsidiary companies concerned. The Company shall furnish a hard copy of details of accounts of subsidiaries to any shareholder on demand.

### **BOARD OF DIRECTORS**

The Board of Directors of your Company comprises of eight directors including five Independent Directors, one Woman Director who is a Non-executive, Promoter Director, one Managing Director and one Executive Director.

In the 30<sup>th</sup> Annual General Meeting held on 20<sup>th</sup> September, 2014, the Company had appointed Shri Pradip Kumar Khaitan, Shri Ravi Jhunjhunwala, Shri Jitender Balakrishnan, Shri R. C. Misra and Shri Jagmohan N. Kejriwal as Independent Directors for a period of 5 years with effect from 1<sup>st</sup> October, 2014 till 30<sup>th</sup> September, 2019 in terms of the provisions of Companies Act, 2013 and the Listing Agreement entered into with the Stock Exchanges. The terms and conditions of appointment of the Independent Directors are posted on the website of the Company.

In terms of provisions of Section 149(7) of the Companies Act, 2013, all the Independent Directors of the Company have furnished a declaration to the Compliance Officer of the Company at the meeting of the Board of Directors held on 28<sup>th</sup> May, 2015 stating that they fulfill the criteria of Independent Director as prescribed under Section 149(6) of the Companies Act, 2013 and are not disqualified to act as Independent Director.

During the year under review, five Board Meetings were held on 22<sup>nd</sup> May, 2014, 4<sup>th</sup> August, 2014, 8<sup>th</sup> November, 2014, 18<sup>th</sup> December, 2014 and 14<sup>th</sup> February, 2015.

Smt. Jayshree Bhartia, Non Executive, Promoter Director is retiring by rotation at the forthcoming Annual General Meeting and being eligible, offers herself for reappointment. Your Directors recommend the reappointment of Smt. Jayshree Bhartia, the retiring Director, for your approval.

The Company has a policy, namely, the "Nomination, Remuneration and Evaluation Policy", which applies to the Board of Directors, Key Managerial Personnel (KMPs) and the Senior Management Personnel of the Company and contains therein the policy followed by the Company regarding directors' and KMPs' appointment and determination of their remuneration and other matters provided under sub-section (3) of section 178.

### **Board Evaluation**

Pursuant to the provisions of the Companies Act, 2013 and Clause 49 of the Listing Agreement with Stock Exchanges, the Independent Directors in their meeting held on 8<sup>th</sup> November, 2014 evaluated the performance of the Board of Directors of the Company as a whole, the performance of non independent directors individually on the evaluation criteria approved in the Nomination, Remuneration and Evaluation Policy of the Company and evaluated the quality, quantity, timeliness of the flow of information between the Management and the Board.

Pursuant to provisions of the Companies Act, 2013 and Clause 49 of the Listing Agreement with Stock Exchanges, the Board has carried out an annual performance evaluation of its own performance as well as the evaluation of the working of its Committees including Audit Committee and Nomination and Remuneration Committee.

The Board followed a mechanism of annual evaluation of the Independent Directors in the Board on the basis of the evaluation criteria approved in the Nomination, Remuneration and Evaluation Policy of the Company. The Independent Directors of the Company have been appointed for a period not exceeding five consecutive years commencing from 1<sup>st</sup> October, 2014 to 30<sup>th</sup> September, 2019. The Non – Independent Directors have in their meeting held on 14<sup>th</sup> February, 2015 evaluated the performance of the Independent Directors during the year.

The Board of Directors of the Company endeavor to perform their job and discharge their duties towards the Company in the best possible manner keeping in mind the highest standards of corporate governance. The Board of your Company follows a mechanism of continuous evaluation of its performance in terms of decision making and ensuring transparency.

### **Nomination, Evaluation and Remuneration Policy**

The Company formulated and adopted Nomination, Remuneration and Evaluation Policy (the "Policy") to provide a framework and set standards for the nomination, remuneration and evaluation of the directors, Key Managerial Personnel and officials comprising of the senior management.

The basis for the Nomination and Remuneration Committee 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 role of KMP/Senior Officials. When recommending a candidate for appointment, the Nomination and Remuneration Committee 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 KMP/Senior Official 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) Personal specifications.

The guiding principle for the Remuneration of Directors, Key Managerial Personnel and Senior Management is that the level and composition of remuneration shall be reasonable and sufficient to attract, retain and motivate Directors, Key Management Personnel and other senior officials.

The Directors, Key Management Personnel and other senior officials' salary shall be based & determined on the individual person's responsibilities and performance and in accordance with the limits as prescribed statutorily, if any.

The Nominations & Remuneration Committee determines individual remuneration packages for Directors, KMPs and Senior Officials of the Company 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. The Committee consults with the Chairman of the Board as it deems appropriate.

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 of Directors, 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 evaluation/assessment of the Directors, KMPs and the senior officials of the Company is to be conducted on an annual basis.

Following are the criteria that may assist in determining how effective the performances of the Directors / KMPs / Senior officials 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 & approval 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
- direct, monitor & evaluate KMPs, senior officials
- 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 will be conducted by the Independent Directors for each of the Executive/ Non-Independent Directors in a separate meeting of the Independent Directors.

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

The criteria of making payment to the non-executive Directors of the Company are provided in the Nomination and Remuneration Policy placed on the website of the Company (<http://www.indiaglycols.com/investors/downloads/appointment-remuneration-evaluation-policy.pdf>).

#### KEY MANAGERIAL PERSONNEL

During the year under review, the Board of Directors of the Company has designated following Directors/Officials of the Company as Key Managerial Personnel (KMP) of the Company in terms of provisions of Section 203 of the Companies Act, 2013 and Clause 49 of the Listing Agreement with the Stock Exchanges:

1. Shri U.S. Bhartia, Chairman & Managing Director
2. Shri M.K. Rao, Whole time Director
3. Shri Rakesh Bhartia, Chief Executive Officer
4. Shri Anand Singhal, Chief Financial Officer
5. Shri Lalit Kumar Sharma, Company Secretary

No Key Managerial Personnel (KMP) of the Company has resigned during the financial year ended 31<sup>st</sup> March, 2015.

### **SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013**

In compliance to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, the Company adopted the guidelines & procedures to prevent, prohibit and punish sexual harassment of women at the workplace. The Company constituted an Internal Complaints Committee under the provisions of the Act and the Rules thereunder. The Internal Complaints Committee submitted the Annual Report dated 2<sup>nd</sup> February, 2015 to the Company pertaining to the status of complaints received and resolved by the Company. The Board considered the said report in its meeting held on 14<sup>th</sup> February, 2015. No complaint pertaining to Sexual harassment at workplace has been reported to the Company during the year ended March 31<sup>st</sup>, 2015.

### **VIGIL MECHANISM/ WHISTLE BLOWER POLICY**

The Company has established a Vigil Mechanism / Whistle Blower Policy, in accordance with the provisions of the Companies Act, 2013 read with Rules thereunder and the Listing Agreement with the Stock Exchanges to deal with the instances of fraud and mismanagement. The details of the Vigil Mechanism/ Whistle Blower Policy are provided in the Corporate Governance Report and also posted on the website of the Company (<http://www.indiaglycols.com/investors/downloads/vigil-mechanism-policy.pdf>).

### **DIRECTORS' RESPONSIBILITY STATEMENT**

Pursuant to Section 134(5) of the Companies Act, 2013 and to the best of their knowledge and belief and according to the information and explanations obtained by them, your Directors confirm that:

- (a) in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
- (b) appropriate accounting policies have been selected and applied consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit and loss of the company for that period;
- (c) proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of Companies Act, 2013 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- (d) the annual accounts have been prepared on a going concern basis;
- (e) proper internal financial controls were in place and that the internal financial controls were adequate and were operating effectively; and
- (f) proper systems to ensure compliance with the provisions of all applicable laws were in place and that such systems were adequate and were operating effectively.

### **MANAGEMENT DISCUSSION AND ANALYSIS**

A separate report on Management Discussion and Analysis is appended herewith, which shall form part of this Board's Report.

### **CORPORATE GOVERNANCE**

The Board of Directors supports the broad principles of Corporate Governance. The report on Corporate Governance for the year ended 31<sup>st</sup> March, 2015 as stipulated in clause 49 of the Listing Agreement entered into with the Stock Exchanges and Auditor's Certificate on Corporate Governance are appended with this Board's Report.

### **STATUTORY AUDITORS & AUDIT REPORT**

The Auditors, M/s. Lodha & Co., Chartered Accountants, retire at the ensuing Annual General Meeting and offer themselves for reappointment. The Board recommends the appointment of M/s. Lodha & Co., as the Statutory Auditors from the conclusion of the ensuing Annual General Meeting till the conclusion of the next Annual General Meeting. M/s. Lodha & Co., Chartered Accountants, have confirmed that they are eligible under Section 139 and Section 141 of the Companies Act, 2013 and Rules framed thereunder for appointment as Auditors of the Company. As required under Clause 49 of the Listing Agreement, the Auditors have also confirmed that they hold a valid certificate issued by the Peer Review Board of the Institute of Chartered Accountants of India.

The Auditors in their Audit Report have invited the attention of the Shareholders towards non provisioning by the Company against the investment in its Subsidiary Company, Shakumbari Sugar and Allied Industries Limited (SSAIL) amounting to ₹ 54.28 Crores, loans and advances amounting to ₹103.69 Crores. The Auditors have also invited the attention of the Shareholders towards Corporate Guarantee extended by the Company on behalf of SSAIL against outstanding amount of Financial Institutions and Banks as stated in Note no. 27(A)(iii) and 32(A)(iii) of the Financial Statements. The Company has already provided its clarification as contained in note no. 32(A) of the Financial Statements i.e. considering the intrinsic value of the investment in Shakumbari Sugar and Allied Industries Limited, (based on valuation report, future projections and long term in nature) and direction issued by the Hon'ble Board for Industrial and Financial Reconstruction (BIFR) for preparation of revival scheme by the operating agency as appointed, which has been filed with BIFR on 11<sup>th</sup> January, 2014 and also filed TEV (Technical Evaluation Study) with IDBI (Operating Agency) on 9<sup>th</sup> February, 2015, no provision at this stage is considered necessary by the management against investments and Loans & advances made/given as stated above.

The Auditors have also invited the attention of the Shareholders towards non provisioning by the Company against total exposure of amounting to ₹ 147.75 Crores in its 100% Subsidiary Company IGL Finance Limited in its report on Standalone Financial Statements and towards the non provisioning of ₹ 144.44 Crores in its report on Consolidated Financial Statements. The Company has also provided its clarification as contained in Note no. 32

(B) of the Financial Statements and Note no. 32 of the Consolidated Financial Statements i.e. Company has total exposure of ₹ 147.75 Crores (including Investment in capital of ₹ 1.25 Crores) in IGL Finance Ltd. (IGLFL). IGLFL in turn had invested funds for short term in commodity financing contracts offered by National Spot Exchange Ltd. (NSEL). NSEL has defaulted in settling the contracts on due dates and for which IGLFL has initiated legal and other action. 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, the management is confident of recovery of dues from NSEL over a period of time. Accordingly, no provision has been considered necessary at this stage by the company and shown as good and recoverable.

The Auditors have also invited the attention of the Shareholders towards non provisioning by the Company against total exposure of ₹ 5.05 Crores in its 100% Subsidiary Company IGL Chem Intl. Pte. Limited, Singapore. The Company has also provided its clarification as contained in Note no. 32(D) of the Financial Statements i.e. considering the strategic and long term nature of investment of ₹ 5.05 Crores no provision against the same has been considered necessary by the management.

The Auditors in their report on the Consolidated Financial Statements have invited the attention of the Shareholders towards the non provisioning of interest, penal interest, charges etc. amounting to ₹9.78 Crores related with a subsidiary company i.e. SSAIL. The Company has also provided its clarification as contained in Note no. 45(a) of the Consolidated Financial Statements i.e. considering that Hon'ble Board for Industrial and Financial Reconstruction (BIFR) has declared Shakumbari Sugar and Allied Industries Limited (SSAIL) as a sick industrial company on 4<sup>th</sup> April, 2013 and direction issued by them for preparation of revival scheme by the operating agency as appointed, which has been filed with BIFR on 11<sup>th</sup> January, 2014 and also filed TEV (Technical Evaluation Study) with IDBI (Operating Agency) on 9<sup>th</sup> February, 2015, management is confident that the said interest amount will be waived under the revival scheme, accordingly no provision at this stage is considered necessary by the management against the same.

The Auditors in their report on the Consolidated Financial Statements have further invited the attention of the Shareholders towards non provision against impairment loss on the fixed assets of the Subsidiary Company i.e. SSAIL. The Company has also provided its clarification as contained in Note no. 42 of the Consolidated Financial Statements i.e. considering the future cash flows and based on the Technical Evaluation Study, management is confident that the expected recoverable value is more than its carrying value, hence no provisioning for impairment loss on its Fixed Assets/Cash Generating Units (CGU) is considered necessary at this stage.

#### **SECRETARIAL AUDITOR & SECRETARIAL AUDIT REPORT**

The Board appointed M/s P.P. Agarwal & Co., Practicing

Company Secretaries as Secretarial Auditor for the Financial Year 2014-15 in terms of provisions of Section 204 of the Companies Act, 2013. The Secretarial Audit Report dated 26<sup>th</sup> May, 2015 of M/s P. P. Agarwal & Co., Practicing Company Secretaries, for the financial year ended 31<sup>st</sup> March, 2015 in the prescribed form MR-3 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 was considered by the Board in its meeting held on 28<sup>th</sup> May, 2015 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.

#### **COST AUDITORS**

Company has appointed M/s R J Goel & Co., Cost Accountants (FRN 000026) as Cost Auditors of the Company for the financial year 2015-16 under section 148 of the Companies Act, 2013 read with the Companies (Cost Records and Audit) Rules, 2014 including amendments, if any, subject to the approval of the Shareholders at their ensuing Annual General Meeting and the Central Government. Cost Auditors have confirmed that they are eligible under Section 141 (3) of the Companies Act, 2013 for reappointment. The Cost Auditors have attended the Audit Committee Meeting, where their Report was discussed.

Due date for filing of the Cost Auditors' Report in XBRL mode for the year 2014-15 with Central Government is 31.10.2015. The due date for filing of the Cost Auditors Report in XBRL mode for the year 2013-14 with Central Government was 30.09.2014, however, the Company had filed the same on 26.09.2014.

#### **RELATED PARTY TRANSACTIONS**

Particulars of contracts or arrangements with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 in the prescribed form enclosed as "**Annexure B**" forms part of this report. All Related Party Transactions entered into by the Company were granted prior approval of the Audit Committee at its meetings.

During the year under review, following two related party transactions were entered into by the Company which were either not in the ordinary course of the business or were not at arm's length price:

- 1 Discontinuation of charging of Interest on the Inter- corporate Deposits of ₹ 160 Crores (₹ 147 Crores Outstanding as on 31.03.2015) provided to its 100% Subsidiary Company, IGL Finance Limited, since these ICDs were invested by IGL Finance Ltd. in short term commodity financing contracts by the National Spot Exchange Ltd. (NSEL). NSEL had defaulted in settling the contracts on due dates, as a result of which IGL Finance could not get the funds back from NSEL. Therefore, IGL Finance Ltd. was unable to service the interest payment to the Company.
- 2 Transfer of Rental Business on slump sale basis by the Company to its 100% Subsidiary Company IGL Infrastructure Pvt. Ltd. for an enterprise value of ₹ 184.20 Crores.

All the other related party transactions entered into by the Company were in the ordinary course of business and at arm's length basis. No material related party transaction i.e. a transaction constituting of 10% of the annual consolidated turnover of the Company was entered into by the Company. The details of related party transactions with the Company as required by Accounting Standard (AS-18) on Related Party Transactions have been given in Notes to Accounts. Besides this, Company has no materially significant transaction with the related parties viz. Promoters, Directors, Key Managerial Personnel, their relatives and their subsidiaries, etc. that may have a potential conflict with the interest of the Company at large. The Policy for Related Party Transactions as approved by the Board has been uploaded on the website of the Company under the link <http://www.indiaglycols.com/investors/downloads/Related-party-transactions-Nov-2014.pdf>.

#### **ENVIRONMENT, ENERGY CONSERVATION, TECHNOLOGY ABSORPTION, ETC.**

Your Company is working actively on various projects efficiently, approaching and targeting towards Clean Development Mechanism (CDM) and reduction in Greenhouse Gases (GHG) emissions.

The Company has installed unique technology for converting distillery spent wash into fuel at both the plants viz. Kashipur (Uttarakhand) and Gorakhpur (Uttar Pradesh). 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 operation. Due to this your Company is saving fossil fuel in terms of coal and substituting the essential power generation through DG sets. Estimated saving due to Slop utilized during the year under review is as under:

Slop Equivalent Coal savings (net of Evaporator)	- 30185 MT
Slop Equivalent Power units savings (net of evaporator)	- 3420 MW

The Biomass based Cogeneration Project activity taken up by the Company at its Gorakhpur, U.P. plant is successfully registered under Clean Development Mechanism (CDM) project by United Nations Framework Convention on Climate Change (UNFCCC) for ten year fixed crediting period 16/12/2010 to 15/12/2020. Under the Clean Development Mechanism, emission-reduction (or emission removal) projects in developing countries can earn certified emission reduction credits.

Your Company has received certification of Energy Management System (ISO 50001:2011) under integrated management system.

The information in accordance with the provisions of Section 134(3)(m) of the Companies Act, 2013 read with the Rule 8 of the Companies (Accounts) Rules, 2014 is given in "Annexure C" to the Board's Report.

#### **CORPORATE SOCIAL RESPONSIBILITY (CSR)**

Corporate Social Responsibility (CSR) is a way of conducting business, by which corporate entities visibly contribute to the social good. 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.

Your Company, Directors and its dedicated employees continue to contribute towards society by several worthwhile causes. Your Company aims to enhance the quality of life of the community in general and has a strong sense of social responsibility.

Even before the issue of CSR became obligatory, India Glycols Limited was fulfilling the aspiration of the society through voluntary CSR activities for the areas around the periphery of the plant and office sites.

As part of its initiative under Corporate Social Responsibility, the Company has undertaken projects and programmes in the areas of Education promotion, Health and Sanitation, Safe drinking water, Livelihood. Some of the Corporate Social activities undertaken by the Company during the year under review are as follows:

- 1 Installed Hand Pumps in a phased manner in near by villages of Kashipur and Gorakhpur to provide continuous water facility.
- 2 Promoted sanitation by Construction of public toilets.
- 3 Provided Ambulance Services (Ambulance and Driver) for community health care.
- 4 Organized medical camps where villagers can avail of medical assistance, free of cost;
- 5 Blanket distribution to poor during winter
- 6 Contributed for the infrastructure in Govt. Girls High School in Kashipur.
- 7 Contributed for the infrastructure in Govt. Primary School, a community school in Kashipur.

Your Company is also supporting a community school at Dwarka, New Delhi through charitable organization Nirmal Society for Education Promotion. The school is equipped with modern facilities and also has a good infrastructure. The school possesses qualified and experienced faculties, which enable children to make a great future.

The Company lent financial assistance to the underprivileged children under its CSR activity. Your Company is also extending educational and on-the-job training to the students of many professional Institutions and the professionals of many other Management and Engineering Institutions, which helps them to start a new beginning for their future professional career.

The aforesaid activities are in accordance with Schedule VII of the Companies Act, 2013. In accordance with the provisions of Section 135 of the Companies Act 2013

read with the Companies (Corporate Social Responsibility Policy) Rules, 2014, the annual report on Corporate Social Responsibility activities is enclosed as “**Annexure D**” and forms part of the Board’s Report.

Your Company constantly strives hard to serve the society by implementing such other policies which benefited people at large. The company always endeavors to give back the Society for the support the Company has received to rise and flourish.

During the year 2014-15, the Company has spent ₹109.65 Lacs against the budget for CSR of ₹109.63 Lacs.

### **RISK MANAGEMENT POLICY**

Pursuant to Clause 49 of the Listing Agreement with the Stock Exchanges, the Company has constituted a Risk Management Committee in its Board Meeting held on 14<sup>th</sup> February, 2015. The Committee is authorised to monitor the Risk Management Plan and to mitigate the risks attached to the business of the Company. The Risk Management Committee consists of Directors and the senior management personnel of the Company details whereof are provided in the Corporate Governance Report forming part of the Board’s Report.

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 will be carried out across sites and departments for necessary key risks and risk management strategies are to be communicated to the Board of Directors for their assessment for minimization of effects of risk.

### **EXTRACT OF ANNUAL RETURN**

A separate report on the details of the extract of the Annual Return in form MGT-9 is enclosed as “**Annexure E**”, which shall form part of the Board’s Report.

### **AWARDS AND RECOGNITIONS**

The Company with great pride is pleased to inform to you that the Company has been honoured with the Silver award selected by Federation of Indian Export Organisation, set up by Ministry of Commerce, Govt. of India for being Second highest foreign exchange earners in the Chemicals, Drugs, Pharma and allied sectors – Non MSME (Micro, Small and Medium Enterprises). The Prestigious award was presented to the Company by Hon’ble President of India in November 2014.

Shri U.S. Bhartia, Chairman and Managing Director of the Company has been conferred with highly prestigious “**BUSINESS LEADER OF THE YEAR – INNOVATION**” CHEMTECH CEW LEADERSHIP & EXCELLENCE AWARDS 2013”, wherein he has been recognized as “An Industrialist with Extraordinary achievements in the core sectors of Indian Economy in conceiving & implementing projects sustainable through value creation and value addition and has always strived for an all-inclusive growth”. He has been recognized as an industrialist with visionary concepts based on research and innovation. He has been awarded for his entrepreneurial endeavors, of putting India on the world map by establishing industries based on green technologies in the rural areas, utilizing local resources to produce products of global standards.

### **HUMAN RESOURCES**

Your Directors wish to place on record their deep appreciation to employees at all levels for their all-round efforts, dedication, commitment and loyal services which helped your Company sustain even in a tough year and achieve satisfactory performance during the year.

The required information as per Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is given in “**Annexure F**” to this report.

Further, Information regarding employees in accordance with the provisions of Rule 5(2) and Rule 5(3) of the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014 is given in “**Annexure G**” to the Board’s Report.

### **ACKNOWLEDGEMENT**

Your Directors place on record their deep appreciation of the support given by the Central Government, the State Government of Uttarakhand and the State Government of Uttar Pradesh, Financial Institutions and Banks and looks forward to their continued support.

For and on behalf of the Board

Place : NOIDA, U.P.

**U.S. Bhartia**

Dated : 28.05.2015 *Chairman and Managing Director*

### Annexure A

#### SECRETARIAL AUDIT REPORT FOR THE FINANCIAL YEAR ENDED 31<sup>ST</sup> MARCH, 2015

To,  
The Members,  
**India Glycols Limited**

**CIN: L24111UR1983PLC009097**

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 the 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 31<sup>st</sup> March, 2015, 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 India Glycols Limited for the financial year ended 31<sup>st</sup> March, 2015 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) 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;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992:
  - (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, 1992;
  - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
  - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee

- (e) Stock Purchase Scheme) Guidelines, 1999;
- (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
- (f) 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;
- (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and
- (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;

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
- (ii) The Listing Agreements entered into by the Company with the National Stock Exchange of India Ltd. and the Bombay Stock Exchange Ltd.

We further report that:

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

Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

We further report that 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.

We further report that during the audit period the Company has transferred its Rental Business on slump sale basis to its 100% subsidiary IGL Infrastructure Pvt. Ltd. for an enterprise value of ₹184.20 Crores.

For P. P. Agarwal & Co.  
Company Secretaries

Pramod Prasad Agarwal  
Proprietor

Place : New Delhi  
Date : 26.05.2015

FCS No.: 4955  
C. P. No.:10566

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

## ANNEXURE-A TO THE SECRETARIAL AUDIT REPORT

To,  
The Members,  
**India Glycols Limited**

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. Where ever 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 P. P. Agarwal & Co.  
Company Secretaries

Pramod Prasad Agarwal  
Proprietor  
FCS No.: 4955  
C. P. No.:10566

Place : New Delhi  
Date : 26.05.2015

**Annexure B**
**Form No. AOC-2**

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

Form for 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 arms length transactions under third proviso thereto

**1. Details of contracts or arrangements or transactions not at arm's length basis:**

Name(s) of the related party and nature of relationship	Nature of contracts/ arrangements/ transactions	Duration of the contracts / arrangements/ transactions	Salient terms of the contracts or arrangements or transactions including the value, if any	Justification for entering into such contracts or arrangements or transactions	Date (s) of approval by the Board	Amount paid as advances, if any	Date on which the special resolution was passed in general meeting as required under first proviso to section 188
IGL Finance Limited (Wholly owned Subsidiary Company)	Discontinuation of Interest income on Inter Corporate Deposit given	Inter Corporate Agreement effective upto 29 <sup>th</sup> July, 2016	Inter Corporate Deposit of ₹ 160.00 Crores (₹ 147 Crores outstanding as on 31.03.2015) given	IGL Finance could not service the interest due on the ICD given by the Company due to liquidity crunch because of the default of National Spot Exchange Limited in settling the short term commodity financing contracts entered into with IGL Finance Ltd.	8 <sup>th</sup> November, 2014	N.A.	N.A.
IGL Infrastructure Private Limited (Wholly owned Subsidiary Company)	Transfer of rental business to the wholly owned subsidiary Company	Business transfer Agreement dated 31 <sup>st</sup> March, 2015 for value of ₹ 184.20 Crores	Transfer of the rental business of the Company	Segregation of the rental business by way of transfer through slump sale	18 <sup>th</sup> December, 2014	Nil	Shareholders' resolution passed on 1 <sup>st</sup> February, 2015 by way of Postal Ballot

**2. Details of material contracts or arrangement or transactions at arm's length basis:**

Name(s) of the related party and nature of relationship	Nature of contracts/ arrangements/ transactions	Duration of the contracts / arrangements/ transactions	Salient terms of the contracts or arrangements or transactions including the value, if any	Date(s) of approval by the Board, if any	Amount paid as advances, if any
Nil	Nil	Nil	Nil	Nil	Nil

For and on behalf of the Board

Place : NOIDA, U.P.  
Dated : 28.05.2015

**U.S. Bhartia**  
Chairman and Managing Director

**Annexure C**
**PARTICULARS AS REQUIRED UNDER SECTION 134(3)(m) OF THE COMPANIES ACT, 2013 AND THE COMPANIES (ACCOUNTS) RULES, 2014 FORMING PART OF THE BOARD'S REPORT FOR THE YEAR ENDING 31<sup>ST</sup> MARCH 2015**
**CONSERVATION OF ENERGY**
**(a) Energy Conservation Measures Taken.**

1. 12MW steam based power project has successfully commissioned & power export to Grid started.
2. Installation of VFD in ID fans of SH furnace for both CBL boiler to conserve the power.
3. Provision of VFD in cooling tower fans.
4. Provision of VFD in tempered Water pump of Ethoxylation Stirred reactor.
5. Process steam condensate of ENA plant is used as a boiler feed water resulting in DM water and energy saving.
6. Modification of Steam trap at various places, minimize the leakage of steam at our plant.
7. Process condensate of Evaporator plant is used as a dilution in fermentation resulting in Raw water and energy saving.
8. ENA Plant HQ column condensate recovery resulting in heat conservation.
9. Extraction back pressure steam turbine of 3.5 MW commissioned and taken in operation.
10. Addition of Coal Additive in Coal fired Steam Boilers resulting in coal savings.
11. Chemical dosing in SLOP boilers for increasing slop consumption in boilers resulting in coal savings.
12. Flash steam recovery from steam Boiler drums water blowdown of CVL20, TBW, IJT-80 and IJT-2 implemented.
13. Provision of VFD in Distillery Air Blower resulting in power savings.
14. Installation of LED lamps resulting in energy savings in lightning system.

**(b) Additional investment and proposals, if any, being implemented for reduction of consumption of energy:**  
 Following schemes are being implemented:

1. Replacement of live steam in MEG strippers with process dehydration steam resulting in LP steam saving.
2. Replacement of HP steam with MP steam in E-3610 resulting in increased power generation from back pressure steam turbine.
3. Proposal for Flash steam recovery from steam Boiler drums blowdown of CVL30, Slop-1 & Slop-2 Boilers.
4. Installation of Reboiler in ENA plant analyzer column to reduce the effluent at Gorakhpur.
5. Installation of VFD in superheater furnace ID fan to save power.
6. Installation of VFD in spent wash recycles pumps to save the power at Gorakhpur.
7. Installation of forced circulation calandria 4<sup>th</sup> & 5<sup>th</sup> in existing Evaporator plant to increase through put at Gorakhpur.
8. Installation of LED lighting and solar heaters at Gorakhpur.
9. Installation of VFD in Secondary Air fan of CBL-1 boiler to save the power at Gorakhpur.
10. Slop fired boiler furnace modification – increase in furnace height resulting in increased utilization of Slops-Reduction in fuel consumption in Boiler at Gorakhpur.

**(c) Impact of the measures at (a) and (b) for reduction of energy consumption and Consequent impact**
**ENERGY CONSERVATION MEASURES:**
**BENEFITS**
**Saving of Coal by**

Max. Biogas utilization in Boilers  
 Preheating of Boiler Feed Water  
 Operation of Evaporator reflux Preheater  
 Installation of Boiler feed water preheater in MEG Process Heaters  
 Preheating of 12 MW turbine condensate with Dehydration Steam Condensate  
 Utilized hot condensate in GEA and GE to Generate LP steam  
 Utilized steam condensate to generate flash Steam in Guar Gum unit

Up to 20.45 MT/day  
 Up to 41.10 MT/day  
 Up to 1.28 MT/day  
 Up to 2.19 MT/day  
 Up to 5.90 MT/day  
 Up to 2.34 MT/day  
 Up to 1.24 MT/day

**Saving of Power by**

Operation of TG Set at Optimum load (Kashipur)  
 Operation of TG Set at Optimum load (Gorakhpur)

117486.27 MWH of Power  
 66895.91 MWH of Power  
 Generated during the year  
 (Last year 30171.26 MWH)

**Saving of Fuel (FO) by**

Utilization of waste gas/Biogas in the Process Heater

Up to 19.87 MT/Day

**Saving of Coal by**

Slop utilization in Boiler

Up to 144.32 MT/Day

**Saving of Rice Husk by**

Max. Slop utilization in Boiler  
 Process steam condensate utilization in Boiler

Up to 300MT/day  
 Up to 750MT/day

(d) Total energy consumption and energy consumption per unit of production as Prescribed in Form –A.

**Form-A**  
Form for disclosure of particulars with respect to conservation of energy

(A) Power and fuel consumption	Units	Year ending March' 2015	Year ending March' 2014
<b>KASHIPUR PLANT</b>			
<b>i) Electricity</b>			
(a) Purchased Unit	1000 KWH	154046.48	168649.68
Total Amount	₹ Lacs	7710.30	7980.61
Rate per unit	₹/KWH	5.01	4.73
(b) Own Generation through DG Sets	1000 KWH	4903.45	2655.53
Units per Kg/Liter of Diesel Oil/HPS	KWH/Kg	4.41	4.55
Cost/Unit	₹/KWH	7.71	10.16
<b>ii) Coal</b>			
Quantity	MT	343210.73	385235.34
Total Cost	₹ Lacs	19081.73	19359.92
Average Rate	₹/MT	5740.84	5025.48
<b>iii) Bagasse</b>			
Quantity	MT	Nil	Nil
Total Cost	₹ Lacs	-	-
Average Rate	₹/MT	-	-
<b>iv) Fuel Oil (LDO/RFO)</b>			
Quantity	MT	4671.14	5325.76
Total Cost	₹ Lacs	1811.04	2335.09
Average Rate	₹/MT	38770.76	43845.23
<b>v) Others/internal generation</b>			
<b>a) From Back Pressure Turbine</b>			
Quantity	1000 KWH	68732.42	70593.05
Total Cost	₹ Lacs	Nil	Nil
Average Rate	₹/KWH	Nil	Nil
<b>b) From Extraction, Back Pressure &amp; Condensing Turbine</b>			
Quantity	1000 KWH	48753.84	53661.14
Total Cost	₹ Lacs	2309.60	2468.20
Average Rate	₹/KWH	4.74	4.60
Total (a+b)	1000 KWH	117486.27	124254.18
<b>GORAKHPUR PLANT</b>			
<b>A POWER AND FUEL CONSUMPTION</b>			
<b>i) ELECTRICITY</b>			
(a) Purchased Unit	1000KWH	88.93	3709.68
Total Amount	₹ Lacs	12.27	341.07
Rate per unit	₹/KWH	13.79	9.20
(b) Own Generation through DG sets	1000KWH	8.04	123.04
Unit per Kg/Lit of Diesel Oil/HPS	₹ Lacs	1.50	21.19
Cost/Unit	₹/KWH	18.65	17.22
<b>ii) RICE HUSK</b>			
Quantity	MT	73507.36	77495.41
Total Cost	₹ Lacs	2362.10	2257.23
Average Rate	₹/MT	3213.42	2912.23
<b>iii) COAL</b>			
Quantity	MT	18894.51	14885.34
Total Cost	₹ Lacs	1150.28	858.93
Average Rate	₹/MT	6087.89	5770.27

**IV) OTHER/INTERNAL GENERATION  
(From Back pressure Turbine)**

Quantity	1000 KWH	66895.91	30171.26
Export	1000 KWH	40807.30	-
Total Cost	₹ Lacs	-	-
Average Rate	₹/KWH	-	-

**ENNATURE BIO-PHARMA PLANT:**
**A POWER AND FUEL CONSUMPTION**
**i) ELECTRICITY**

a) Purchased Unit	1000 KWH	5439.80	5006.33
Total Amount	₹ Lacs	275.17	254.37
Rate per unit	₹/KWH	5.05	5.08
b) Own Generation through DG sets	1000 KWH	282.99	736.45
Unit per Kg/Lit of Diesel Oil/HPS	Kg/lit	3.47	3.59
Cost/Unit	₹/KWH	14.12	14.22

**Form-B**
**(Form of Disclosure of Particulars with Respect to Technology Absorption and Research and Development)**
**A. Research and Development**
**1. Specific Areas in which R&D is Carried Out by the Company**

- Efforts made were, widen the product portfolio (Natural Health Products-NHPs) for Green supercritical fluid extraction technology with value addition and business growth.
- R&D efforts has resulted business sustainability and have given stability for capacity utilization up by 85% having better consistency in recoveries than previous year. Also high value products capacity utilization is up by 28% than previous year.
- Ginger product, Shogaol developed using Green Technology SCF-CO<sub>2</sub> being to be an asset for product folio in near future based on Clinical Trials undergoing for control of Cancers like Blood Leukemia.
- Few New formulations are developed and formulation division is established for value addition of SCF-CO<sub>2</sub> products. Formulation division may widen scope of business.
- Microencapsulated Docosahexaenoic acid (DHA) and Vegetarian Astaxanthin Beadlet products launched for market. DHA business promoted is up by 10-15% than previous year with surge of Lutein Ester sale by 50% more.
- Products stabilized during period 2014-15 for commercial process of SCF-CO<sub>2</sub> process to create a widest product folio are:

Product	Source Raw Material	Content
Commercial SCF-CO <sub>2</sub> Processes Developed and Accepted are:		
Olibanum Gum	Boswellia serrata	Boswellic acid 60%
Curcumin 6%	Turmeric Rhizome	6% curcuminoids
Green shell mussel oil	Green shell mussel	EPA -15.4% DHA -11.6%
Chia seed oil	Chia seed	Linolenic acid 60%
Capsanthin Paprika Colour	Oleo-resin waste	100,000 and 200,000 CU
Chilly (Capsicum)	Chilly-Capsicum	Capsaicine 6.67%, 10.3%
Black Peeper	Black Peeper Seed	Piperine 50%
Organic ginger	Organic Ginger Rhizome	Total gingerols 30%
New Proposed SCF-CO <sub>2</sub> Projects for Development are:		
Bitter Gourd (Karela)	Momordica charantia	Insulin Enhancer-CEK
Sea Buckthorn pulp oil	Hippophae rhamnoides	Omega 3,6,7,9 Fatty acids
Nut Meg	Myristica fragrans	Nutmeg Oleoresin 27% (E.Oil)

### 1. Active Pharmaceuticals Ingredients from Herbal Sources-Aqueous-Solvent Extraction Plant:

- Development and process stabilization efforts that made have benefited the company for increasing the yields, product portfolio and capacity utilization with increased turnover margin.
- Process developments and stabilization methods has enhanced annual processing capability of herbal materials like Gloriosa Seeds from 200 Tons to 288 Tons.
- Pilot level study for Value addition of Colchicine to Thiocolchicoside by conversion process to leverage the costing of Thiocolchicoside is carried.
- Process development works led to creation of new production facility at Plot No.5 for enhancing the capacity from 288 Tons to 600-700 Tons. This new production facility will leverage the product average costing like Thiocolchicoside and curcumin.
- Products stabilized for commercial business acceptance by Aqueous-Solvent Extraction Process are:

Product	Source Raw Materials	Content
<b>Commercial Processes Developed and Accepted from Aqueous-Solvent Extraction:</b>		
Thiocolchicoside	Gloriosa Superba Seed	Thiocolchicoside Yield from 60% to 73% level achieved.
Curcuminoids crystals (Ethanol) 95% By UV and 90% by HPLC.	Turmeric Rhizome	Technology transfer To Production. The green ethanol process technology is used for processing.
Ginger Spray Dried Power 3-5%	Zingiber officinale	Developed on customer need basis.
Coffee Beans Extract 50%, 60%, 95%	Green coffee Beans	Process Developed
Senoside Extract 20%	Senna Leaves	Developed in R&D
Withania 2.5 & 8%	Withania Somnifera root	Developed in R&D
Forskolin crystals 95%	Coleus extract	Technology Developed
<b>New Proposed Aqueous-Solvent Extraction Projects for Development/Under Development are:</b>		
Thiocolchicoside	Colchicine	Pilot Processes stabilized, to lauch commercial production FY 2015-16
Bitter guard Extract -CEK	Momordica charantia	Insulin Rejuvenator
Vitamin D	Day Jasmine	High value product
Vinpocetine	Tabersonine-Voacanga seeds	Scale up work completed, to launch commercial production FY 2015-16
Free Lutein 80%	Marigold Flower	Process Transfer to Production
Lutein Ester	Marigold Flower	Process Transfer to Production
Natural insulin	Costas Pictus leaves	Novel Work initiated

### 2. Benefits Derived as a Result of Above R & D and Energy Save:

- New Boiler of Agro waste is installed FY 2014-15, energy cost cut down is to 50% which leveraged the proportionate production cost.
- Chiller lines modifications have cut down energy cost FY 2014-15 to 30-35% that leveraged proportionate production cost.
- Achieved sustainability by utilization of capacity of both SCF-CO<sub>2</sub> plants to 85% with 28% value surge by high value products and Aqueous-Solvent extraction plant capacity from 70% to 85%.
- Technology additions and product innovations have roomed to develop at pilot level for two other products that can be taken for commercialization in FY 2015-16 by expansions to existing facility.
- Development and stabilization of formulations from SCF-CO<sub>2</sub> products has enhanced the business scope additionally 10% for DHA and 30% Lutein Ester in FY 2014-15.
- Obtained the WHO-CGMP, Korean FDA and EU-WC drug certification approval for Active Pharmaceutical Ingredients (APIs).
- Research activity has enhanced the production capabilities of solvent extraction area from 200 Tons to 288 Tons that roomed further for creation of new production facility to give utilization of solvent plant from 80% to 90% level by next year 2015-16 to average a product cost.

- The green products like ethanol curcumin, Senna may give room for business volumes.
- Created additional R&D laboratory facility gave room for innovation.
- Research and Development facility recognition achieved from DSIR, Govt. of India for the year 2013-16.

### 3. Future Plan of Action

- To add two other solvent products by project expansion plans by FY 2015-16
- To add value addition to SCF-CO<sub>2</sub> products at new formulation block and enhance product profile and turnover from 40 Tons to 50 Tons.
- To study plan for capacity enhancement up to 40% and make proposal for pay back plan by addition of new extractors to existing SCF-CO<sub>2</sub> plant.
- To broaden the reach activities on various new products like Insulin Rejuvenator from Karela fruit, Natural vitamin-D from Day-Jasmine and Insulin Plant Costus for Insulin Synthesis.
- To go for a commercial process and launch of Vinpocetine to the market.
- To scale of new conversion process of low value Colchicine to high value Thiocolchicoside to lower the average cost of Thiocolchicoside.
- To increase utilization of newly created facility of Aqueous-Solvent extraction to a total of 700 Tons /annum by widening product portfolio.

## II. Expenditure on R & D

<b>1. (i) EXPENDITURE ON R&amp;D (Chemical, Kashipur)</b>	<b>2014-15 (₹ in Lacs)</b>
Capital	145.26
Recurring	197.85
Total	343.11
Total expenditure as a percentage of total turnover	0.13%
<b>(ii) Expenditure on R &amp; D (Ennature Biopharma, Dehradun)</b>	<b>2014-15 (₹ in Lacs)</b>
Capital	12.79
Recurring	141.81
Total	154.60
Total Expenditure as a Percentage of turn over	0.06%

## B. Technology absorption and innovation

- The technologies are developed in house.
- To further utilize the technology and widen the product range to harness the market with potentially quality products.
- To apply for projects for funding for strengthening the R & D process innovations.
- To maximize the success rate of projects from lab to pilot and for commercial production.
- To study the techno-economic feasibility of all product to be commercialized.
- To protect the IPR for all the developments carried by filing process Research and Development Patents.

**INFORMATION ABOUT IMPORTED TECHNOLOGY (IMPORTED DURING THE LAST 5 YEARS RECKONED FROM THE BEGINNING OF THE FINANCIAL YEAR) : NA**

## FOREIGN EXCHANGE EARNING AND OUTGO:

- (i) Activities relating to exports, initiative taken to exports, development of new export for products and services and export plans. : FOB Value of the Exports during the year were ₹ 962 Crores
- (ii) Total Foreign Exchange used : Total Foreign Exchange used was ₹ 762 Crores (Previous year Foreign Exchange used was ₹ 849 crores)

For and on behalf of the Board

Place : NOIDA, U.P.  
Dated : 28.05.2015

**U.S. Bhartia**  
Chairman and Managing Director

**ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES**  
*for the financial year ended 31<sup>st</sup> March 2015*

**1. A brief outline of the company's CSR Policy, including overview of projects or programs undertaken and a reference to the web-link to the CSR policy and projects or programs:**

Corporate Social Responsibility (CSR) is a way of conducting business, by which corporate entities visibly contribute to the social good. 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.

Even before Corporate Social Responsibility became obligatory, India Glycols Limited was fulfilling the aspiration of the society through voluntary CSR activities within the periphery of the plant and office sites. Also to fulfill the directive of the Act, our Company has implemented the CSR policy specifying the activities to be undertaken by the Company, the Company has undertaken the following programs/projects under its CSR activities:

Under the Health and sanitation program, the Company:

- 1) Installed Hand Pumps in phase manner in near by villages of Kashipur and Gorakhpur to provide continuous water facility.
- 2) Promoted sanitation by Construction of public toilets.
- 3) Provided Ambulance Services (Ambulance and Driver) for community health care.
- 4) Organized medical camps where villagers can avail of medical assistance, free of cost;
- 5) Blanket distribution to poor during winter

Under the Educational promotion program, the Company:

- 1) Contributed for the infrastructure in Govt. Girls High School in village school in Kashipur.
- 2) Contributed for the Building of Govt. Primary School, a community school in Kashipur.
- 3) Contributed towards the infrastructure development of the Community School at Dwarka New Delhi

The Company at its Board meeting held on 4<sup>th</sup> August, 2014 approved the Corporate Social Responsibility Policy (CSR) Policy. The CSR Policy of the Company is posted on the website of the Company ([www.indiaglycols.com](http://www.indiaglycols.com)).

**Weblink:** <http://www.indiaglycols.com/investors/downloads/csr-policy.pdf>

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

The CSR Committee of the Company comprises of the following members:

- a) Shri U.S. Bhartia, Chairman
- b) Shri R.C. Misra, Member, Independent Director
- c) Shri Pradip Kumar Khaitan, Member, Independent Director
- d) Shri M. K. Rao, Member, Executive Director

**3. Average net profit of the company for last three financial years:**

The average net profit of the Company for the preceding three financial years i.e. 2011-12, 2012-13 and 2013-14 is ₹ 5,481.55 Lacs.

**4. Prescribed CSR expenditure (2% of the amount as in item no.3 above):**

The budget for the CSR activities during the year 2014-15 is ₹109.63 Lacs, being 2% of the Company's average net profits of the three immediately preceding financial years.

**5. Details of CSR spent during the financial year:**

(a) **Total amount to be spent for the financial year:** ₹109.63 Lacs.

(b) **Amount unspent, if any:** NIL

(c) **Manner in which the amount spent during the financial year is detailed below:** The Company spent ₹ 109.65 Lacs during the year 2014-15 as follows-

S. No.	CSR project or activity identified	Sector in which the project is covered	Projects of Program (a) local area or other (b) specify the state and district where projects or program was undertaken	Amount outlay (budget) project or program wise (in ₹ Lacs)	Amount spent on the projects or programs sub – head: (1) Direct expenditure on projects or programs (2) Overheads (in ₹ lacs)	Cumulative Expenditure up to the reporting Period (in ₹ Lacs)	Amount spent: Direct or through implementing agency (in ₹ Lacs)
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
1	Providing Ambulance services for community health care, construction of public toilets, medical camps including distribution of medicines	Health care & Sanitation	Gorakhpur (Uttar Pradesh),  Kashipur (Uttarakhand)	1.00	0.20  0.68	0.20  0.68	Direct
2	Contribution for infra-structure expansion and maintenance of Schools	Education Promotion	New Delhi Kashipur (Uttarakhand)	103.63	100.85 2.86	100.85 2.86	Direct Direct
3	Installation of India Marka Hand Pumps, hand pipe repairing	Sanitation and safe drinking water	Gorakhpur (Uttar Pradesh) Kashipur (Uttarakhand)	3.00	1.47 1.59	1.47 1.59	Direct
4	Blanket distribution to poor	Health care & Sanitation	Gorakhpur (Uttar Pradesh) Kashipur (Uttarakhand)	2.00	1.00 1.00	1.00 1.00	Direct
	<b>TOTAL</b>			<b>109.63</b>	<b>109.65</b>	<b>109.65</b>	

**6. In case the company has failed to spend the two percent of the average net profit of the last three financial years or any part thereof, the company shall provide the reasons for not spending the amount in its Board Report**

The Company has utilized full budget allocated for the CSR activities during the year 2014-15.

**7. A responsibility statement of the CSR Committee that the implementation and monitoring of CSR policy is in compliance with the CSR objectives and policy of the company**

We, members of the CSR Committee of the Company, do hereby jointly state that being a manufacturing Company we are dependent on the farmers and others for our manufacturing activities and therefore, the Company is required to discharge its Corporate Social Responsibilities towards the public at large residing around the manufacturing plants of the Company. We hereby state further that the CSR Policy of the Company is implemented and monitored in Compliance with the objectives and policy of the Company with regard to its Social responsibilities.

For and on behalf of the Board

Place : NOIDA, U.P.  
Dated : 28.05.2015

**U.S. Bhartia**  
Chairman and Managing Director

**R.C. Misra**  
Chairman CSR Committee

**EXTRACT OF ANNUAL RETURN**
**As on the financial year ended on 31<sup>st</sup> March, 2015**

[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

**Form No. MGT-9**
**I. REGISTRATION AND OTHER DETAILS:**

Particulars	Details
CIN	L24111UR1983PLC009097
Registration Date	19/11/1983
Name of the Company	INDIA GLYCOLS LIMITED
Category / Sub-Category of the Company	Company having Share Capital
Address of the Registered office and contact details	A-1, Industrial Area, Bazpur Road, Kashipur-244713, Distt. Udham Singh Nagar, Uttarakhand Tel No. 0120 3090100
Whether listed company Yes / No	Yes
Name, Address and Contact details of Registrar and Transfer Agent, if any	MCS Limited F-65, 1st Floor, Okhla Industrial Area, Phase-I, New Delhi-110020 Tel No. 011-41406149

**II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY**

All the business activities contributing 10% or more of the total turnover of the company shall be stated:-

Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the company
Mono Ethylene Glycol	3009	39
Ethylene Oxide Derivatives	3053	36
Ethyl Alcohol	2200	23

**III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES –**

Name and address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of Shares Held	Applicable Section
Shakumbari Sugar And Allied Industries Limited Address: Village & P.O. Todarpur, Saharanpur, Uttar Pradesh	U15429UP1994PLC016271	Subsidiary	98.89%	2(87)
IGL Finance Limited A-1, Industrial Area, Bazpur Road, Kashipur-244713, Distt. Udham Singh Nagar, Uttarakhand	U65922UR1997PLC022992	Subsidiary	100%	2(87)
IGL Chem International Pte Ltd. Singapore	Foreign Company	Subsidiary	100%	2(87)
IGL Chem International USA LLC U.S.A.	Foreign Company	Subsidiary	100%	2(87)
IGL Infrastructure Private Limited Plot No. 2B, Sector-126, NOIDA-201304 Distt. Gautam Budh Nagar, Uttar Pradesh	U70102UP2014PTC066539	Subsidiary	100%	2(87)
Kashipur Infrastructure And Freight Terminal Private Limited 408, Akashdeep Building, 26A, Barakhamba Road, New Delhi-110001	U60200DL2011PTC227307	Associate Company	48.90%	2(6)

**IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)**
**i) Category-wise Share Holding**

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A. Promoters</b>									
<b>(1) Indian</b>									
a) Individual/HUF	1205910	2030249	3236159	10.45	1204910	2030249	3235159	10.45	0.00
b) Central Govt	0	0	0	0	0	0	0	0	Nil
c) State Govt (s)	0	0	0	0	0	0	0	0	Nil
d) Bodies Corp.	15672166	0	15672166	50.62	15672166	0	15672166	50.62	Nil
e) Banks / FI	0	0	0	0	0	0	0	0	Nil
f) Any Other	0	0	0	0	0	0	0	0	Nil
<b>Sub-total (A) (1):-</b>	<b>16878076</b>	<b>2030249</b>	<b>18908325</b>	<b>61.07</b>	<b>16877076</b>	<b>2030249</b>	<b>18907325</b>	<b>61.07</b>	<b>0.00</b>
<b>(2) Foreign</b>									
a) NRIs - Individuals	0	0	0	0	0	0	0	0	NA
b) Other – Individuals	0	0	0	0	0	0	0	0	NA
c) Bodies Corporate	0	0	0	0	0	0	0	0	NA
d) Banks / FI	0	0	0	0	0	0	0	0	NA
e) Any Other	0	0	0	0	0	0	0	0	NA
<b>Sub-total (A) (2):-</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>NA</b>
<b>Total shareholding of Promoter (A) = (A)(1)+(A) (2)</b>	<b>16878076</b>	<b>2030249</b>	<b>18908325</b>	<b>61.07</b>	<b>16877076</b>	<b>2030249</b>	<b>18907325</b>	<b>61.07</b>	<b>0.00</b>
<b>B. Public Shareholding</b>									
<b>1. Institutions</b>									
a) Mutual Funds/UTI	50706	11900	62606	0.20	5023	11600	16623	0.05	-0.15
b) Banks / FI	4318	3100	7418	0.02	18280	3100	21380	0.07	0.05
c) Central Govt	0	0	0	0	0	0	0	0	NA
d) State Govt(s)	0	0	0	0	0	0	0	0	NA
e) Venture Capital Funds	0	0	0	0	0	0	0	0	NA
f) Insurance Companies	562565	0	562565	1.82	560565	0	560565	1.81	-0.01
g) FIs	0	0	0	0	0	0	0	0	NA
h) Foreign Venture Capital Funds	0	0	0	0	0	0	0	0	NA
i) Others (specify)	0	0	0	0	0	0	0	0	NA
<b>Sub-total (B)(1):-</b>	<b>617589</b>	<b>15000</b>	<b>632589</b>	<b>2.04</b>	<b>583868</b>	<b>14700</b>	<b>598568</b>	<b>1.93</b>	<b>-0.11</b>
<b>2. Non- Institutions</b>									
a) Bodies Corporation									
i) Indian	1996669	35800	2032469	6.56	2151731	35700	2187431	7.07	0.51
ii) Overseas	0	0	0	0	0	0	0	0	NA
b) Individuals									
i) Individual shareholders holding nominal share capital upto ₹ 1 lakh	6383994	987062	7371056	23.81	6491568	949162	7440730	24.03	0.22
ii) Individual shareholders holding nominal share capital in excess of ₹ 1 lakh	1299503	29500	1329003	4.30	1244129	29500	1273629	4.11	-0.19

c) Others (specify)									
i) Trust & Foundations	31236	0	31236	0.10	21220	0	21220	0.07	-0.03
ii) Non Resident Individual	481322	175500	656822	2.12	366097	166500	532597	1.72	-0.40
<b>Sub-total (B)(2):- Total Public</b>	<b>10192724</b>	<b>1227862</b>	<b>11420586</b>	<b>36.89</b>	<b>10274745</b>	<b>1180862</b>	<b>11455607</b>	<b>37.00</b>	<b>0.11</b>
<b>Shareholding (B)=(B)(1)+ (B)(2)</b>	<b>10810313</b>	<b>1242862</b>	<b>12053175</b>	<b>38.93</b>	<b>10858613</b>	<b>1195562</b>	<b>12054175</b>	<b>38.93</b>	<b>Nil</b>
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
<b>Grand Total (A+B+C)</b>	<b>27688389</b>	<b>3273111</b>	<b>30961500</b>	<b>100.00</b>	<b>27735689</b>	<b>3225811</b>	<b>30961500</b>	<b>100.00</b>	<b>Nil</b>

### (ii) Shareholding of Promoters

SI No.	Shareholders' Name	Shareholding at the beginning of the year			Share holding at the end of the year			% change in share holding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1	Kashipur Holdings Ltd	1,02,87,406	33.23	-	1,02,87,406	33.23	-	NIL
2	Sajani Devi Bhartia	21,00,249	6.78	-	21,00,249	6.78	-	NIL
3	Mayur Barter Pvt Ltd	14,56,066	4.70	-	14,56,066	4.70	-	NIL
4	J B Commercial Company Pvt Ltd	10,62,915	3.43	-	10,62,915	3.43	-	NIL
5	Facit Commosales Pvt Ltd	10,01,853	3.24	0.52	10,01,853	3.24	0.52	NIL
6	J Boseck & Company Pvt Ltd	7,09,401	2.29	-	7,09,401	2.29	-	NIL
7	Sukhvarsha Distributors Pvt Ltd	3,61,875	1.17	-	3,61,875	1.17	-	NIL
8	Ajay Commercial Company Pvt Ltd	6,26,255	2.02	-	6,26,255	2.02	-	NIL
9	Jayshree Bhartia	4,00,003	1.29	-	4,00,003	1.29	-	NIL
10	Uma Shankar Bhartia	4,48,722	1.45	-	4,48,722	1.45	-	NIL
11	Pooja Bhartia	1,83,592	0.60	-	1,83,592	0.60	-	NIL
12	Supreet Vyapaar Pvt Ltd	1,65,895	0.54	-	1,65,895	0.54	-	NIL
13	Pragya Bhartia	86,300	0.28	-	86,300	0.28	-	NIL
14	Vedant Jhaver	15,793	0.05	-	15,793	0.05	-	NIL
15	Autar Krishna	1,000	0.00	-	0	0.00	0.00	0.00
16	Lund & Blockley Pvt Ltd	500	0.00	-	500	0.00	-	NIL
17	Ramesh Chandra Misra	500	0.00	-	500	0.00	-	NIL
	<b>Total</b>	<b>18908325</b>	<b>61.07</b>	<b>0.52</b>	<b>18907325</b>	<b>61.07</b>	<b>0.52</b>	

**(iii) Change in Promoters' Shareholding (please specify, if there is no change)**

	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
At the beginning of the year	18908325	61.07	18907325	61.07
Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	NA	NA	NA	NA
At the end of the year	18908325	61.07	18907325	61.07

**(iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):**

S. No.	Name	Shareholding		Date of Change	Increase/ Decrease in shareholding	Reason	Cumulative shareholding during the year (01.04.14 to 31.03.15)	
		No. of shares at the beginning 01.04.2014	% of total shares of the Company				No. of shares	% of total shares of the Company
1	General Insurance Corporation of India	560565	1.81	31-Mar-2015	0	Nil movement during the year	560565	1.81
2	Bervin Investment and Leasing Limited	224000	0.72	31-Mar-2015	0	Nil movement during the year	224000	0.72
3	Noble International Pvt Ltd	93316	0.30	31-Mar-2015	0	Nil movement during the year	93316	0.30
4	AVS Global Private Limited	77000	0.25	11-Apr-2014	3000	transfer	80000	0.26
				16-May-2014	10000	transfer	90000	0.29
				6-Jun-2014	5000	transfer	95000	0.31
				13-Jun-2014	5000	transfer	100000	0.32
				20-Jun-2014	-25500	transfer	74500	0.24
				18-Jul-2014	500	transfer	75000	0.24
				25-Jul-2014	3000	transfer	78000	0.25
				12-Sep-2014	-3000	transfer	75000	0.24
				19-Sep-2014	2500	transfer	77500	0.25
				16-Jan-2015	2500	transfer	80000	0.26
31-Mar-2015	0	-	80000	0.26				

5	Edelweiss Securities Ltd	84295	0.27	4-Apr-2014	-7786	transfer	76509	0.25
				11-Apr-2014	-1875	transfer	74634	0.24
				18-Apr-2014	-1013	transfer	73621	0.24
				25-Apr-2014	700	transfer	74321	0.24
				2-May-2014	-349	transfer	73972	0.24
				9-May-2014	-2503	transfer	71469	0.23
				16-May-2014	-204	transfer	71265	0.23
				23-May-2014	-34	transfer	71231	0.23
				6-Jun-2014	-810	transfer	70421	0.23
				13-Jun-2014	-6643	transfer	63778	0.21
				20-Jun-2014	-1295	transfer	62483	0.20
				30-Jun-2014	-95	transfer	62388	0.20
				4-Jul-2014	-10	transfer	62378	0.20
				11-Jul-2014	-100	transfer	62278	0.20
				18-Jul-2014	400	transfer	62678	0.20
				25-Jul-2014	-405	transfer	62273	0.20
				1-Aug-2014	376	transfer	62649	0.20
				8-Aug-2014	-5	transfer	62644	0.20
				14-Aug-2014	-218	transfer	62426	0.20
				5-Sep-2014	-13367	transfer	49059	0.16
				12-Sep-2014	-40	transfer	49019	0.16
				19-Sep-2014	-200	transfer	48819	0.16
				30-Sep-2014	5	transfer	48824	0.16
				10-Oct-2014	1171	transfer	49995	0.16
				17-Oct-2014	-9030	transfer	40965	0.13
				31-Oct-2014	-665	transfer	40300	0.13
				7-Nov-2014	-100	transfer	40200	0.13
				14-Nov-2014	40	transfer	40240	0.13
				28-Nov-2014	85	transfer	40325	0.13
				5-Dec-2014	10	transfer	40335	0.13
				12-Dec-2014	10	transfer	40345	0.13
19-Dec-2014	4374	transfer	44719	0.14				
31-Dec-2014	-48	transfer	44671	0.14				
9-Jan-2015	8914	transfer	53585	0.17				
16-Jan-2015	41	transfer	53626	0.17				
23-Jan-2015	259	transfer	53885	0.17				
30-Jan-2015	35	transfer	53920	0.17				
6-Feb-2015	-490	transfer	53430	0.17				
13-Feb-2015	5223	transfer	58653	0.19				
20-Feb-2015	87052	transfer	145705	0.47				
27-Feb-2015	-1040	transfer	144665	0.47				
6-Mar-2015	-203	transfer	144462	0.47				
13-Mar-2015	-5630	transfer	138832	0.45				
20-Mar-2015	-56494	transfer	82338	0.27				
27-Mar-2015	-8395	transfer	73943	0.24				
31-Mar-2015	1126	transfer	75069	0.24				

6	Maple Vyapaar Pvt Ltd	50064	0.16	18-Apr-2014	1000	transfer	49064	0.16
				9-May-2014	825	transfer	49889	0.16
				23-May-2014	-300	transfer	49589	0.16
				6-June-2014	2100	transfer	51689	0.17
				20-Jun-2014	1600	transfer	53289	0.17
				30-Jun-2014	2195	transfer	55484	0.18
				4-Jul-2014	900	transfer	56384	0.18
				11-Jul-2014	3656	transfer	60040	0.19
				18-Jul-2014	-2101	transfer	57939	0.19
				25-Jul-2014	-200	transfer	57739	0.19
				1-Aug-2014	-5000	transfer	52739	0.17
				19-Sep-2014	234	transfer	52973	0.17
				30-Sep-2014	3300	transfer	56273	0.18
				31-Mar-2015	0	-	56273	0.18
7	Sanjeev Bubna(HUF) Sbsubna	56006	0.18	6-Jun-2014	-1000	transfer	55006	0.18
				13-Jun-2014	850	transfer	55856	0.18
				31-Mar-2015	0	-	55856	0.18
8	Millennium Developers Pvt Ltd	55500	0.18	31-Mar-2015	0	Nil movement during the year	55500	0.18
9	Anita Jaideep Sampat	406		31-Dec-2014	48361	transfer	48767	0.16
				31-Mar-2015	0		48767	0.16
10	Gyan Traders Limited	31352	0.10	31-Mar-2015	16818	transfer	48170	0.10

**(v) Shareholding of Directors and Key Managerial Personnel:**

	Shareholding at the beginning of the year		Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	Cumulative Shareholding during the year	
	No. of shares	% of total shares of the company		No. of shares	% of total shares of the company
For Each of the Directors and KMP					
Shri Uma Shankar Bhartia	448722	1.45	No change during the year	448722	1.45
Smt. Jayshree Bhartia	400003	1.29	No change during the year	400003	1.29
Shri Ramesh Chandra Misra	500	0.00	No change during the year	500	0.00
Shri Autar Krishna	1000	0.00	(1000) Date of change 30.09.2014 reason-sale	0	0.00

## V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment (Amount in ₹ Crores)

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	1819.47	107.22	-	1926.69
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	1.91	-	-	1.91
<b>Total (i+ ii+ iii)</b>	<b>1821.38</b>	<b>107.22</b>	-	<b>1928.60</b>
Change in Indebtedness during the financial year				
• Addition	330.75	27.18	-	357.93
• Reduction	126.88	69.10	-	195.98
• Exchange Difference	49.51	-	-	49.51
Net Change	253.38	(41.92)	-	211.46
Indebtedness at the end of the financial year				
i) Principal Amount	2072.85	65.30	-	2138.15
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	3.42	-	-	3.42
<b>Total (i+ii+iii)</b>	<b>2076.27</b>	<b>65.30</b>	-	<b>2141.57</b>

## VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

### A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

(Amount in ₹)

Sl. No.	Particulars of Remuneration	Name of MD/WTD/ Manager	Name of MD/WTD/ Manager	Total Amount
		<b>Shri Uma Shankar Bhartia, CMD</b>	<b>Shri M. K. Rao, WTD</b>	
1.	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	1,29,99,848	60,60,060	1,90,59,908
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	7,30,152	3,90,025	11,20,177
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	-
2.	Stock Option	-	-	-
3.	Sweat Equity	-	-	-
4.	Commission - as % of profit - others, specify	-	-	-
5.	Others, please specify	-	-	-
	<b>Total (A)</b>	<b>1,37,30,000</b>	<b>64,50,085</b>	<b>2,01,80,085</b>
	Ceiling as per the Act	<b>1,37,30,000</b>	<b>1,37,28,750</b>	-

**B. Remuneration to other directors:**

(Amount in ₹)

Particulars of Remuneration	Name of Independent Directors						Total Amount
	Shri Pradip Kumar Khaitan	Shri Jitender Balakrishnan	Shri Ravi Jhunjhunwala	Shri Jagmohan N. Kejriwal	Shri Ramesh Chandra Misra	Shri Atar Krishna	
Independent Directors - Fee for attending board / committee meetings	160000	130000	70000	120000	520000	60000	1060000
• Commission	-	-	-	-	-	-	-
• Others, please specify	-	-	-	-	-	-	-
<b>Total (1)</b>	<b>160000</b>	<b>130000</b>	<b>70000</b>	<b>120000</b>	<b>520000</b>	<b>60000</b>	<b>1060000</b>
						<b>Smt. Jayshree Bhartia</b>	
Other Non-Executive Directors							
• Fee for attending board / committee meetings						160000	160000
• Commission						-	-
• Others, please specify						-	-
<b>Total (2)</b>						<b>160000</b>	<b>160000</b>
<b>Total (B)=(1+2)</b>							<b>1220000</b>
Total Managerial Remuneration							-
Overall Ceiling as per the Act							-

**C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD**

(Amount in ₹)

Sl. No.	Particulars of Remuneration	Key Managerial Personnel			Total Amount
		Shri Rakesh Bhartia Chief Executive Officer	Shri Lalit Kumar Sharma Company Secretary	Shri Anand Singhal Chief Financial Officer	
1.	Gross salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	1,84,65,416	23,78,454	52,67,753	2,61,11,623
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	39,600	32,920	1,55,828	2,28,348
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	-	-
2.	Stock Option	-	-	-	-
3.	Sweat Equity	-	-	-	-
4.	Commission - as % of profit - others, specify...	-	-	-	-
5.	Others, please specify	-	-	-	-
	<b>Total</b>	<b>1,85,05,016</b>	<b>24,11,374</b>	<b>54,23,581</b>	<b>2,63,39,971</b>

**VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:**

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment / Compounding fees imposed	Authority [RD / NCLT / COURT]	Appeal made, if any (give Details)
<b>A. COMPANY</b>					
Penalty					
Punishment					
Compounding					
<b>B. DIRECTORS</b>					
NIL					
Penalty					
Punishment					
Compounding					
<b>C. OTHER OFFICERS IN DEFAULT</b>					
Penalty					
Punishment					
Compounding					

**Annexure F**

**Details pertaining to remuneration as required under section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014**

**DIRECTORS' REMUNERATION**

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.

Shri U. S. Bhartia, Chairman and Managing Director's compensation is ₹ 1,33,70,000 as approved by the shareholders at their meeting held on 20<sup>th</sup> September, 2014 and the Central Government approval dated 22.01.2015 obtained by the Company. During the year 2014-15, Shri M. K. Rao, Whole time director has been paid compensation of ₹ 64,80,457/- as approved by the Shareholders at their meeting held on 18.09.2013. The remuneration paid to the Chief Executive Officer, Chief Financial Officer and the Company Secretary are in line with the prevailing levels of remuneration in the industry and are justified taking into account the turnover of the Company and the responsibilities of the management personnel.

- (i) The percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive officer, Company Secretary in the financial year 2014-15 in comparison to the financial year 2013-14 and ratio of remuneration of each Director to the median remuneration of the employees of the Company:

Name of Directors/ KMPs of the Company	Remuneration for financial year 2014-15 (in ₹)	Remuneration for financial year 2013-14 (in ₹)	% increase in Remuneration in the financial year 2014-15	Ratio of Remuneration to MRE* for the financial year 2014-15
Shri U. S. Bhartia, Chairman & Managing Director	1,37,30,000	2,67,03,153	(48.6%)	40.17
Shri M. K. Rao, Whole Time Director	64,50,085	64,80,457	(0.47%)	18.87
Shri Rakesh Bhartia, Chief Executive Officer	1,85,05,016	1,84,23,378	0.44%	N.A.
Shri Anand Singhal, Chief Financial Officer	54,23,581	43,83,288	23.73%	N.A.
Shri Lalit Kumar Sharma, Company Secretary	24,11,374	23,83,365	1.18%	N.A.

\*Median Remuneration of Employees

Smt. Jayshree Bhartia, Promoter Director, Shri Pradip Kumar Khaitan, Independent Director, Shri Ramesh Chandra Misra, Independent Director, Shri Jagmohan N Kejriwal, Independent Director, Shri Ravi Jhunjunwala,

Independent Director and Shri Jitender Balakrishnan, Independent Director were not in receipt of remuneration for the financial year 2013-14 and financial year 2014-15 as the Company suffered losses in the financial years 2013-14 and 2014-15.

- (ii) The median remuneration of employees of the Company during the financial year 2014-15 was ₹ 3.42 Lacs. In the financial year 2014-15, there was an increase of 9.10% in the median remuneration of employees.
- (iii) The number of permanent employees on the rolls of the Company as of 31<sup>st</sup> March, 2015 and 31<sup>st</sup> March, 2014 was 1404 and 1377 respectively.
- (iv) Relationship between average increase in remuneration and Company performance - The revenue growth during the financial year 2014-15 was 11% whereas the increase in median remuneration of employees was 9.10%. In the financial year, the average increase in median remuneration was in line with the growth of the Company.
- (v) The Comparison of remuneration of the Key Managerial Personnel against the performance of the Company - The average increase in the remuneration of the Whole Time Directors and the Key Managerial Personnel in the financial year 2014-15 as compared to the financial year 2013-14 was 20% and the revenue growth during the financial year 2014-15 was 11%. The increase in the remuneration was based on the recommendation of the Nomination and Remuneration Committee keeping in view various factors and as per the industry norms and was in line with the performance of the Company.
- (vi) (a) Variation in the market capitalization of the Company – Market Capitalisation of the Company as on 31<sup>st</sup> March, 2015 was ₹ 251.56 crores and on 31<sup>st</sup> March, 2014 was ₹ 293.20 crores.  
(b) Price earnings ratio as at 31<sup>st</sup> March, 2015 and 31<sup>st</sup> March, 2014 is not available as there is loss.  
(c) Percent increase over decrease in the market quotations of the shares of the Company in comparison to the rate at which the Company came out with the last public offer – The Company had come out with Initial public offer (IPO) in the year 1986. An amount of ₹ 1000 invested would be ₹ 8125 as on 31<sup>st</sup> March, 2015 indicating a compounded annual growth rate of 7.49%.
- (vii) Average percentile increase made in the salaries of the employees other than managerial personnel in the last financial year was 11.35 % whereas percentile increase in the managerial remuneration was 20 % for the same financial year.
- (viii) There is no variable component of remuneration which is availed by the Directors during the financial year 2014-15.
- (ix) Ratio of the remuneration of the highest paid Director to that of the employees who are not Directors but receive remuneration in excess of the highest paid Director during the year is 0.82:1.
- (x) It is affirmed that the remuneration paid is as per the Remuneration policy for Directors, Key Managerial personnel and other Employees.

#### Annexure G

Information pursuant to Section 197 of the Companies Act, 2013 read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

S. No.	Name	Age (in Years)	Designation	Remuneration (in ₹)	Qualification	Experience (in Years)	Date of commencement of employment	Previous Employment/ Designation
<b>Employed throughout the year and in receipt of remuneration aggregating ₹ 60,00,000/- or more per annum.</b>								
1	U S Bhartia	61	Chairman & Managing Director	15,170,000.00	B.Com (Hons)	36	11/29/2001	India Glycols Ltd, Managing Director
2	M K Rao	57	Executive Director	6,877,765.00	M Tech (Chemical Plant Design)	33	12/15/1988	Indian Petrochemical Corporation Ltd, Senior Engineer
3	Rakesh Bhartia	46	Chief Executive Officer	18,505,016.00	CA, CS, ICWA	23	7/31/2009	Bajaj Hindustan Ltd, Chief Executive Officer
<b>Employed for a part of the year and in receipt of remuneration aggregating ₹ 5,00,000/- or more per month.</b>								
4	Shyamal Purkayastha	67	President	3,510,778.00	PHD (Chemistry)	37	2/25/2008	Hindustan Gum & Chemicals Ltd, Vice President
Note: Remuneration includes Salary, House Rent Allowance, LTA, Medical, Company's contribution to Provident Fund and other Perquisites. Value of perquisites has been calculated on the basis of Income-Tax Act, 1961.								

For and on behalf of the Board

Place : NOIDA, U.P.  
Dated : 28.05.2015

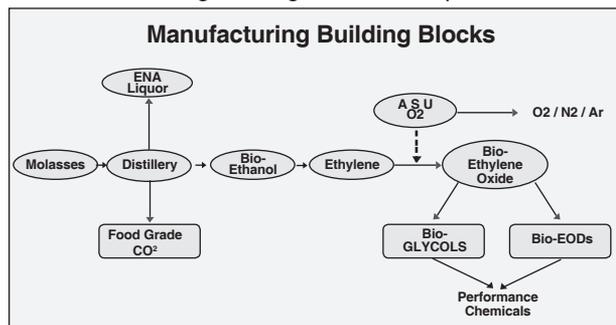
**U.S. Bhartia**  
Chairman and Managing Director

# Management Discussion & Analysis Report

## PRODUCTS

INDIA GLYCOLS LIMITED is one of the leading manufacturer of Glycols, Ethylene Oxide Derivatives, Natural Gum & Derivatives, Ethyl Alcohol (Potable), Extra Neutral Alcohol, Nutraceuticals & Herbal Extracts and Industrial Gases. Our belief in providing the desired products with the help of the best technology is reflected in our state-of-the-art integrated manufacturing facilities.

The manufacturing building blocks are represented:-



The Company has organised its business into chemicals and other segments.

A. Chemical segments comprises:-

- Glycols (MEG, DEG, TEG and Heavy Glycols)
- Ethylene Oxide Derivatives (EODs)
- Natural Gum and Derivatives

B. Ethyl Alcohol (Potable) and Extra Neutral Alcohol

C. Others include Nutraceuticals & Herbal Extracts, Industrial Gases etc.

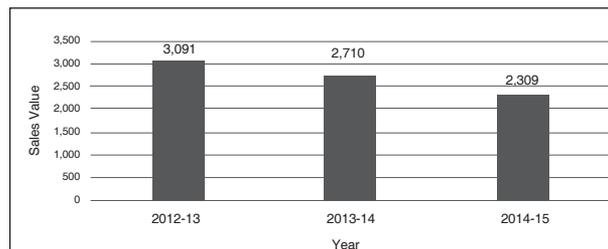
The segment wise business share is indicated as follows:-

Segment	Sales Value 2014-15 (₹ in Crores) (domestic + Exports)	% Share
Chemicals	2,309	75%
Ethyl Alcohol (Potable)	701	23%
Others	82	2%
Total	3,092	100%

## CHEMICAL SEGMENT

Sales in the Chemical segment have decreased from ₹ 2,710 crores in FY 2013-14 to ₹ 2,309 crores in FY 2014-15. This segment is highest contributor at 75% to the total turnover of the Company. Decrease in value is on account of depressed global economic situation which has resulted in reduction of commodity demand including Guar gum and its derivatives demand. Company has regulated its domestic sales as it was not feasible to market MEG using expensive Ethanol.

	2012-13	2013-14	2014-15
Chemical Sales Value (₹ in Crores)	3,091	2,710	2,309



## GLYCOLS AND EOD

Sales of Glycols (MEG, DEG, TEG and Heavy Glycols) has decreased from 95,342 MT in FY 2013-14 to 90,140 MT in FY 2014-15 and in Sales Value from ₹ 758 Crores in FY 2013-14 to ₹ 706 Crores in FY 2014-15.

In view of higher feedstock cost, the focus has been on sales of Bio-MEG for exports.

Sales under Ethylene Oxide Derivatives (EOD) business decreased marginally to 99,034 MT in FY 2014-15 from 1,03,713 MT during previous year. However, in value terms it increased to ₹1,109 Crores in FY 2014-15 as compared to ₹1,106 Crores in FY 2013-14. EOD business accounted for 48% of company's revenue from Chemical business and is highest contributor at 36% to the total revenue of the Company. EOD business has witnessed drop in sales mainly due to improvement in profitability due to strategically restricted sales in China market in view of very low realisations.

The EOD 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.

The Company aims to increase its business by developing new products and applications especially in areas of textile chemicals, oil field chemicals, paper chemicals, home care & personal care applications.

The thrust would be in line with the strategy to maximise EOD business in view of increasing the usage of EO for EO Derivatives for improved margins.

## BIO-ETHOXYLATES

We have initiated promotion of Bio-Ethoxylates in the international market which is gaining acceptability and can be a good opportunity for better realisation in the niche market segments.

## NATURAL GUMS

The performance under the Natural Gums Division had suffered set back during the year under review due to steep fall in Guar gum demand, consequent upon the slump in Oil and Gas prices globally, which has forced the US market to decrease the drilling activities in the Oil and Gas sector. With the current situation in US market is

expected to continue, your Company has focused on other global markets for its industrial and food grade Gaur-gum products. In spite of the depressed market conditions for Guar-gum, Company has carved a niche in world market and now is known as the consistent quality manufacturer among the customers world over. Your Company has started exploring the opportunities for its Guar derivatives in the field of Oil field, cosmetics and building construction applications.

### OPPORTUNITIES & CHALLENGES

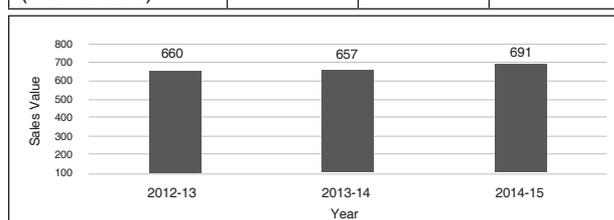
MEG consumption for polyester industries for 2014-15 has been around 2.6 million tons. Due to the falling prices of crude and lower demand of MEG in the market, no new capacity has been added during the financial year 2014-15. The major increase in capacity has come from expansion at leading domestic industries.

Domestic production of MEG is around 1.1 million tons primarily from Reliance & IOC and balance demand has been met by imports. Overall demand supply balance have been favorable for MEG producers in the world market in 2014-15 and prices were in the range of \$850 to \$950 per MT except few deviations Company in its long term strategy, is shifting from commodity to niche markets and specialty products and would divert EO molecule for Bio-MEG and EO Derivative/ Specialty products which will give us a better returns. Company is promoting its Glycols as Bio/ Green MEG to potential customers interested in meeting their objective of using environment friendly chemicals made from natural renewable resources. Company has converted this concept into a good business opportunity which will enable full capacity utilisation with better realisation. Moreover, the niche markets of BIO MEG in the packaged water, automobile, personal care & cosmetics are going to give us better margins.

### ETHYL ALCOHOL (POTABLE) AND EXTRA NEUTRAL ALCOHOL

In the Ethyl Alcohol (Potable) and Extra Neutral Alcohol segment, Company registered total sales of ₹ 691 Crores compared to ₹. 657 Crores last year and ₹ 660 Crores a year before. Efforts are being made to further increase the sales in the segment.

	2012-13	2013-14	2014-15
Sales Value (₹ In Crores)	660	657	691

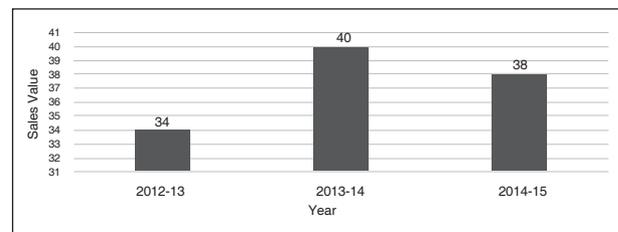


### INDUSTRIAL GASES

Company produced 19,195 MT of Oxygen and 1,428 MT of Nitrogen during the year. Both Oxygen and Nitrogen successfully marketed and also used for own requirement of MEG Plant. Industrial gases division also produced 16.07 lacs NM3 of Argon and 36,331 MT of Carbon Dioxide, which were marketed successfully.

Under the Industrial Gases division, Company registered total sales of ₹ 38 Crores in FY 2014-15 as compared to ₹40 Crores in FY 2013-14 and ₹ 34 Crores in FY 2012-13.

	2012-13	2013-14	2014-15
Sales Value (₹ In crores)	34	40	38



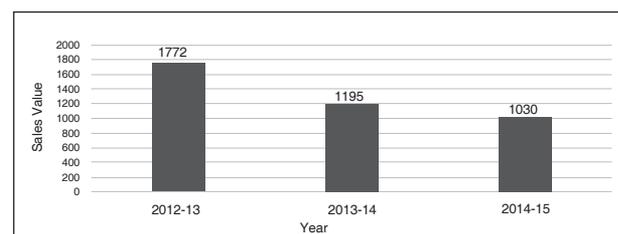
### EXPORTS

Company has identified exports as a key future growth driver. It has already established itself as a major domestic speciality ethoxylates company and with the increased capacities, the scope for exports would be explored for higher growth.

Exports sales has decreased to ₹ 1,030 Crores in 2014-15 as compared to ₹ 1,195 Crores in 2013-14 on account of depressed global economic situation which has resulted in reduction of commodity demand and steep fall in Guar-gum demand and due to strategic cut down in the sales of Glycol Ether Acetates in view of low international prices.

The future thrust would be in the area of marketing Bio-MEG & Bio-Ethoxylates to niche markets for achieving better contribution.

	2012-13	2013-14	2014-15
Exports Sales Value (₹ In crores)	1772	1195	1030



The major export markets are the South East Asia, Middle East and China as we have logistic advantage in these regions. We export our chemical products to more than 40 countries worldwide and the thrust for exports would be to other regions in Europe, USA, Japan & Latin America for promotion of Bio-MEG and Bio-EODs.

### FINANCIAL REVIEW

Apart from depressed global economic scenario which has resulted in reduction of commodity demand, the performance was further adversely affected as domestic prices of our feedstock viz. molasses and alcohol was higher on account of poor availability of alcohol and diversion of alcohol towards the implementation of Ethanol Blending with Petrol (EBP) Program of Government of India at an unrealistic price resulting in a sharp increase in the prices of alcohol.

Sales and other income for the year under review has been ₹ 2,601 Crores as compared to ₹ 2,914 Crores last year. Loss after depreciation, exceptional item and tax for the year has been ₹ 61 Crores.

During the year under review, the Gross Fixed Assets has decreased to ₹ 1,811 Crores in FY 2014-15 from ₹ 1,900 Crores in FY 2013-14.

Despite the adverse economic scenario, the Company has been regular in meeting its obligations towards timely payment of principal/interest to Financial Institutions/Banks/Debtors holders/Fixed Deposit holders.

### HEALTH, SAFETY, ENVIRONMENT & MANAGEMENT SYSTEMS

Your Company has signed for the Responsible Care® Guiding Principles to become a signatory to Indian Chemical Council's Responsible Care® initiative. These Principles would apply to India Glycols Ltd. globally. Being a Responsible Care® signatory, company is committed for continuous 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 neighbors and the public.

#### HEALTH

India Glycols Limited accords top priority to provide a healthy and safe working environment for its staff. Company has a medical center 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. India Glycols Ltd. also has a qualified Occupational Health Physician. Company has also an ambulance 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 problems. In addition, the Company has also

made arrangements for treatment of employees and their dependents under the mediclaim insurance policy, which allows employees to avail treatment from any of the listed hospitals without having to make any immediate cash payments. This provides the employees with a much needed emotional and financial security. Company also organizes blood donation camp at India Glycols Ltd as part of community welfare activities.

The Company 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

India Glycols Ltd. has set up elaborate safety systems to ensure proper safe work environment. Continuous emphasis is given on prevention of any accident. As a result of strict safety norms being followed, the 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 meeting 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 equipments and following the safe work practices.

Various incentive schemes are in operation for motivating the employees to ensure working in the safe environment. India Glycols Ltd. also has its own on site Fire Station fully equipped with Fire Tenders, modern communication facilities and elaborate fire hydrant system and other equipment which are manned and supervised by trained fire fighting experts. Live fire fighting training drills are regularly 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.

India Glycols Ltd. 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.

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 conserve the environment and further improve the same as far as possible.

India Glycols Ltd has already achieved zero effluent discharge from their Ethanol Plants by installing RO system followed by Bio-composting and 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 spentwash and generation of steam therefrom.

## SUSTAINABLE ENVIRONMENT AND CLIMATE CHANGE INITIATIVES

India Glycols 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 a Peer Reviewed.

Based on Life-cycle Assessment of Bio-MEG, company received the prestigious Sustainability Award for Best Green Product in Chemical Sector from FICCI for 2014, for Bio-MEG.

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

India Glycols Ltd has taken up several initiatives in promoting climate change and environment-sustainable projects. India Glycols Ltd Gorakhpur plant has got its Large scale CDM project (Title: Biomass based Cogeneration Project activity taken up by IGL at Gorakhpur, U.P; Annual CERs: 110157) registered at UNFCCC.

## MANAGEMENT SYSTEMS

### • INTEGRATED MANAGEMENT SYSTEM

India Glycols Ltd is having Integrated Management System (IMS) comprising of Quality Management System (ISO 9001:2008), Environmental Management System (ISO 14001:2004), Occupational Health & Safety Management System (OHSAS 18001:2007), Food Safety Management System (ISO 22000:2005) Food Safety System Certificate, (FSSC 22000). Energy Management System (ISO 50001:2011) and Social Accountability (SA 8000:2008). Integrated Management System has been accredited by M/s DNV, a renowned certification agency. We have successfully launched and implemented Behavior Based Safety (BBS) naming it with an appropriate name, derived by open forum consensus "**BHAVISHYA BANAYE SURAKSHIT**".

### • PROCESS SAFETY MANAGEMENT SYSTEM

Company started working towards implementation of Process Safety Management (PSM) 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.

### LEAN MANAGEMENT

India Glycols Ltd is adopting 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 reduction, customer demand-based manufacturing, point-of-use storage, quick changeover, cellular manufacturing, process improvements, Kaizen, world class manufacturing, synchronous manufacturing, and inventory management.

**Your company is 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.**

### RESEARCH & DEVELOPMENT CENTRE (R&D) FOCUS ON CUSTOMER-ORIENTED INNOVATION

Research and development is one of the key drivers for the business at India Glycols Limited. This contributes both for the sustenance of the existing business and for the growth via innovation. The Innovation Strategy at IGL is always focused to create value for the products or for the application at the customer end and in nutshell the strategy is to create a win-win situation for IGL and its valued customers.

The developmental activities are carried out at the state-of-the-art R & D Centre located at Kashipur. The centre is equipped with most modern and advanced instruments and with a team of highly experienced and dedicated researchers. The resultant scientific milestones have laid the ground work for numerous solution-oriented applications in a wide variety of industry sectors, which in turn ensures our profitable growth and sustainable commercial success.

The rapidly growing and aging environment and water pollution, rising demand for energy and climate protection represent global challenges which we address with innovative solutions through **GREEN CHEMISTRY**. The efforts have led to many customized value added products and processes with emphasis on "Sustainable" approaches via use of renewable RMs and savings of energy and water. These products and processes are designed to meet most of the international standards and are accredited with organizations like Control Union (Europe) i.e. GOTS, Oeko-tex, REACH etc.

The R&D Centre is duly recognized by the Department of Science & Technology (DST), Govt. of India.

At present, the focus of R&D center has been in working with customized projects for various industrial applications such as:

**1. Development of alternative feed stock (RM) source:**

- Development of new cost effective feed stock source.

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

- Products for continuous dyeing range (CDR) based on GREEN CHEMISTRY.
- Enzyme base Products for Desizing /Scouring & Peroxide bleaching process.
- Green products for Fibre finish.
- All in one chemical for single bath scouring and dyeing (with reduced water consumption).

**3. Crop-Protection Business**

- Surfactants for capsule suspension- Controlled Release Applications.
- Single Emulsifier package for multiple toxicants.
- Emulsifier for powder and granule formulation.
- Surfactant for special Combo formulation.

**4. Oil & Gas Industry**

- New generation Low temperature & low dose demulsifier for crude oil.
- Eco-friendly shale encapsulation for Drilling.

**5. Emulsion Polymerization & Paint Industry**

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

- APEO free surfactant for Emulsion Polymerization/ paints.

**6. Paper Industry**

- Universal cooking aid.
- Dry & wet strength resin.
- Eco-friendly deinking chemicals.

**7. Automobile industry**

- Ecofriendly solvent free Pour Point Depressant.
- Lubricant additives.

**8. Detergent / Personal care Industry**

- Eco-friendly and biodegradable amphoteric surfactant for personal care products.
- Bio- Ester for personal care products.
- Surfactant for hard surface cleaning agent.

**9. Construction chemicals**

- Specialty green Ethoxylate for Poly carboxylate as water reducing agent & strength improver.

The most important product development principle of IGL's R&D has been to focus on 3 Es i.e. **Efficiency**; **Economic** and **Environment** friendliness. The R & D not only develops the products as per the need of the customers but also ensures the smooth performance of the products at customers' end via very effective technical service Team. Further, the life cycle analysis and biodegradability of these products are ensured prior to the launch of the products.

**INTERNAL CONTROL SYSTEM AND ADEQUACY**

Company's internal control system and procedures are adequate. 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.

**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 numbers of employees on Company's role have been around 1300.

**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, 2015.

## COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

Good corporate practices ensure that a Company meets its obligations to optimise shareholders' value. Corporate governance has assumed great significance in India in the recent past in the form of enactment of the Companies Act, 2013 and amendments to the Listing Agreement with Stock Exchanges. The provisions of the Corporate Governance code prescribed by the Companies Act and the Listing Agreement, for the time being in force, have been complied.

## BOARD OF DIRECTORS

### a) Composition of the Board

As on 31<sup>st</sup> March, 2015 the Board of Directors comprised of Eight Directors out of which Six are Non-Executive Directors, one Managing Director and one Executive Director. Out of the Six Non-Executive Directors, Five are Independent Directors and one Woman Director.

There is no Nominee Director in the Company.

### b) Number of Board Meetings

During the year ended 31<sup>st</sup> March, 2015, Five Board Meetings were held on 22<sup>nd</sup> May, 2014, 4<sup>th</sup> August, 2014, 8<sup>th</sup> November, 2014, 18<sup>th</sup> December, 2014 and 14<sup>th</sup> February, 2015. The details of Board Meetings are given below:

Date	Board Strength	No. of Directors Present
May 22, 2014	9*	6*
August 4, 2014	8	7
November 8, 2014	8	6
December 18, 2014	8	6
February 14, 2015	8	7

\*Shri Autar Krishna ceased to be the Director of the Company w.e.f. 15<sup>th</sup> July, 2014.

### c) Independent Directors

The Company had appointed the existing five Independent Directors on the Board in its Annual General Meeting held on 20<sup>th</sup> September, 2014 for a period of five years w.e.f. 1<sup>st</sup> October, 2014. The terms and conditions of the appointment of the Independent Directors as contained in the Letter of Appointment given to the Independent Directors in the manner provided under the Companies Act, 2013, is placed on the website of the Company.

The Company ensures that the Independent Directors 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 policy on familiarization programme for Independent Directors is disclosed on the Company's website, link of which is as below:

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

### d) Directors Resignation

Shri Autar Krishna resigned from the Board of Directors and consequently from the membership of the following Committees with effect from 15<sup>th</sup> July, 2014:

- 1) Audit Committee
- 2) Stakeholders' Relationship Committee
- 3) Nomination and Remuneration Committee
- 4) Compensation Committee for Employees Stock Option Scheme

e) **Directors' attendance record and Directorship in other Public Limited Companies:**

Name of the Director	Position held, if any	Board Meetings held during the year	Board Meetings attended during the year	Whether attended last AGM	Directorship in other public Limited Companies* As on 31.3.2015	No. of Board Committees in which Chairmanship/membership held*** as on 31.03.2015
Shri U.S. Bhartia	Chairman and Managing Director	5	5	Yes	4	3
Smt. Jayshree Bhartia	Non-Executive/Promoter Director	5	3	No	2	-
Shri Pradip Kumar Khaitan	Non-Executive/Independent Director	5	3	No	9	4
Shri Autar Krishna	Non-Executive/Independent Director	1**	1	No	-	-
Shri Jitender Balakrishnan	Non-Executive/Independent Director	5	5	No	9	6 (including 1 as Chairman)
Shri Ravi Jhunjhunwala	Non-Executive/Independent Director	5	3	No	9	4 (including 1 as Chairman)
Shri Jagmohan N. Kejriwal	Non-Executive/Independent Director	5	2	No	NIL	-
Shri R.C. Misra	Non-Executive/Independent Director	5	5	Yes	NIL	2
Shri M.K. Rao	Executive Director	5	5	Yes	NIL	1

NOTE: None of the Directors is a member of more than Ten Board Level Committees, or a Chairman of more than Five Committees i.e. Audit Committee and Stakeholders' Relationship Committees as required under Clause 49 of the Listing Agreement.

\* Excludes Directorship in Private Limited Companies

\*\* Shri Autar Krishna ceased to be the Director of the Company with effect from 15<sup>th</sup> July, 2014.

\*\*\*Chairmanships/memberships of the Audit Committee and the Stakeholders' Relationship Committee is considered.

None of the Independent Director of the Company holds the position of the Independent Director in more than Seven (7) listed Companies, including Independent Directorship in India Glycols Limited and any such Director serving as a whole time Director in a listed Company is not serving as an Independent Director in more than three listed Companies including India Glycols Limited.

f) **Disclosures**

(i) **Related Party Disclosures**

During the year under review, two related party transactions were entered into by the Company which were either not in the ordinary course of the Business or were not at arm's length price. The Board and Audit Committee approval were taken by the Company. All the other related party transactions entered into by the Company were in the ordinary course of business and at arm's length basis. No material related party transaction i.e. a transaction constituting of 10% of the annual consolidated turnover of the Company was entered into by the Company. The details of related party transactions with the

Company as required by Accounting Standard (AS-18) on Related Party Transactions have been given in Note no. 44 of the Notes to Accounts. Besides this, Company has no materially significant transaction with the related parties viz. Promoters, Directors or the management or relatives and their subsidiaries, etc. that may have a potential conflict with the interest of the Company at large. Related Party Transactions Policy of the Company as approved by the Board of Directors of the Company is placed on the website of the Company. The Policy has been uploaded on the website of the Company (<http://www.indiaglycols.com/investors/downloads/Related-party-transactions-Nov-2014.pdf>)

(ii) No penalties or strictures have been 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.

(iii) Following Non-executive directors are holding equity shares of the company as per following details:

Name of Director	No. of Shares
Smt. Jayshree Bhartia	400003
Shri R.C. Misra	500

(iv) In the preparation of the financial statements, the Company has followed the Accounting Standards notified pursuant to Companies (Accounting Standards) Rules, 2006 (as amended) and the relevant provisions of the Companies Act, 2013 and Rules made thereunder. The significant accounting policies which are consistently applied have been set out in the Notes to the Financial Statements.

(v) Internal Controls

The Company has a formal system of internal control testing which examines both the design effectiveness and operational effectiveness to ensure reliability of financial and operational information and all statutory/regulatory compliances. The Company's business processes are on SAP-ERP platforms and have a strong monitoring and reporting process resulting in financial discipline and accountability.

**g) Remuneration of Directors, sitting fees etc. for the year 2014-15**

During the year under review, Shri U.S. Bhartia, Chairman and Managing Director, was paid salary, Commission and perquisites of ₹1,37,30,000/- (Rupees One Crores Thirty Seven Lacs Thirty Thousand Only) and Shri M.K. Rao, Executive Director was paid salary and perquisites of ₹64,50,085/- (Rupees Sixty Four Lacs Fifty Thousand Eighty Five only). Besides above, the Chairman and Managing Director and Executive Director were entitled to Company's contribution to Provident Fund and Gratuity Fund.

Commission and Sitting fees paid to non-executive directors for the year ended 31<sup>st</sup> March, 2015:

Name of director	Commis- sion (₹)	Sitting Fee (₹)
Smt. Jayshree Bhartia	-	1,60,000
Shri Autar Krishna	-	60,000*
Shri Pradip Kumar Khaitan	-	1,60,000
Shri Jagmohan N Kejriwal	-	1,20,000

Shri R.C. Misra	-	5,20,000
Shri Ravi Jhunjhunwala	-	70,000
Shri Jitender Balakrishnan	-	1,30,000

\* Shri Autar Krishna ceased to be the Director of the Company with effect from 15<sup>th</sup> July, 2014

During the year, legal professional services fee of ₹30,49,660/- (Rupees Thirty Lac Forty Nine Thousand Six Hundred Sixty only) were paid to Khaitan & Co., LLP, Advocates, in which Shri Pradip Kumar Khaitan, Director of the Company is a partner. Details of remuneration paid to the Directors are given in Form MGT-9 which forms a part of Board's Report.

**h) Code of Conduct for Board of Directors and Senior officials of the Company**

The Code of Conduct duly approved by the Board of Directors of the Company has been posted on Company's website ([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 conducting 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. Each Director and Senior Official is expected to comply with the Code in letter and spirit. All Board members and senior management personnel have affirmed compliance with the code for the year 2014-15, declaration by Chairman and Managing Director to this effect is enclosed with this report.

**i) Vigil Mechanism/Whistle Blower Policy**

As a conscious and vigilant organisation, India Glycols Limited 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. 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. The Whistle Blower/Vigil Mechanism Policy is posted on the Company's website (<http://www.indiaglycols.com/investors/downloads/vigil-mechanism-policy.pdf>). It is affirmed that no personnel has been denied access to the Audit Committee.

## SUBSIDIARY COMPANIES

The Company does not have any material subsidiary whose net worth exceeds 20% of the consolidated net worth of the holding company in the immediately preceding accounting year or has generated 20% of the consolidated income of the Company during the previous financial year. A policy on material subsidiaries has been formulated and posted on the Company's website (<http://www.indiaglycols.com/investors/downloads/Policy-for-determining-Material-Subsidiaries.pdf>).

The Audited Annual Financial Statements of Subsidiary Companies are periodically reviewed by the Audit Committee. Copies of the Minutes of the Board Meetings of Subsidiary Companies are individually given to all the Directors and are placed at the subsequent Board Meetings.

## COMMITTEES OF THE BOARD

### a) Audit Committee

#### (i) Terms of Reference

Apart from all the matters provided in Clause 49 of the Listing Agreement and Section 177 of the Companies Act, 2013, the Audit Committee reviews report of the internal auditors, meets statutory auditors as and when required and discusses their findings, suggestions, internal control system, scope of audit, observations of auditors and other related matters. It also reviews major accounting policies followed by the Company.

#### (ii) Composition

As on 31<sup>st</sup> March, 2015 the Committee consists of three non-executive independent Directors, namely, Shri R.C. Misra, Shri Pradip Kumar Khaitan, Shri Jagmohan N. Kejriwal and One Executive Director Shri M.K. Rao. The Company Secretary is the Secretary to the Committee.

#### (iii) Attendance record of the Audit Committee

The Committee met Five times during the year on 22<sup>nd</sup> May, 2014, 4<sup>th</sup> August, 2014, 8<sup>th</sup> November, 2014, 18<sup>th</sup> December, 2014 and 14<sup>th</sup> February, 2015. The attendance record of the members at the meetings is as follows:

Name of the Member	No. of Meetings Attended	Attendance for the Audit Committee Meetings held on (Yes / No / Leave of Absence)				
		22.05.2014	04.08.2014	08.11.2014	18.12.2014	14.02.2015
Shri R.C. Misra, Chairman	5	Yes	Yes	Yes	Yes	Yes
Shri Jagmohan N Kejriwal, Member	2	Leave of Absence	Yes	Leave of Absence	Leave of Absence	Yes
*Shri Autar Krishna, Member	1	Yes	Not Applicable	Not Applicable	Not Applicable	Not Applicable
**Shri Pradip Kumar Khaitan, Member	3	Not Applicable	Leave of Absence	Yes	Yes	Yes
**Shri M.K. Rao, Member	4	Not Applicable	Yes	Yes	Yes	Yes

\* Shri Autar Krishna ceased to be a Member of the Committee with effect from 15<sup>th</sup> July, 2014.

\*\* Shri Pradip Kumar Khaitan and Shri M. K. Rao became members of the Audit Committee w.e.f. 4th August, 2014.

All the members of the Audit Committee have requisite qualification for appointment on the Committee. All the members possess sound knowledge of finance, accounting practices and internal controls. The representatives of the Statutory Auditors are permanent invitees to the Audit Committee meetings. They have attended all the Meetings during the year where financial statements including auditor's report were reviewed. The Chief Executive Officer, Chief Financial Officer, Internal Auditor attended all the meetings as invitees. The Cost Auditor has also attended the meeting wherein their Cost Audit Report was considered.

### b) Stakeholders' Relationship Committee

#### i) Terms of Reference

The Committee has been constituted to look into the redressal of investors' complaints and any other matter relating to shareholders'/investors' grievances.

**ii) Composition**

As on 31<sup>st</sup> March, 2015 the committee comprises of two non-executive Independent Directors, namely, Shri R.C. Misra, Chairman of the committee, Shri Jagmohan N. Kejriwal and one Executive Director, Shri U.S. Bhartia, Chairman and Managing Director. Shri Autar Krishna ceased to be the member of the Committee w.e.f. 15<sup>th</sup> July, 2014.

**iii) Attendance record of the Stakeholders' Relationship Committee**

The Committee met four times during the year on 22<sup>nd</sup> May, 2014, 4<sup>th</sup> August, 2014, 8<sup>th</sup> November, 2014 and 14<sup>th</sup> February, 2015. The attendance record of the members at the meetings is as follows:

Name of the Member	Status	No. of Meetings Attended
Shri R.C. Misra	Chairman	4
Shri U.S. Bhartia	Member	4
Shri Jagmohan N Kejriwal	Member	2
Shri Autar Krishna	Member	*1

\*Shri Autar Krishna ceased to be the member of the Committee with effect from 15<sup>th</sup> July, 2014.

**iv) Investors' complaints received and resolved during the year**

During the year under review, Company had received 30 Investors' Complaints upto 31<sup>st</sup> March, 2015. All the complaints received were duly redressed by the company.

**c) Share Transfer Committee**

**i) Terms of Reference**

The Committee of the Board of Directors has been constituted to review and approve the request for transfer/transmission 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.

**ii) Composition**

As on 31<sup>st</sup> March, 2015, the Committee comprises of four Directors, namely, Shri U.S. Bhartia, Smt. Jayshree Bhartia, Shri Jagmohan N. Kejriwal and Shri R.C. Misra.

**iii) Attendance record of the Share Transfer Committee**

The Committee met Seventeen times during the year. The attendance record of the members at

the meetings is as follows:

Name of the Member	Status	No. of Meetings Attended
Shri U.S. Bhartia	Chairman	17
Smt. Jayshree Bhartia	Member	10
Shri Jagmohan N. Kejriwal	Member	1
Shri R.C. Misra	Member	17

**d) Finance Committee**

**(i) Terms of Reference**

The Finance Committee shall consider and approve 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 and approve the borrowings by the Company.

**(ii) Composition**

As on 31<sup>st</sup> March, 2015, the Committee comprises of two Directors, namely, Shri U.S. Bhartia, Chairman and Managing Director and Shri R.C. Misra, Director and two senior officials of the Company namely Shri Rakesh Bhartia, Chief Executive Officer and Shri Anand Singhal, Chief Financial Officer.

**(iii) Attendance record of the Finance Committee**

The Committee met Nine times during the year. The attendance record of the members at the meetings is as follows:

Name of the Member	Status	No. of Meetings Attended
Shri U.S. Bhartia	Chairman	9
Shri R.C. Misra	Member	9
Shri Rakesh Bhartia	Member	8
Shri Anand Singhal	Member	9

**e) Nomination and Remuneration Committee**

**i) Terms of Reference**

The Nomination and Remuneration Committee has an enhanced scope and includes in addition to others the screening and recommending to the Board the persons who shall be eligible to constitute the Board of Directors and to be appointed in the senior management of the Company and fixation of remuneration of the Directors, KMPs, and other employees comprising senior management of the company, their performance evaluation and removal thereof.

ii) **Composition**

As on 31<sup>st</sup> March, 2015, the Committee comprises three non-executive independent Directors namely, Shri R.C. Misra, Shri Pradip Kumar Khaitan and Shri Jagmohan N. Kejriwal. Shri Autar Krishna ceased to be the member of the Committee w.e.f. 15<sup>th</sup> July, 2014.

iii) **Attendance record of the Appointment and Nomination and Remuneration Committee**

The Committee met Two times during the year on 22<sup>nd</sup> May, 2014 and 14<sup>th</sup> February, 2015. The attendance record of the members at the meetings is as follows:

Name of the Member	Status	No. of Meetings Attended
Shri R.C. Misra	Chairman	2
Shri Jagmohan N. Kejriwal	Member	1
Shri Pradip Kumar Khaitan	Member	1
Shri Autar Krishna	Member	1*

\*Shri Autar Krishna ceased to be the member of the Committee with effect from 15<sup>th</sup> July, 2014.

f) **Risk Management Committee**

i) **Terms of Reference**

The Risk Management Committee has been constituted to Identify the existing and prospective Risks attached to the business of the Company; to monitor and review the Risk Management Plan of the Company; to suggest measures for mitigation of the Risks attached to the business of the Company; and to take any other action as may be directed by the Board of Directors in respect of the Risk Management. The committee shall also review and reassess the adequacy of this plan periodically and recommend proposed changes.

ii) **Composition**

As on 31<sup>st</sup> March, 2015, the Committee comprises of eight members including three non-executive independent Directors namely, Shri Ravi Jhunjunwala, Shri Pradip Kumar Khaitan, Shri Jitender Balakrishnan; Shri Uma Shankar Bhartia, Chairman and Managing Director, Shri M. K. Rao, Executive Director and three Senior executives of the Company namely, Shri Rakesh Bhartia, Chief Executive Officer, Shri Anand Singhal, Chief Financial Officer and Shri Atul Govil, IT Head as its members.

iii) **Meetings of Risk Management Committee**

No meeting of Risk Management Committee has been held during the year.

g) **Corporate Social Responsibility Committee**

i) **Terms of reference**

The Corporate Social Responsibility Committee of the Board has been constituted to 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 Companies Act, 2013; recommend the amount of expenditure to be incurred on the activities referred above; and monitor the Corporate Social Responsibility Policy of the Company from time to time.

ii) **Composition**

As on 31<sup>st</sup> March, 2015, the Committee comprises of four members including two non-executive independent Directors namely, Shri R.C. Misra, Shri P.K. Khaitan, Shri U.S. Bhartia, Chairman and Managing Director and Shri M. K. Rao, Executive Director as its members.

iii) **Meeting of Corporate Social Responsibility Committee**

The Committee met once during the year on 04.08.2014. The attendance record of the members at the meetings is as follows:

Name of the Member	Status	No. of Meetings Attended
Shri U.S. Bhartia	Chairman	1
Shri M.K. Rao	Member	1
Shri Pradip Kumar Khaitan	Member	0
Shri R.C. Misra	Member	1

h) **Ethics Committee**

i) **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 code and advice the action to be taken.

ii) **Composition**

As on 31<sup>st</sup> march, 2015, the Committee comprises of three independent directors namely, Shri Pradip Kumar Khaitan, Shri R. C. Misra and Shri Jagmohan N. Kejriwal as its members.

iii) **Meeting of Ethics Committee**

The Directors and the senior management confirmed compliance with the Code of Conduct for the financial year 2014-15. No breach of code of conduct was observed, hence no meeting was held of the members of the Ethics Committee.

**Nomination, Remuneration and Evaluation Policy**

The Company formulated and adopted Nomination, Remuneration and Evaluation Policy (the "Policy") to provide a framework and set standards for the nomination, remuneration and evaluation of the directors, Key Management Personnel and official comprising of the senior management.

The basis for the Nomination and Remuneration Committee 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 role of KMP and official comprising of the senior management. When recommending a candidate for appointment, the Nomination and Remuneration Committee 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 KMP/Senior Official 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) Personal specifications

The guiding principle for the Remuneration of Directors, Key Managerial Personnel and Senior Management is that the level and composition of remuneration shall be reasonable and sufficient to attract, retain and motivate Directors, Key Management Personnel and other senior officials.

The Directors, Key Management Personnel and other senior official's salary shall be based & determined on the individual person's responsibilities and performance and in accordance with the limits as prescribed statutorily, if any.

The Nomination & Remuneration Committee determines individual remuneration packages for Directors, KMPs and Senior Officials of the Company 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. The Committee consults with the Chairman of the Board as it deems appropriate.

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 of Directors, 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 evaluation/assessment of the Directors, KMPs and the senior officials of the Company is to be conducted on an annual basis and to satisfy the requirements of the Listing Agreement.

Following are the criteria that may assist in determining how effective the performances of the Directors / KMPs / Senior officials 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 & approval 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
- direct, monitor & evaluate KMPs, senior officials
- 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 will be conducted by the Independent Directors for each of the Executive/ Non-Independent Directors in a separate meeting of the Independent Directors.

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

The criteria of making payment to the non-executive Directors of the Company is provided in the Nomination and Remuneration Policy placed on the website of the Company (<http://www.indiaglycols.com/investors/downloads/appointment-remuneration-evaluation-policy.pdf>).

## MANAGEMENT

### a) Management discussion and analysis

Management discussion and analysis report forms separate part of this 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.

### CEO/CFO CERTIFICATION

The Chairman and Managing Director and Chief Financial Officer have issued certificate pursuant to the provisions of Clause 49 of the Listing Agreement certifying that the financial statements do not contain any untrue statement and these statements represent a true and fair view of the Company's affairs. The said certificate is annexed and forms part of the Annual Report.

### SHAREHOLDERS

#### a) Means of Communication

The quarterly, half-yearly and annual Financial Results of the Company are sent to the Stock Exchanges immediately after they are approved by the Board. The results are displayed on the website of BSE Limited and National Stock Exchange of India

#### d) General Body Meetings

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

Financial Year	Date	Time	Venue
2013-14	20.09.2014	12.30 P.M.	A-1, Industrial Area, Bazpur Road, Kashipur, Distt Udham Singh Nagar, Uttarakhand
2012-13	18.09.2013	12.30 P.M.	A-1, Industrial Area, Bazpur Road, Kashipur, Distt Udham Singh Nagar, Uttarakhand
2011-12	15.09.2012	12.30 P.M.	A-1, Industrial Area, Bazpur Road, Kashipur, Distt Udham Singh Nagar, Uttarakhand

Special Resolutions under section 81 (1A) of the Companies Act, 1956 were passed at the AGM(s) held on 15.09.2012 and 18.09.2013. Special Resolutions under Section 197 read with Schedule V, Section 148, Section 14, Section 41, 42 and 62 of the Companies Act, 2013 were passed at its AGM held on 20<sup>th</sup> September 2014.

#### e) Postal Ballot

During the Financial Year 2014-15, the Company has obtained the approval of its members through Postal Ballot (Including voting by electronic means) in accordance with the procedure prescribed in terms of Section 110 of the Companies Act, 2013 read with Rule 22 of the Companies (Management and Administration) Rules, 2014 on following resolution(s):

- Special Resolution under Section 180(1)(a) and 188 and other applicable provisions, if any, of the Companies Act, 2013 for slump sale of "Rental Business" of the Company to IGL Infrastructure Private Limited for consideration not exceeding ₹ 184.20 Crores being enterprises value.

Mr. Ashish Saxena, M/s. Ashish Saxena & Co., Company Secretaries, A - 32, Nyay Khand - I, NH-24, Indirapuram, Ghaziabad - 201010 was appointed as the Scrutinizer by the Board to conduct the said Postal Ballot Process in fair and transparent manner.

The results of voting, conducted through Postal Ballot (including voting by electronic means) for passing of the Special Resolution(s), had been announced by the Chairman and Managing Director on 1<sup>st</sup> February, 2015 and the same is reproduced here:

#### Type of Resolution: (Special)

Promoter/Public	No. of shares held	No. of votes polled	% of Votes Polled on outstanding shares (3)={ (2) / (1) } * 100	No. of votes in favour	No. of Votes in against	% of Votes in favour on votes polled (6)={ (4) / (2) } * 100	% of Votes against on votes polled
Promoter and Promoter Group	18907325	16790283	88.80	16790283	0	100.00	0.00
Public Institutional holders	584405	560565	95.92	560565	0	100.00	0.00
Public-Others	11469770	42270	0.14	17865	24405	42.26	57.74
<b>Total:</b>	<b>30961500</b>	<b>17393118</b>	<b>56.18</b>	<b>17368713</b>	<b>24405</b>	<b>99.86</b>	<b>0.14</b>

Limited (NSE). The results are also published in leading English and Hindi Newspapers and posted on Company's Website.

#### b) Investor Grievances

As mentioned earlier, the Company has constituted a Stakeholders' Relationship Committee for redressing shareholders and investors' complaints. Company Secretary is the Secretary to the Committee as well as Compliance Officer.

#### c) Share Transfers

All share transfers are handled by Company's Registrar and Share Transfer Agent M/s. MCS Limited, F-65, Okhla Industrial Area Phase -I New Delhi-110 020 a Category - I Registrar registered with SEBI.

#### Additional shareholders information

##### a) Annual General Meeting

**Date** : 28<sup>th</sup> August, 2015  
**Venue** : A-1, Industrial Area, Bazpur Road,  
 Kashipur-244713, Distt. Udham Singh Nagar,  
 Uttarakhand  
**Time** : 12.30 P.M.

##### b) Financial Calendar

Financial year: 1<sup>st</sup> April to 31<sup>st</sup> March  
 For the financial year 2015-16, the tentative dates for approval of unaudited financial results will be by 14<sup>th</sup> August, 2015 for the first quarter, by 14<sup>th</sup> November, 2015 for half-yearly, 14<sup>th</sup> February, 2016 for third quarter for Unaudited/Audited Results and by May 15/ May 30, 2016 for approval of Unaudited 4<sup>th</sup> Quarter/ Annual Audited Results (2015-16).

##### c) Book Closure

The Register of Members and Share Transfer Books of the Company shall remain closed from 25<sup>th</sup> August, 2015 to 28<sup>th</sup> August, 2015 (Both days inclusive)

##### f) Stock Data

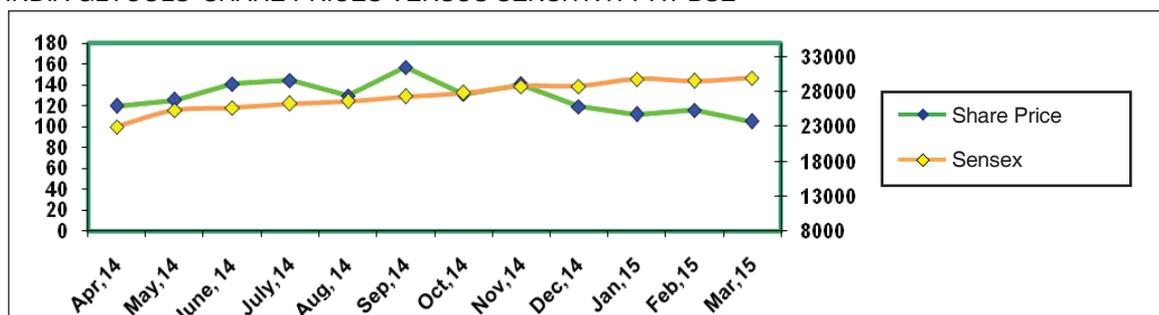
High/Low of market price of the Company's equity shares traded on the BSE Ltd. ('BSE') and National Stock Exchange of India Ltd. ('NSE') during each month of financial year 2014-15 are as under:

Month	High		Low		Sensex	CNX NIFTY
	BSE	NSE	BSE	NSE		
Apr -14	119.70	119.80	93.05	93.50	22939.31	6869.85
May-14	125.65	126.00	98.80	99.20	25375.63	7563.50
Jun -14	141.20	141.00	108.00	108.00	25725.12	7700.05
Jul -14	144.50	144.50	116.00	115.85	26300.17	7840.95
Aug-14	129.50	129.30	112.00	112.05	26674.38	7968.25
Sep-14	157.30	157.90	117.55	117.50	27354.99	8180.20
Oct-14	131.50	131.45	112.75	113.25	27894.32	8330.75
Nov-14	140.50	140.50	116.05	116.00	28822.37	8617.00
Dec-14	119.45	119.50	96.45	95.20	28809.64	8626.95
Jan-15	111.85	111.85	99.35	99.30	29844.16	8996.60
Feb-15	115.60	115.55	97.50	97.20	29560.32	8941.10
Mar-15	105.00	100.90	75.10	75.50	30024.74	9119.20

##### g) Performance of Company's equity shares in comparison to BSE Sensex and S&P CNX NIFTY

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

###### a. INDIA GLYCOLS' SHARE PRICES VERSUS SENSITIVITY AT BSE



d) No dividend has been recommended by the Board during the financial year 2014-15.

##### e) Listing at stock exchanges and stock codes

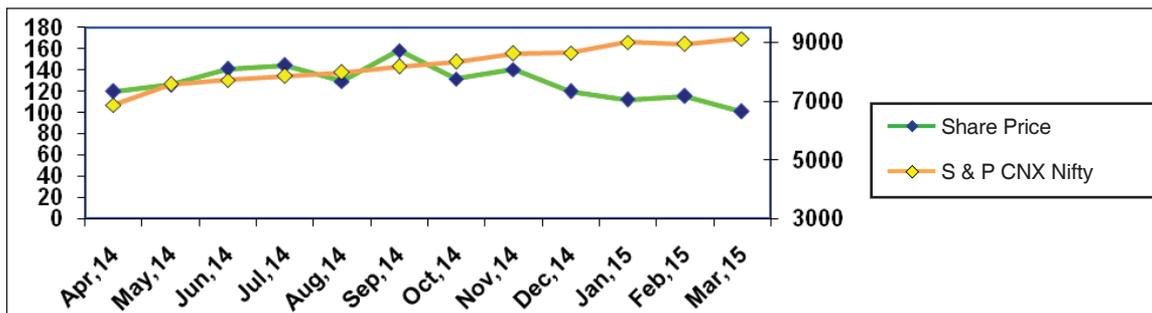
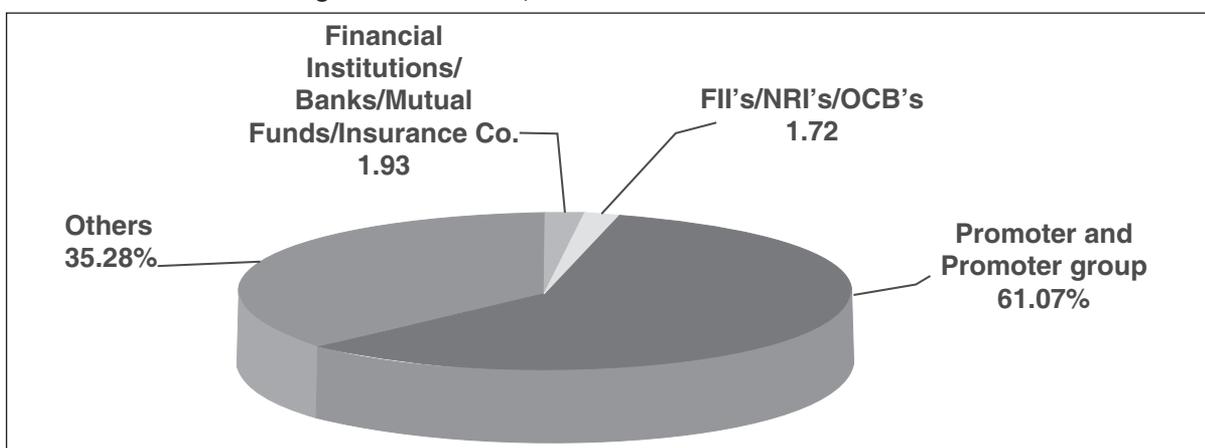
The name of the Stock Exchanges at which the equity shares are listed as on 31<sup>st</sup> March, 2015 and the respective stock codes are as under:

Name of the Stock Exchange	Stock Code No./ Symbol
BSE Ltd. National Stock Exchange of India Ltd.	500201 Indiaglyco

Listing fee to the BSE Ltd. and National Stock Exchange of India Ltd. for the financial year ended 31<sup>st</sup> March, 2015 has been paid.

The ISIN numbers allotted to the Company for demat of Shares are as under:

NSDL - INE 560A01015  
 CDSL - INE 560A01015

**b. INDIA GLYCOLS' SHARE PRICES VERSUS S & P CNX NIFTY**

**h) Distribution of shareholding as on 31<sup>st</sup> March, 2015**

**i) Shares held in physical and dematerialised form**

Mode of Holding	%age
NSDL	29.85
CDSL	59.73
Physical	10.42

As on 31<sup>st</sup> March, 2015, 89.58% of shares were held in De-materialised form and 10.42% in physical form. 90.08% Non- Promoters holding is in De-materialised form.

**j) Outstanding GDR's/ADR's/Warrants/convertible instruments and their impact on equity**

Nil

**k) 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
- 4) Block No. 229-230, Village Valthera, Dholka, Ahmedabad-387810, Gujarat

**l) Address for correspondence**

India Glycols Limited, Plot No. 2B, Sector – 126, Noida – 201 304, Gautam Budh Nagar, Uttar Pradesh  
 Telephone : 0120- 3090100  
 Fax : 0120-3090111  
 Website : [www.indiaglycols.com](http://www.indiaglycols.com)  
 E-Mail : [compliance.officer@indiaglycols.com](mailto:compliance.officer@indiaglycols.com)

**m) Transfer of unpaid/unclaimed amounts to Investor Education and Protection Fund**

During the year under review, the Company transferred unpaid/unclaimed dividend amounting to ₹ 15.24 lacs and unclaimed fixed deposits Principals and Interest amounting to ₹ 1.24 lacs to Investor Education and Protection Fund (IEPF) pursuant to Section 124 C of the Companies Act, 2013.

## AUDITOR'S CERTIFICATE ON CORPORATE GOVERNANCE

### TO THE MEMBERS OF INDIA GLYCOLS LIMITED

We have examined the compliance of conditions of Corporate Governance by India Glycols Limited for the year ended on 31<sup>st</sup> March, 2015, as stipulated in Clause 49 of the Listing Agreement of the said Company with stock exchanges. The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination has been limited to a review of procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us and based on the representation made by the Directors and the Management, we certify that the Company has complied with, in all material respect, the conditions of Corporate Governance as stipulated in Clause 49 of the above mentioned Listing Agreement.

We state, that in respect of investor grievances received during the year ended 31<sup>st</sup> March, 2015, no investor grievances are unattended/ pending for a period exceeding one month against the Company as certified by the Registrars & Transfer Agents of the Company and details presented to the Investors Grievance Committee of the Company.

We further state that such compliance is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

**For LODHA & CO.**  
Chartered Accountants  
Firm Registration No: 301051E

**(N.K.Lodha)**  
Partner

Membership No.85155

Place : New Delhi  
Date : 28.05.2015

### CEO/CFO CERTIFICATION

We, U.S. Bhartia, Chairman and Managing Director and Anand Singhal, Chief Financial Officer certify that:

- a) We have reviewed the financial statements and cash flow statement for the year ended 31<sup>st</sup> March, 2015 and to the best of our knowledge and belief:
  - i) these statements do not contain any materially untrue statement or omit and material fact or contain 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) To the best of our knowledge and belief, no transactions entered into by the Company during the year ended 31<sup>st</sup> March, 2015 are fraudulent, illegal or violative of the Company's code of conduct.
- c) We accept responsibility for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting. Deficiencies in the design or operation of such internal controls, if any, of which we are aware have been disclosed to the auditors and the Audit Committee and steps have been taken to rectify these deficiencies.
- d) i) There has not been any significant change in internal control over financial reporting during the year under reference;
  - ii) There has not been any significant change in accounting policies during the year requiring disclosure in the notes to the financial statements; and
  - iii) We are not aware of any instance during the year of significant fraud with involvement therein of the management or any employee having a significant role in the Company's internal control system over financial reporting.

**For India Glycols Limited**

Place : NOIDA, U.P.  
Date : 28.05.2015

**Anand Singhal**  
Chief Financial Officer

**U.S. Bhartia**  
Chairman and Managing Director

### TO THE MEMBERS OF INDIA GLYCOLS LIMITED

#### DECLARATION

I, U.S. Bhartia, Chairman and Managing Director 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 2014-15 pursuant to the requirement of the Clause 49 of the Listing Agreement as amended.

**For India Glycols Limited**

Place : NOIDA, U.P.  
Date : 28.05.2015

**U.S. Bhartia**  
Chairman and Managing Director

## Independent Auditors' Report TO THE MEMBERS OF INDIA GLYCOLS LIMITED

### Report on the Standalone Financial Statements

We have audited the accompanying standalone financial statements of **INDIA GLYCOLS LIMITED** ("the Company"), which comprise the Balance Sheet as at 31<sup>st</sup> March, 2015, the Statement of Profit and Loss, the Cash Flow Statement, and a summary of the significant accounting policies and other explanatory information for the year then ended.

### Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("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 and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. 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.

### Auditor's responsibility

Our responsibility is to express an opinion on these standalone financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of

the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Company's directors, as well as evaluating the overall presentation of the standalone financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified audit opinion on the standalone financial statements.

### Basis for Qualified Opinion

Attention is invited to:

- i. Note no. 32(A)(i) & 32(A)(ii) of financial statements regarding non-provision against investment, inter-corporate deposit and advances in subsidiary company Shakumbari Sugar and Allied Industries Limited (SSAIL) amounting to ₹ 5,427.50 Lacs (Previous Year Rs. 5,427.50 Lacs), ₹ 1,915.13 Lacs (including interest thereon) (Previous Year Rs. 1,834.83 Lacs) & ₹ 8,453.81 Lacs (Previous Year Rs. 8,375.82 Lacs) respectively, where, in the opinion of management no provision is necessary considering the long term in nature, the intrinsic value of assets of subsidiary company and for the reasons as stated in the said notes and our inability to comment thereon. Further company have also extended corporate guarantee on behalf of SSAIL against outstanding loans amount of Financial Institution and Banks (as stated in the note no. 27(A)(iii) & 32(A)(iii)).
- ii. Note no. 32(B) regarding non provision against total exposure of amounting ₹ 14,774.64 Lacs (Previous Year ₹ 14,848.04 Lacs) (including investment in capital of ₹ 125 Lacs, (Previous Year ₹ 125 Lacs) in a subsidiary, IGL Finance Limited, where the management is confident about its recoverability for the reasons as stated in said note, and our inability to comment thereon.
- iii. Note no. 32(D) regarding non provision against total exposure of amounting to ₹ 505.16 Lacs (including trade receivable account of ₹ 477.75 Lacs) in a subsidiary, IGL CHEM INTT. PTE Limited, Singapore, where the management is confident about its recoverability for the reasons as stated in said note, and our inability to comment thereon.

Net loss for the year, investments, loans & advances and reserve & surplus are without considering impact of the above which could not be ascertained or otherwise for the reason stated in as above. Our opinion was also qualified in respect of matters reported in Para (i) & (ii) above on the financial statement for the year ended 31st March, 2014.

### Qualified Opinion

In our opinion and to the best of our information and

according to the explanations given to us, except for the possible effects of the matter described in the “**Basis for Qualified Opinion**” paragraph above, the aforesaid standalone financial statements, give the information required by 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 the affairs of the Company as at 31st March 2015, and its loss and its cash flows for the year ended on that date.

**Emphasis of Matter**

- 1) We draw attention to note no. 32(C) to the financial statements for two notices received by the Company from National Stock Exchange (NSE) regarding reinstatement of financial statement and to suitably rectify the financial statement as stated in said note. Pending granting of opportunity / clarification. Company have not reinstated/rectified.

Further, attention is invited to:

- 2(a) Note no. 34 regarding insurance claim filed with the insurance company for the reinstatement of machinery as well as loss incurred due to business interruption where management is confident about full realisability, as stated in the said note
- 2(b) Note no. 37 regarding provision made (including made in earlier years) for special discount on account of sudden and steep fall in prices and quality issues, where necessary approvals are pending as stated in the said note.
- 2(c) Note no. 27(B) regarding Advance License pending fulfilment of export obligation, where management is confident that pending export obligation will be fulfilled before expiry of advance license as stated in said note.

Our opinion is not qualified in respect of these matters.

**Report on other legal and the regulatory requirements:**

1. As required by the Companies (Auditor’s Report) Order, 2015 (“the Order”) issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us during the course of audit, we give in the Annexure a statement on the matters specified in the paragraphs 3 and 4 of the order.
2. As required by Section 143 (3) of the Act, we report 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.

- (b) Except for the effect of the matter described in the Basis for Qualified Opinion paragraph above, 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.
- (c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
- (d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- (e) The matter described in the basis for qualified opinion paragraph above, in our opinion, may have an adverse effect on the functioning of the Company.
- (f) On the basis of the written representations received from the directors as on 31st March, 2015 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2015 from being appointed as a director in terms of Section 164 (2) of the Act.
- (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 Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note No. 27(A)(i) read with 46(a), 30, 31 & 32(A)(iii) 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 No. 46(a), 49(C)(c) & 49(C)(d) 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.

For **Lodha & Co.,**  
Chartered Accountants  
Firm Registration No: 301051E

(N. K. Lodha)  
Partner  
M. No.: - 85155

Date: 28th May, 2015  
Place: Noida, UP

**Annexure referred to in paragraph 1 under the heading “Report on Other Legal and Regulatory Requirements” of our report of even date for the year ended 31<sup>st</sup> March 2015-India Glycols Limited**

1. (a) The company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets except in case of certain locations where records are in process of updation / compilation.
- (b) As per information & explanation given to us, certain fixed assets have been physically verified by the management. As explained to us there is regular programme of physical verification once in every three years, in phased manner, which in our opinion is reasonable having regard to the size of the company and the nature of its fixed assets. The discrepancies noticed on such physical verification were not material.
2. (a) The inventories of the company (except stock in transit which have been verified based on subsequent receipt/ reconciliation) have been physically verified by the management at reasonable intervals.
- (b) The procedures of physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the company and the nature of its business.
- (c) The company is maintaining proper records of inventory. The discrepancies noticed on such physical verification of inventory as compared to book records were not material.
3. The Company has not granted during the year any loan secured or unsecured to companies, firms or other parties covered in the register maintained under Section 189 of the Companies Act, 2013. Accordingly, the provisions of clause 3(iii) (a) & (b) of the order are not applicable to the Company.
4. *In our opinion and according to the information and explanations given to us, having regard to the explanation that some of the items purchased are of special nature and for which suitable alternative sources do not exist for obtaining comparable quotation or where user department has shown specific preference, where, as explained, rates were determined considering the quality, volume, nature of the items and market conditions prevailing at that time in certain cases, there is an internal control system which needs to be further strengthened to be made the same commensurate with the size of the*

*Company and nature of its business for the certain purchases of Inventory & fixed assets, and for the sale of goods and services {this to be read with note no. 40 of financial statement}. Based on the audit procedure performed and information & explanations provided by the management, during the course of our audit, we have not observed any continuing failure to correct major weaknesses in internal control system.*
5. In our opinion and according to the information and explanations given to us, the Company has complied with the directive issued by the Reserve Bank of India and the provisions of Section 73 to 76 of the Act or any other relevant provisions of the Act and the rules framed there under (to the extent applicable) with regard to deposit accepted from the public. According to the information and explanation given to us no order has been passed by the Company Law Board or National Company Law Tribunal or Reserve Bank of India or any Court or other tribunal in this regard.
6. We have broadly reviewed the books of account maintained by the Company pursuant to the rules made by the Central Government for the maintenance of cost records under Section 148(1) of the Act in respect of the Company's products to which the said rules are made applicable and are of the opinion that prima facie, the prescribed records have been made and maintained. We have, however, not made a detailed examination of the said records with a view to determine whether they are accurate and complete.
7. (a) According to the records of the company the company is generally regular in depositing with appropriate authorities undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, wealth tax, service tax, duty of customs, duty of excise, value added tax cess and any other material statutory dues with the appropriate authority to the extent applicable and there are no undisputed statutory dues payable for a period of more than six months from the date they became payable as at 31<sup>st</sup> March 2015.
- (b) According to the records and information and explanations given to us, there are no material dues in respect of Income Tax, Wealth Tax or Cess that have not been deposited with the appropriate authorities to the extent applicable on account of any dispute and dues in respect of Duty of Custom, Service Tax, Duty of Excise, VAT & Sales Tax that have not been deposited with appropriate authority on account of dispute and the forum where the dispute is pending are given below:-

Nature of Statue	Nature of dues	Amount (₹ in lacs)	Period	Forum
Custom Act	Custom duty	11.42	1992-93	High Court – Uttaranchal
	Custom duty	193.05	2004-05, 2009-10	Asstt. Commissioner of custom
	Duty Drawback	15.86	2006-07	Joint Secretary, Department of Revenue
	Custom Duty	763.77	2004-05, 2010-11	Commissioner Customs (Appeals)
Finance Act 1994	Service Tax	36.31	2004-05 to 2007-08	CESTAT
	Service Tax	8.09	2005-09, 2010-12	Assistant Commissioner- Haldwani
Central Excise Act	Cenvat Credit	7,438.36	2007-08 to 2013-14	Commissioner Allahabad
	Cenvat Credit	6,568.27	2006-07 to 2013-14	Assistant Commissioner Haldwani
	Cenvat Credit	1,118.53	2013-14	Commissioner LTU – KSP

Nature of Statue	Nature of dues	Amount (₹ in lacs)	Period	Forum
	Cenvat Credit	1,920.52	2013-14	Commissioner LTU – GKP
	Cenvat Credit	33.86	2010-11 to 2013-14	Commissioner Appeal Allahabad
	Cenvat Credit	20.54	2005-06 to 2009-10	CESTAT
	Cenvat Credit	15.82	2011-12 to 2013-14	Asstt. Commissioner Gorakhpur
	Cenvat Credit	9.06	2010-11 to 2011-12	Commissioner Appeals, LTU - GKP
	Cenvat Credit	6.41	2013-14	Assistant/Deputy Commissioner LTU – GKP
	Cenvat Credit	5.91	2011-12 to 2013-14	Additional Commissioner, LTU - KSP
	Cenvat Credit	2.56	2013-14	Joint/Additional Commissioner LTU – KSP
	Cenvat Credit	12.20	2008-09 to 2012-13	Commissioner Appeal LTU – KSP
	Cenvat Credit	0.23	2013-14	Superintendent - LTU- GKP
	Excise duty	4,183.63	2010-11	Commissioner LTU – KSP
	Excise Duty	902.57	2007-08 to 2011-12	Asstt. Commissioner Gorakhpur
	Excise duty	90.62	2006-07 to 2009-10	Allahabad High Court
	Excise duty	69.99	2007-08	CESTAT
	Excise duty	56.70	2005-06 to 2008-09, 2012-13, 2013-14	Assistant Commissioner Haldwani
	Excise duty	14.10	2008-09 to 2012-13	Additional Commissioner LTU - KSP
	Excise duty	1.87	2010-11	Joint Secretary, GOI, New Delhi
UP VAT Act	Sales Tax	16.65	2008-09, 2009-10, 2011-12 & 2013-14	Additional Commissioner

(c) According to the records of the Company and information and explanations given to us, the amount required to be transferred to investor education and protection fund in accordance with the relevant provisions of the Companies Act, 1956 and rules made there under has been transferred to such fund with in time.

8. The company does not have accumulated losses as at the end of the financial year. Further company has not incurred cash loss during the current financial year and also not in the immediately preceding financial year. However, considering the exceptional item (note no. 46) company has incurred cash loss during the the current financial year, as well as in the immediately preceding financial year.
9. Based on our audit procedures and on the information and explanations given by the management, the Company has not defaulted in repayment of dues to financial institution, banks or debenture holders.
10. According to the information and explanations given to us, the Company has given corporate guarantees to banks for Loans taken by Shakumbari Sugar & Allied Industries Limited ('SSAIL' a Subsidiary Company) for amounting to ₹ 12,045.43 lacs as stated in note no. 27(A)(iii) of the financial statements, the terms and conditions on which the Company has given

guarantees for loans taken by SSAIL from banks are not, prima facie, as explained, prejudicial to the interest of the Company since the same is/are on account of commercial expediency. As explained to us, the Company has not given any guarantee for loans taken by others from financial institution.

11. According to the information and explanations given to us, the term loans were applied for the purposes for which the loans were obtained except pending utilization, have been temporarily parked in the current assets/deposits with banks.
12. During the course of our examination of the books and records of the company carried out in accordance with the auditing standards generally accepted in India, we have neither come across any material instance of fraud on or by the company, noticed neither reported during the year nor we have been informed of such case by the management.

For **Lodha & Co.**,  
Chartered Accountants  
Firm Registration No: 301051E

(N. K. Lodha)

Partner

M. No.: - 85155

Date: 28th May, 2015

Place: Noida, UP

## Balance Sheet as at 31st March, 2015

(₹ in lacs)

	Note No.	As at 31.03.2015	As at 31.03.2014
<b>EQUITY AND LIABILITIES</b>			
<b>Shareholders' Funds</b>			
Share Capital	2	3,096.15	3,096.15
Reserves and Surplus	3	42,434.34	47,461.38
		<b>45,530.49</b>	50,557.53
<b>Non-current Liabilities</b>			
Long-term borrowings	4	34,458.36	66,222.04
Deferred tax liabilities (Net)	5	4,874.61	10,654.44
Other Long-term liabilities	6	16.83	534.54
Long-term provisions	7	512.71	349.03
		<b>39,862.51</b>	77,760.05
<b>Current Liabilities</b>			
Short-term borrowings	8	136,035.84	105,243.41
Trade payables		24,328.28	47,035.10
Other current liabilities	9	69,530.39	39,614.57
Short-term provisions	7	487.79	648.18
		<b>230,382.30</b>	192,541.26
<b>TOTAL</b>		<b>315,775.30</b>	320,858.84
<b>ASSETS</b>			
<b>Non-current Assets</b>			
Fixed Assets			
Tangible assets	10	103,138.45	118,560.81
Intangible assets	10	76.83	229.87
Capital work-in-progress	10	14,223.23	12,232.28
Non-current investments	11	8,193.24	5,694.52
Long-term loans and advances	12	5,858.32	5,846.79
Other non-current assets	13	240.78	229.96
		<b>131,730.85</b>	142,794.23
<b>Current Assets</b>			
Current Investments	11	-	9.80
Inventories	14	47,358.27	54,719.22
Trade receivables	15	43,756.15	44,175.68
Cash and Bank balances	16	14,741.32	15,833.56
Short-term loans and advances	17	77,720.66	63,086.63
Other current assets	18	468.05	239.72
		<b>184,044.45</b>	178,064.61
<b>TOTAL</b>		<b>315,775.30</b>	320,858.84

Summary of significant accounting policies 1

The accompanying notes are an integral part of the financial statements.

As per our report of even date

**For Lodha & Co.**

Chartered Accountants

Firm Registration no. 301051E

**U.S. Bhartia**  
 Chairman and Managing Director

**M.K. Rao**  
 Executive Director

**N.K. Lodha**

Partner

M. No. 85155

Place : Noida, UP

Dated : 28th May, 2015

**Rakesh Bhartia**  
 Chief Executive Officer

Place : Noida, UP

Dated : 28th May, 2015

**Anand Singhal**  
 Chief Financial Officer

**Lalit Kumar Sharma**  
 Company Secretary

**Statement of Profit & Loss** for the year ended March 31, 2015

(₹ in lacs)

	Note No.	2014-15	2013-14
Revenue from operations	19	255,741.04	288,500.04
Other income	20	4,333.98	2,894.19
<b>Total Revenue</b>		<b>260,075.02</b>	<b>291,394.23</b>
<b>Expenses:</b>			
Cost of materials consumed	21	138,900.24	154,326.92
Purchase of Stock-in-Trade	22	32,934.30	51,030.79
Change in inventories of finished goods, work-in-progress and Stock-in-trade	23	1,769.51	(5,654.09)
Employee benefit expenses	24	8,561.44	7,951.56
Finance costs	25	15,769.72	13,353.20
Depreciation and amortization expenses	10	8,116.39	8,284.47
Other expenses	26	59,892.95	59,908.03
<b>Total Expenses</b>		<b>265,944.55</b>	<b>289,200.88</b>
<b>Profit/ (Loss) before exceptional items and tax</b>		<b>(5,869.53)</b>	<b>2,193.35</b>
Exceptional Items (Net)	46	5,795.51	19,172.62
<b>Profit/ (Loss) before tax</b>		<b>(11,665.04)</b>	<b>(16,979.27)</b>
Tax Expense:			
- Current Tax		-	-
- Deferred tax Charged / (Credit)		(5,531.16)	(5,024.79)
- Tax for earlier years		-	-
- Minimum Alternate Tax Credit entitlement		-	-
<b>Profit/ (Loss) for the period</b>		<b>(6,133.88)</b>	<b>(11,954.48)</b>
<b>Earning per Equity share basic/ diluted</b>		<b>(19.81)</b>	<b>(38.61)</b>

Summary of significant accounting policies

1

The accompanying notes are an integral part of the financial statements.

As per our report of even date

**For Lodha & Co.**  
Chartered Accountants  
Firm Registration no. 301051E

**U.S. Bhartia**  
Chairman and Managing Director

**M.K. Rao**  
Executive Director

**N.K. Lodha**  
Partner  
M. No. 85155

**Rakesh Bhartia**  
Chief Executive Officer

**Anand Singhal**  
Chief Financial Officer

Place : Noida, UP  
Dated : 28th May, 2015

Place : Noida, UP  
Dated : 28th May, 2015

**Lalit Kumar Sharma**  
Company Secretary

## Cash Flow Statement for the year ended 31st March, 2015

(₹ in lacs)

	2014-15		2013-14	
<b>A Cash Flow from Operating Activities</b>				
Net Profit/(Loss) Before Tax		(11,665.04)		(16,979.27)
Adjustments For:				
Depreciation	8,116.39		8,284.47	
(Profit)/Loss on Sale of Assets	(5,197.77)		(429.89)	
Unrealised Foreign Exchange Fluctuation (Gain) / Loss	94.53		(1,376.46)	
Amortisation of Foreign Currency Monetary Item Translation Difference	2,355.19		1,832.88	
(Profit)/Loss on Sale of Non-Current Investments	(684.74)		-	
(Profit)/Loss on Sale of Current Investments	0.63		(961.27)	
Insurance Gain Recoverable	(2,407.00)		-	
Provision for Diminution in Value of Current Investment	-		0.20	
Bad Debts W/Off & Provision for Doubtful Debts & Advances	6,152.12		8,406.84	
Provision No Longer Required Written Back	(212.40)		(49.51)	
Finance Costs	17,245.90		14,120.59	
Interest/Dividend Income	(2,058.52)	23,404.33	(2,146.86)	27,680.99
<b>Operating Profit/ (Loss) before Working Capital Changes</b>		<b>11,739.29</b>		<b>10,701.72</b>
Adjustments For:				
(Increase)/Decrease in Trade & Other Receivables	(12,990.18)		(21,683.67)	
(Increase)/Decrease in Inventories	7,360.95		(8,598.09)	
Increase / (Decrease) in Trade & Other Payables	(21,276.52)	(26,905.75)	6,273.06	(24,008.70)
<b>Cash Generated from / (Used in) Operations</b>		<b>(15,166.46)</b>		<b>(13,306.98)</b>
Income Tax Paid (Net)		(256.67)		(454.30)
<b>Net Cash flow from / (Used in) Operating Activities</b>		<b>(15,423.13)</b>		<b>(13,761.28)</b>
<b>B Cash Flow from Investing Activities</b>				
Purchase of Fixed Assets	(6,692.64)		(10,386.16)	
Sale of Fixed Assets	18,925.77		1,543.84	
Interest/Dividend received	1,913.41		1,940.17	
ICDs given	(1,451.30)		(22,367.32)	
ICDs received back	4,572.30		11,299.13	
Investments in shares of subsidiaries/ joint venture	(2,507.83)		-	
Sale of non-current investments	693.85		-	
Sale of current investments	9.17		18,143.48	
<b>Net Cash flow from / (Used in) Investing Activities</b>		<b>15,462.73</b>		<b>173.14</b>
<b>C Cash Flow from Financing Activities</b>				
Proceeds from Borrowings	78,105.18		107,322.86	
Repayment of Borrowings	(59,947.69)		(79,623.03)	
Finance Costs	(17,884.28)		(16,141.31)	
Dividends Paid (Including Corporate Dividend Tax)	(371.62)		(935.55)	
<b>Net Cash flow from / (Used in) Financing Activities</b>		<b>(98.41)</b>		<b>10,622.97</b>
<b>Net Increase/(Decrease) in Cash &amp; Cash Equivalents [A+B+C]</b>		<b>(58.81)</b>		<b>(2,965.17)</b>
Opening Cash & Cash Equivalent (refer note 16)		2,087.82		5,052.99
Closing Cash & Cash Equivalent (refer note 16)		2,029.01		2,087.82

The accompanying notes are an integral part of the financial statements.

As per our report of even date

**For Lodha & Co.**

Chartered Accountants

Firm Registration no. 301051E

**N.K. Lodha**

Partner

M. No. 85155

Place : Noida, UP

Dated : 28th May, 2015

**U.S. Bhartia**

Chairman and Managing Director

**Rakesh Bhartia**

Chief Executive Officer

Place : Noida, UP

Dated : 28th May, 2015

**M.K. Rao**

Executive Director

**Anand Singhal**

Chief Financial Officer

**Lalit Kumar Sharma**

Company Secretary

# Notes to the Accounts

## 1. ACCOUNTING POLICIES

### A. ACCOUNTING CONVENTION

The financial statements are prepared in accordance with the Indian Generally Accepted Accounting Principles (GAAP) under the historical cost convention on the accrual basis. GAAP comprises mandatory accounting standards specified under section 133 of the Companies Act 2013 ('Act') read with Rule 7 of the Company (Accounts) Rules 2014 and relevant provision of the Act. Accounting policies has been consistently applied.

### B. REVENUE RECOGNITION

- (a) Revenue from the sale of goods is recognized at the time of transfer of substantial risks and reward of ownership to the buyers under the term of contract, usually on the delivery of the goods.
- (b) Revenue is recognized based on the nature of the activity to the extent it is probable that the economic benefit will flow to the company and the revenue can be reliably measured with the reasonable certainty of its recovery.
- (c) Revenue in respect of Export benefits are recognized on post export basis at the rate at which the entitlement accrues and is included in the turnover.

### C. FIXED ASSETS AND DEPRECIATION

- (a) (i) All tangible fixed assets are stated at their historical cost less accumulated depreciation. Depreciation on fixed assets, except on leasehold land, EO Derivative unit is provided on straight line method as per useful life specified in Schedule II to the Act. Depreciation on fixed assets of EO Derivative unit is provided on written down value method (WDV) as per useful life specified in Schedule II to the Act. Depreciation on additions/disposals is provided with reference to the month of addition/disposal.
  - (ii) Certain Plant and Machinery considered as continuous process plant based on technical evaluation.
  - (iii) Leasehold land is amortised over the period of lease.
- (b) Intangible assets: Computer software are accounted for at their cost of acquisition and amortised over the estimated useful life i.e. not exceeding six years.

### D. EXPENDITURE DURING CONSTRUCTION

Expenditure during construction period is being included under capital work-in progress and the same is allocated to fixed assets on completion of installation / construction.

### E. INVESTMENTS

Long term investments are stated at cost. When there is a decline other than temporary in their value, the carrying amount is reduced on individual investment basis and is charged to the Statement of Profit & Loss.

Current Investments are valued at lower of cost or fair value.

### F. VALUATION OF INVENTORIES

Inventories are valued 'at lower of cost or net realisable value' except stock of residual products and scrap which are valued at net realisable 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.

### G. FOREIGN EXCHANGE & DERIVATIVE TRANSACTIONS

- a) Foreign currency transactions are recorded at the rate of exchange prevailing at the date of transaction. Foreign Currency Assets and Liabilities are converted at the exchange rates prevailing at the year-end except those covered under firm commitment which are stated at contracted rate. Exchange differences charged to the Statement of Profit & Loss, except arising on account of such conversion related to (i) the purchase of fixed assets is adjusted therewith, and (ii) other long term monetary items is adjusted in the "Foreign Currency Monetary Item Translation Difference".
- b) Transactions covered by derivative contract are adjusted with variations, if any, and are recognized on reinstatement and settlement, except for gains, that are recognized only on settlement. The premium on derivative contract is expensed out over the terms of contract.

### H. EMPLOYEES BENEFITS

#### (a) 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.

#### (b) 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.

Actuarial gain/losses, if any, are immediately recognized in the Statement of Profit & Loss.

- (c) Other short term absences are provided based on past experience of leave availed.

## Notes to the Accounts

### I. GOVERNMENT GRANTS

Grants in the nature of Project Capital Subsidy are credited to Capital Reserves. Other Government grants are deducted from the related expenses.

### J. BORROWING COST

Interest and other costs in connection with the borrowing of funds are capitalized up to the date when such qualifying assets are ready for its intended use and other borrowing costs are charged to Statement of Profit & Loss. Ancillary cost incurred in connection with the borrowings is amortized over the term of loan.

### K. PROVISION FOR CURRENT TAX AND DEFERRED TAX

Provision for current tax has been made on the basis of estimated taxable income computed in accordance with the provisions of Income Tax Act, 1961.

Deferred Tax resulting from all timing differences between book profit and profit as per Income Tax Act, 1961 is accounted for, at the enacted / substantially enacted rate of Tax, to the extent that the timing differences are expected to crystallize. Deferred tax assets are recognized only to the extent that there is a reasonable / virtual certainty that sufficient future taxable profits will be available against which such deferred tax assets can be realized.

### L. IMPAIRMENT

Where the recoverable amount of fixed assets is lower than its carrying amount, a provision is made for the impairment loss. Post impairment, depreciation is provided on the revised carrying value of the asset over its remaining useful life.

### M. USE OF ESTIMATES AND ASSUMPTIONS

The presentation of financial statements requires estimates and assumptions to be made that affect the reported amount of assets and liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Difference between the actual result and the estimates are recognized in the period in which the results are known / materialized.

### N. PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS

Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent liabilities are not recognized but are disclosed in the notes. Contingent assets are neither recognized nor disclosed in the financial statements.

## 2. SHARE CAPITAL

(₹ in Lacs), except as otherwise stated

Particulars	As at 31.03.2015	As at 31.03.2014
<b>Authorised :</b>		
45,000,000 (Previous Year 45,000,000) Equity Shares of ₹ 10/- each	<b>4,500.00</b>	4,500.00
	<b>4,500.00</b>	4,500.00
<b>Issued, Subscribed and paid up :</b>		
30,961,500 (Previous Year 30,961,500) Equity Shares of ₹ 10/- each fully paid up	<b>3,096.15</b>	3,096.15
	<b>3,096.15</b>	3,096.15

#### 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.

## Notes to the Accounts

### b) Details of shareholders holding more than 5% shares in the company

Name of Shareholder	31.03.2015 No's	31.03.2014 No's
Kashipur Holdings Limited	10,287,406	10,287,406
Sajani Devi Bhartia	2,100,249	2,100,249

### c) Reconciliation of the number of shares outstanding at the beginning and at the end of the reporting period

Particulars	31.03.2015 No's	31.03.2014 No's
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	30,961,500	30,961,500

d) In last 5 years there was no Bonus Issue, buy back and /or issue of shares other for cash consideration.

## 3. RESERVES AND SURPLUS

(₹ in Lacs)

	As at 01.04.2014	Additions	Deductions	As at 01.03.2015
Capital Reserve	463.25	-	-	463.25
General Reserve #	11,184.00	-	469.85	10,714.15
Security Premium	3,958.36	-	-	3,958.36
Reserve for Contingencies	200.00	-	-	200.00
Surplus in Statement of Profit & Loss (Refer footnote (a))	33,931.47	-	6,133.88	27,797.59
<b>Sub Total (a)</b>	49,737.08	-	6,603.73	43,133.35
Foreign Currency Monetary Item Translation Difference (Debit Balance)	(2,275.70)	(778.50)	(2,355.19)	(699.01)
<b>Sub Total (b)</b>	(2,275.70)	(778.50)	(2,355.19)	(699.01)
<b>Total (a) + (b)</b>	47,461.38	(778.50)	4,248.54	42,434.34
Previous year	59,807.18	(1,861.96)	10,483.84	47,461.38

(a) Detail of Surplus in the Statement of Profit & Loss	March 31, 2015	March 31, 2014
Opening balance	33,931.47	46,248.19
Add: Net Profit/(Loss) after tax transferred from Statement of Profit & Loss	(6,133.88)	(11,954.48)
	27,797.59	34,293.71
Less: Appropriations		
Proposed Dividend *	-	309.62
Corporate Dividend Tax	-	52.62
<b>Net Surplus in the Statement of Profit &amp; Loss</b>	27,797.59	33,931.47
	27,797.59	33,931.47

\* The Board of Directors, proposed a final dividend of ₹ Nil (Previous year ₹ 1) per equity share. The total dividend appropriation for the year ended March 31, 2015 amounted to ₹ Nil (Previous Year ₹ 362.24 Lacs) including corporate dividend tax of ₹ Nil (Previous Year ₹ 52.62 Lacs).

# In view of adoption of schedule II of The Companies Act 2013, depreciation on assets whose useful life expired prior to 01st April 2014 has charged to General Reserve (net of deferred tax ₹ 248.67 Lacs)

## Notes to the Accounts

### 4. LONG TERM BORROWINGS

(₹ in Lacs)

	Non-Current Portion		Current Maturities	
	As at 31.03.2015	As at 31.03.2014	As at 31.03.2015	As at 31.03.2014
<b>SECURED LOANS</b>				
Rupee Term Loans				
from Banks	<b>26,198.59</b>	36,940.34	<b>27,300.22</b>	17,810.32
other than Banks	<b>508.75</b>	608.75	<b>100.00</b>	110.64
Foreign Currency Term Loans from Banks	<b>7,751.02</b>	21,762.71	<b>15,919.84</b>	3,282.31
	<b>34,458.36</b>	59,311.80	<b>43,320.06</b>	21,203.27
<b>UNSECURED LOANS</b>				
Loan from related parties (Body Corporates)	-	6,910.24	-	-
	-	6,910.24	-	-
Less: Amount disclosed under the head "Other Current Liabilities" (Note No. 9)			<b>43,320.06</b>	21,203.27
	<b>34,458.36</b>	66,222.04	-	-

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.
- Rupee Term Loans includes loans from Banks of ₹ 46.19 Lacs (Previous Year ₹ 32.13 Lacs) and loans from others of ₹ Nil (Previous Year ₹ 10.64 Lacs) secured by hypothecation of Motor Vehicles purchased there under which is repayable on different dates. Further, Rupee Term Loans from others includes ₹ 608.75 Lacs (Previous Year ₹ 708.75 Lacs) secured against bank guarantee.
- Term Loan from bank of ₹ 4,654.47 Lacs (Previous Year ₹ 4,978.47 lacs), is repayable in 8 equal quarterly installments of ₹ 517.50 Lacs and 1 installment of ₹ 514.47 lacs.
- Term Loan from bank of ₹ 10,000.00 Lacs (Previous Year ₹ 10,000.00 Lacs), is repayable in 12 equal quarterly installments commencing from April 2015.
- Term Loan from bank of ₹ 2,499.60 Lacs (Previous Year ₹ 2,499.60 Lacs), is repayable in 10 equal quarterly installments commencing from May 2015.
- Term Loan from bank of ₹ Nil (Previous Year ₹ 2,500.00 Lacs), is repayable in 4 equal quarterly installments.
- Term Loan from bank of ₹ 2,915.00 Lacs (Previous Year ₹ 2,915.00 Lacs), is repayable in 2 quarterly installments (2 installments of ₹ 1457.50 Lacs each) commencing from May 2015.
- Term Loan from bank of ₹ Nil (Previous Year ₹ 1,637.28 Lacs). It includes Foreign Currency Loan of ₹ Nil (Previous Year ₹ 898.80 Lacs, USD 15.00 Lacs)
- Term Loan from bank of ₹ 1,249.98 Lacs (Previous Year ₹ 1,458.33 Lacs), is repayable in 6 equal quarterly installments.
- Term Loan from bank of ₹ 3,093.75 Lacs (Previous Year ₹ 3,093.75 Lacs), is repayable in 7 equal quarterly installments.
- Term Loan from bank of ₹ 1,951.00 Lacs (Previous Year ₹ 2,380.00 lacs), is repayable in 54 equal monthly installments of ₹ 35.75 Lacs each and remaining 1 installments of ₹ 20.50 Lacs.
- Term Loan from bank of ₹ 2,185.57 Lacs (Previous Year ₹ 2,187.50 Lacs), is repayable in 5 equal quarterly installments of ₹ 364.58 Lacs and remaining 1 installments of ₹ 362.67 Lacs.
- Term Loan from bank of ₹ 1,875.00 Lacs (Previous Year ₹ 1,875.00 Lacs), is repayable in 2 equal quarterly installments.
- Term Loan from bank of ₹ 1,421.29 Lacs (Previous Year ₹ 2,233.46 Lacs), is repayable in 06 equal quarterly installments of ₹ 203.05 Lacs and remaining 1 installments of ₹ 202.99 Lacs.
- Term Loan from bank of ₹ 2,499.98 Lacs (Previous Year ₹ 2,500.00 Lacs), is repayable in 1 installments in April 2015.
- Term Loan from bank of ₹ 3,431.00 Lacs (Previous Year ₹ 3,432.95 Lacs), is repayable in 13 equal quarterly installments of ₹ 245.21 Lacs each and remaining 1 installments for ₹ 243.27 Lacs.
- Term Loan from bank of ₹ 4,374.98 Lacs (Previous Year ₹ 4,375.00 Lacs), is repayable in 3 equal quarterly installments commencing from April 2015.
- Term Loan from bank of ₹ 2,551.00 Lacs (Previous Year ₹ 2,551.00 Lacs), is repayable in 12 equal quarterly installments of ₹ 212.58 Lacs commencing from Sep. 2015.
- Term Loan from bank of ₹ 8,750.00 Lacs (Previous Year ₹ 5,000.00 Lacs), is repayable in 14 equal quarterly installments is ₹ 625 Lacs
- Term Loan from bank of ₹ 3,923.65 Lacs (USD 62.77 Lacs) (Previous Year ₹ 3,761.38 Lacs, USD 62.77 Lacs), is repayable in 5 equal quarterly installments.
- Term Loan from bank of ₹ Nil (USD Nil), (Previous Year ₹ 868.30 Lacs, USD 14.49 Lacs),
- Term Loan from bank of ₹ 9,500.77 Lacs (USD 155.46 Lacs) (Previous Year ₹ 9,315.15 Lacs, USD 155.46 Lacs), is repayable in 10 monthly installments (3 equal monthly installments of ₹ 583.33 Lacs, 3 equal monthly installments of ₹ 883.33 Lacs, 3 equal monthly installments of ₹ 856.67 Lacs and balance in last installment commencing from April 2015.
- Term Loan from bank of ₹ 10,246.44 Lacs (USD 170.25 Lacs) (Previous Year ₹ 10,201.38 Lacs (USD 170.25 Lacs), is repayable in 36 monthly installments (33 equal monthly installments of ₹ 271.67 Lacs and 3 equal monthly installments of ₹ 427.11 Lacs commencing from April 2015.
- Term Loan from DBT Bihorama ₹ 350.00 Lacs (Previous Year ₹ 450.00 Lacs) is repayable in 7 equal half yearly installment.
- Term Loan from DBT Bihorama ₹ 258.75 Lacs (Previous Year ₹ 258.75 Lacs) is repayable in 10 equal half yearly installment after completion of the project.
- Loan from related parties of ₹ Nil (Previous Year ₹ 6910.24 Lacs) is payable after a period of 3 years from the respective date of loans.

## Notes to the Accounts

### 5. DEFERRED TAX LIABILITIES (NET)

(₹ in Lacs)

	As at 31.03.2015	As at 31.03.2014
Pursuant to the Accounting Standard on “ Accounting for taxes on Income “ (AS-22) deferred tax liability/assets are as :		
<b>Deferred Tax Assets :-</b>		
Amount covered U/s 43B	377.97	236.95
Provision for doubtful debts / advances	4,672.63	2,872.99
Unabsorbed Depreciation	7,187.90	4,149.00
Business Loss	569.82	496.85
Others	236.19	209.94
<b>Gross Deferred tax Assets</b>	<b>13,044.51</b>	<b>7,965.73</b>
<b>Deferred Tax Liabilities :-</b>		
Accelerated depreciation	17,279.92	17,510.05
Others	639.20	1,110.12
<b>Gross Deferred tax Liability</b>	<b>17,919.12</b>	<b>18,620.17</b>
<b>Net Deferred Tax Liability</b>	<b>4,874.61</b>	<b>10,654.44</b>

### 6. OTHER LONG TERM LIABILITIES

(₹ in Lacs)

	As at 31.03.2015	As at 31.03.2014
Security deposits	16.83	534.54
	16.83	534.54

### 7. PROVISIONS

(₹ in Lacs)

	Long - Term		Short - Term	
	As at 31.03.2015	As at 31.03.2014	As at 31.03.2015	As at 31.03.2014
<b>Provision for employee benefits</b>				
Provision for Gratuity	-	-	279.59	127.12
Provision for Leave Encashment	512.71	349.03	190.95	149.71
	512.71	349.03	470.54	276.83
<b>Others:</b>				
Proposed equity dividend	-	-	-	309.62
Provision for tax on proposed equity dividend	-	-	-	52.62
Provision for Fringe Benefit Tax (Net of advance tax ₹ 38.65 Lacs, Previous Year ₹ 38.65 Lacs)	-	-	0.26	0.26
Provision for Wealth Tax	-	-	16.99	8.85
	-	-	17.25	371.35
	512.71	349.03	487.79	648.18

## Notes to the Accounts

### 8. SHORT TERM BORROWINGS

(₹ in Lacs)

	As at 31.03.2015	As at 31.03.2014
<b>SECURED LOANS</b>		
Loans repayable on demand from Banks:		
Buyers Import Credit*	48,713.30	31,653.31
Working Capital Loans*	80,792.81	69,778.24
	<b>129,506.11</b>	<b>101,431.55</b>
<b>UNSECURED LOANS</b>		
Short Term Loans from Banks	6,529.73	3,811.86
	<b>6,529.73</b>	<b>3,811.86</b>
	<b>136,035.84</b>	<b>105,243.41</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.

Further Packing credit facility of ₹ Nil (Previous Year ₹ 1,570 Lacs ) (included in working capital loans) are specifically secured by pledge of deposit.

### 9. OTHER CURRENT LIABILITIES

(₹ in Lacs)

	As at 31.03.2015	As at 31.03.2014
Current maturities of long term borrowings (Note No 4)	43,320.06	21,203.27
Interest accrued but not due on borrowings	342.41	190.51
Duties, taxes and other statutory dues	1,609.69	1,723.75
Capital Payables	1,873.71	1,520.59
Advance from Customers	5,250.03	4,058.27
Retention money	183.64	245.58
Expenses payable (Including MTM on derivative contracts)	1,765.06	1,534.98
Other Payables (refer note 37)	15,069.43	9,010.64
Investor education & protection fund shall be credited by the following amounts when due:		
(i) Unclaimed Dividends	111.91	121.29
(ii) Unclaimed matured deposits	3.36	4.16
(iii) Unclaimed interest on above (ii)	1.09	1.53
	<b>69,530.39</b>	<b>39,614.57</b>

## Notes to the Accounts

### 10. Fixed Assets

(₹ in Lacs)

Description	Gross Carrying Amount				Depreciation/ Amortization				Net Carrying Amount	
	As at 1.04.2014	Addi- tions*	Sales/ Other Adjust- ments	As at 31.03.2015	As at 1.04.2014	For the year **	Sales/ Other Adjust- ments	As at 31.03.2015	As at 31.03.2015	As at 31.03.2014
<b>Tangible assets</b>										
Freehold Land	1,037.27	31.40	-	1,068.67	-	-	-	-	1,068.67	1,037.27
Leasehold Land	1,527.72	-	691.19	836.53	168.68	17.23	81.87	104.04	732.49	1,359.04
Buildings	17,897.37	190.48	10,291.44	7,796.41	2,182.47	813.13	928.81	2,066.79	5,729.62	15,714.90
Plant and Machinery	162,361.18	6,526.44	2,357.77	166,529.85	66,269.50	6,848.55	593.03	72,525.02	94,004.83	96,091.68
Office Equipment	1,722.74	52.76	31.46	1,744.04	941.79	414.56	13.78	1,342.57	401.47	780.95
Furniture and Fixtures	3,691.33	94.95	2,428.44	1,357.84	708.57	413.53	524.50	597.60	760.24	2,982.76
Vehicles#	962.34	52.28	131.04	883.58	368.13	136.08	61.76	442.45	441.13	594.21
<b>Total (A)</b>	189,199.95	6,948.31	15,931.34	180,216.92	70,639.14	8,643.08	2,203.75	77,078.47	103,138.45	118,560.81
Previous Year	171,818.13	19,015.59	1,633.77	189,199.95	63,021.16	8,150.29	532.31	70,639.14	118,560.81	
<b>Intangible assets</b>										
Computer software	814.15	38.79	-	852.94	584.28	191.83	-	776.11	76.83	229.87
<b>Total (B)</b>	814.15	38.79	-	852.94	584.28	191.83	-	776.11	76.83	229.87
Previous Year	1,063.75	-	249.60	814.15	687.22	134.18	237.12	584.28	229.87	
Capital work-in-progress									14,223.23	12,232.28

Notes:

\* (i) Addition to Plant and Machinery includes foreign exchange fluctuation difference arising under AS-11 (The effect of changes in foreign exchange rates) vide notification no. G.S.R 225 (E) dated 31st March, 2009 issued by Ministry of corporate affairs of Government of India as amended by Companies (Accounting Standards) (Second Amendment) Rules 2011.

\* (ii) Includes capitalisation of:

(a) Finance cost: Plant & Machinery ₹ 651.82 Lacs (Previous Year ₹ 2,361.03 Lacs).

(b) Exchange difference: Plant and Machinery includes CWIP ₹ 993.82 Lacs (Previous Year ₹ 962.10 Lacs). (Unamortised amount ₹ 3,880.59 Lacs (Previous Year ₹ 3,080.06 Lacs)

\*\* includes depreciation charged to General reserve ₹ 718.52 Lacs (Previous year ₹ Nil), refer note no 38.

# Gross block includes ₹ 117.95 Lacs (Previous Year ₹ 130.39 Lacs) secured by hypothecation against loan

## Notes to the Accounts

### 11. INVESTMENTS

(₹ in Lacs), except as otherwise stated

Particulars	Nominal Value	As at 31.03.2015		As at 31.03.2014	
<b>Non-Current Investments</b>					
<b>Long Term, Non- Trade Investment - At Cost less provision</b>					
<b>Investment in Equity Instruments</b>					
<b>Unquoted, Fully paid up - Subsidiary Companies</b>					
1,500,000* (Previous Year 1,500,000) Equity Shares of IGL Finance Ltd.	₹ 10	550.00		550.00	
Less: Provision for diminution		425.00	125.00	425.00	125.00
100,000* (Previous Year 100,000) Equity Shares of IGL CHEM International PTE Ltd.,Singapore	SGD 1		27.41		27.41
100,000 (Previous Year Nil) Equity Shares of IGL CHEM International USA LLC	USD 1		62.83		-
50,112,100* (Previous Year 50,112,100 ) Equity Shares of Shakumbari Sugar & Allied Industries Ltd.	₹ 10		4,427.50		4,427.50
50,000 (Previous Year Nil) Equity Shares of IGL Infrastructure Private Ltd.	₹ 10		5.00		-
<b>Unquoted, Fully paid up - Joint Venture</b>					
24,45,000 (Previous Year 5,000) Equity Shares of Kashipur Infrastructure and Freight Terminal Private Limited	₹10		2,440.50		0.50
			7,088.24		4,580.41
<b>Quoted, fully paid up - Others</b>					
211,360 (Previous Year 211,360) Equity Shares of IDBI Bank Ltd	₹ 10		105.00		105.00
Nil (Previous Year 34,000) Equity Shares of Axis Bank Ltd.	₹ 10		-		7.14
Nil (Previous Year 2,500) Equity Shares of ICICI Bank Ltd.	₹ 10		-		1.97
			105.00		114.11
			7,193.24		4,694.52
<b>Investment in Preference Share (Unquoted, fully paid up) - Subsidiary Company</b>					
10,000,000* (Previous Year 10,000,000) 10% Cumulative Redeemable Preference Shares of Shakumbari Sugar & Allied Industries Ltd.	₹ 10		1,000.00		1,000.00
			1,000.00		1,000.00
<b>Total Non - Current investments</b>			8,193.24		5,694.52
Aggregated book value of unquoted investment			8,088.24		5,580.41
Aggregated book value of quoted investment			105.00		114.11
Market value of quoted investments			150.07		700.53
Aggregate provision made for diminution in value of investments			425.00		425.00

## Notes to the Accounts

### 11. INVESTMENTS (Contd..)

(₹ in Lacs), except as otherwise stated

Particulars	Nominal Value	As at 31.03.2015	As at 31.03.2014
<b>Current Investments - at the lower of cost or fair value</b>			
<b>Others-Unquoted, fully paid up (Non-Trade Investment)</b>			
<b>Investments in Mutual funds</b>			
Nil (Previous Year 100,000) SBI Gold Fund- Growth	₹ 10	-	9.80
		-	9.80
<b>Total Current Investments</b>		-	9.80
Aggregated book value of unquoted investment		-	9.80
Aggregate provision made for Diminution in value of Investments		-	0.20

\* Refer Note no 32 to financial statements.

### 12. LONG TERM LOANS AND ADVANCES

(Unsecured, considered good unless stated otherwise)

(₹ in Lacs)

	As at 31.03.2015	As at 31.03.2014
Capital Advances	2,094.55	2,243.59
Security Deposits @	2,701.14	2,486.65
Inter Corporate Deposits #	979.48	964.48
Other Loans & advances * (Includes ₹ Nil (Previous Year ₹ 0.66 Lacs) due from a director)	83.15	152.07
	5,858.32	5,846.79

\* Prepaid expenses and loans to employees

# Includes loans to related parties ₹ 979.48 lacs (Previous year ₹ 964.48 lacs)

@ Includes ₹ 980.00 lacs (Previous Year ₹ 760.00 Lacs) security deposit to director, private companies in which director/directors of company is director and are also related parties.

### 13. OTHER NON-CURRENT ASSETS

(₹ in Lacs)

	As at 31.03.2015	As at 31.03. 2014
Bank balance in deposit account* (Refer Note No. 16)	8.76	47.97
Others		
Upfront fee, processing charges,etc amortised over tenure of loans	232.02	181.99
	240.78	229.96

\* Pledged with bank/Government Authorities as margin money/security against guarantees, packing credit facility and other borrowings maturing after 12 months

## Notes to the Accounts

### 14 INVENTORIES (At lower of cost or net realisable value)

(As taken, valued and certified by the management)

(₹ in Lacs)

	As at 31.03.2015	As at 31.03.2014
Raw Materials *	16,994.96	22,271.88
Work-in-Process	4,448.56	4,401.57
Finished Goods **	9,774.55	11,653.27
Stores and Spares	16,108.99	16,308.60
Residue Product	2.21	53.14
Scrap	3.26	6.36
Loose Tools	25.74	24.40
	<b>47,358.27</b>	<b>54,719.22</b>

\* Includes in transit ₹ 923.16 Lacs (Previous Year ₹ 218.18 Lacs)

\*\* Includes in transit ₹ 20.83 Lacs (Previous Year ₹ 356.15 Lacs)

### 15. TRADE RECEIVABLES

(Unsecured, considered good unless stated otherwise)

(₹ in Lacs)

	As at 31.03.2015	As at 31.03.2014
(a) Outstanding for a period exceeding six months from the date they are due for payment		
- Considered good (Refer Note No. 37)	14,117.32	2,459.78
- Doubtful	33.43	36.43
(b) Other (Considered good)	29,638.83	41,715.90
	<b>43,789.58</b>	<b>44,212.11</b>
Less: Provision for Doubtful debts	33.43	36.43
	<b>43,756.15</b>	<b>44,175.68</b>

## Notes to the Accounts

### 16. CASH AND BANK BALANCES

(₹ in Lacs)		
	As at 31.03.2015	As at 31.03.2014
<b>(a) Cash and Cash equivalents</b>		
(i) Cash on Hand	62.59	28.11
(ii) Balance with Banks		
- On Current Accounts	1,966.42	2,059.71
	<b>2,029.01</b>	<b>2,087.82</b>
<b>(b) Other bank balances</b>		
- In Fixed Deposit Accounts * - Current	12,600.40	13,624.45
- In Fixed Deposit Accounts * - Non current	8.76	47.97
- On Dividend Accounts	111.91	121.29
	<b>14,750.08</b>	<b>15,881.53</b>
Less: Amount disclosed under Other Non Current Assets (Note No 13)	8.76	47.97
	<b>14,741.32</b>	<b>15,833.56</b>

\* Pledged with bank/Government Authorities as margin money/security against guarantees, packing credit facility and other borrowings.

### 17. SHORT TERM LOANS AND ADVANCES

(Unsecured, considered good unless stated otherwise)

(₹ in Lacs)				
		As at 31.03.2015		As at 31.03.2014
Deposits with Non Banking Financial Institutions		1,429.00		4,491.00
Inter Corporate Deposits #		14,649.64		14,723.64
Interest receivable (Includes receivable from related parties ₹ 950.65 Lacs (Previous Year ₹ 870.35 Lacs)		1,629.60		1,484.49
Export Incentive receivable		1,643.13		2,851.01
Balance with Excise and Other Authorities		9,107.89		8,682.15
Deposits with Government Departments & Others		161.56		166.56
MAT Credit Entitlements		8,075.74		8,075.74
Advance Income Tax/ Tax deducted at source (net of income tax provision of ₹ 4,076.08 Lacs, Previous Year ₹ 4,076.08 Lacs)		897.02		640.35
Receivable from sale of Rental business division (Refer Note No. 33)		18,420.00		-
Prepaid expenses		1,578.60		919.57
Other Advances:	20,128.48		21,052.12	
Advances recoverable in cash or in kind or for value to be received*	46.61		46.61	
Doubtful advances / loans	20,175.09		21,098.73	
Less : Provision for doubtful advances / loans	(46.61)	20,128.48	(46.61)	21,052.12
		<b>77,720.66</b>		<b>63,086.63</b>

\*Includes business advance of ₹ 8,453.81 Lacs (Previous Year ₹ 8,375.82 Lacs) to related parties and share application money paid ₹ Nil (Previous Year ₹ 1462.59) to related party.

# Deposit with a related party.

## Notes to the Accounts

### 18. OTHER CURRENT ASSETS

(₹ in Lacs)

	As at 31.03.2015	As at 31.03.2014
Upfront fee, processing charges, etc amortised over tenure of loans	468.05	239.72
	468.05	239.72

The Company has during the year amortised the ancillary cost incurred in connection with the borrowing over the term of the loan.

### 19 REVENUE FROM OPERATIONS

(₹ in Lacs)

	2014-15	2013-14
<b>Sales of Products</b>		
Glycols	70,599.53	75,786.60
E.O. Derivatives	110,937.14	110,562.84
Guar Gum Powder and derivatives	11,837.37	29,603.61
Ethyl Alcohol (Potable)	69,111.92	65,744.32
Industrial Gases	3,758.33	3,961.33
Sale of traded goods		
Chemical Products	32,279.89	50,117.28
Export Incentive receivable	1,294.92	704.81
Others	7,276.54	4,938.16
	307,095.64	341,418.95
Less: Excise Duty	57,022.11	56,482.11
	250,073.53	284,936.84
<b>Sales of Service</b>		
Rent	1,407.24	1,376.40
Others	669.88	551.25
	2,077.12	1,927.65
<b>Other Operating Revenue</b>		
Provision no longer required written back / Sundry balances written back	212.40	49.51
Exchange fluctuation gain (Net of Loss of ₹ Nil ( P.Y ₹ 0.20 Lacs)	-	0.62
Miscellaneous Income	3,377.99	1,585.42
	3,590.39	1,635.55
<b>Total Revenue from operations</b>	<b>255,741.04</b>	<b>288,500.04</b>

## Notes to the Accounts

### 20 OTHER INCOME

(₹ in Lacs)		
	2014-15	2013-14
Interest Income	574.38	1,349.82
Dividend on Long term Investment	7.96	15.56
Interest on Current Investment	-	12.09
Dividend on Current Investment	-	2.00
Insurance Claim Recoverable	2,407.00	-
Gain on settlement with JV partner (Note No 47)	621.50	-
Profit on sale of Current Investment	-	961.27
Profit on sale of Non-Current Investment	684.74	-
Profit on sale of Fixed Assets	38.40	553.45
	<b>4,333.98</b>	<b>2,894.19</b>

### 21 COST OF MATERIALS CONSUMED

(₹ in Lacs)		
	2014-15	2013-14
Raw Materials consumed		
i) Molasses	34,575.98	38,262.34
ii) Chain Starters	18,459.09	12,196.12
iii) Special Denatured Spirit	53,827.23	50,250.82
iv) Guar split, Guar seeds, etc.	9,154.20	28,585.51
v) Production Chemicals & Others	10,731.98	13,232.55
vi) Packing Material	12,151.76	11,799.58
<b>Total</b>	<b>138,900.24</b>	<b>154,326.92</b>

Consumption of Imported and Indigenous Raw Materials	2014-15		2013-14	
	% age	Amount	% age	Amount
Imported	29.50	40,972.19	19.44	30,000.37
Indigeneous	70.50	97,928.05	80.56	124,326.55
	<b>100.00</b>	<b>138,900.24</b>	100.00	154,326.92

### 22 PURCHASE OF STOCK-IN-TRADE

(₹ in Lacs)		
	2014-15	2013-14
Chemical and Oil Products	32,934.30	51,030.79
	<b>32,934.30</b>	<b>51,030.79</b>

## Notes to the Accounts

### 23 CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND STOCK-IN-TRADE

	(₹ in Lacs)	
	2014-15	2013-14
<b>CLOSING STOCK</b>		
<b>Finished Goods</b>		
- Glycols	1,982.04	2,586.72
- E.O. Derivatives	7,084.24	7,238.13
- Ethyl Alcohol (Potable)	356.63	309.59
- Guar Gum Powder and derivatives	58.60	1,232.94
- Guar Churi	0.41	0.26
- Industrial Gases	24.72	12.25
- Herbal Products	267.92	273.38
<b>Total Finished Goods</b>	<b>9,774.56</b>	<b>11,653.27</b>
<b>Work-in-Process (Note @ below)</b>	<b>4,448.56</b>	<b>4,401.57</b>
<b>Residue Product</b>	<b>2.21</b>	<b>53.14</b>
	<b>14,225.33</b>	<b>16,107.98</b>
<b>LESS : OPENING STOCK</b>		
<b>Finished Goods</b>		
- Glycols	2,586.72	1,564.80
- E.O. Derivatives	7,238.13	4,561.41
- Ethyl Alcohol (Potable)	309.59	308.72
- Guar Gum Powder and derivatives	1,232.94	777.50
- Guar Churi	0.26	0.18
- Industrial Gases	12.25	31.83
- Herbal Products	273.38	274.45
<b>Total Finished Goods</b>	<b>11,653.27</b>	<b>7,518.89</b>
<b>Work-in-Process (Note @ below)</b>	<b>4,401.57</b>	<b>2,614.36</b>
<b>Residue Product</b>	<b>53.14</b>	<b>39.42</b>
	<b>16,107.98</b>	<b>10,172.67</b>
Less: Differential Excise Duty provided on Stocks.	(113.14)	281.22
	<b>1,769.51</b>	<b>(5,654.09)</b>
<b>Note @</b>		
<b>Work-in-Process</b>	<b>31.03.2015</b>	<b>31.03.2014</b>
Alcohol	794.02	1,690.46
EO	50.13	58.05
Guar Gum	120.20	260.25
RS/ENA	467.56	397.62
Others	3,016.65	1,995.19
	<b>4,448.56</b>	<b>4,401.57</b>

## Notes to the Accounts

### 24 EMPLOYEE BENEFIT EXPENSES

	(₹ in Lacs)	
	2014-15	2013-14
Salaries, Wages, Allowances, etc.	7,241.06	6,629.18
Contribution to Provident and other Funds	558.70	541.63
Employees' Welfare and other Benefits	761.68	780.75
	<b>8,561.44</b>	7,951.56

### 25 FINANCE COSTS

	(₹ in Lacs)	
	2014-15	2013-14
Interest on Fixed Loans	8,350.45	7,211.06
Other Interest	6,254.16	4,973.86
Other Borrowing Cost		
Financial Charges	2,641.29	1,935.67
	<b>17,245.90</b>	14,120.59
Less: Interest Received on temporary deposits	1,476.18	767.39
	<b>15,769.72</b>	13,353.20

### 26 OTHER EXPENSES

	(₹ in Lacs)	
	2014-15	2013-14
Stores and spares consumed	6,071.32	6,408.95
Power and Fuel	33,528.78	34,618.10
Repairs and Maintenance		
- Buildings	485.38	476.80
- Plant and Machinery	1,911.99	2,487.34
- Others	467.18	511.66
Rent	111.53	142.85
Rates and Taxes	1,265.93	1,443.10
Travelling and Conveyance	927.01	952.63
Insurance	500.43	479.61
Directors' sitting Fee	12.20	12.80
Donation	31.40	121.12
Commission to Selling agents	1,283.08	983.41
Freight forwarding and others (Net of recovery from customers / provision written back ₹ 1,003.42 Lacs, Previous Year ₹ 903.81 Lacs)	7,734.02	6,384.45

## Notes to the Accounts

### 26 OTHER EXPENSES

(₹ in Lacs)

	2014-15		2013-14	
Loss on sale of Current Investment		0.63		-
Commodity Derivative Loss		21.59		7.94
Bad debts written off	3.00		14.14	
Less : Provision for doubtful debts written back	3.00	-	0.89	13.25
Loss on Sale / Discard of Fixed Assets		34.89		123.56
Debts/ Advances written off		-		24.16
Provision for diminution in value of Current Investments		-		0.20
Amortisation of Foreign Currency Monetary Item Transaction Difference		2,355.19		1,832.88
Wealth Tax		26.36		9.86
Printing & Stationery, Postage, Telephone, security, legal and professional and other Miscellaneous Expenses		3,124.04		2,873.36
		59,892.95		59,908.03
<b>Consumption of Imported and Indigenous Stores and spares</b>	<b>2014-15</b>		<b>2013-14</b>	
	<b>% age</b>	<b>Amount</b>	<b>% age</b>	<b>Amount</b>
Imported	37.71	2,289.40	38.93	2,494.81
Indigeneous	62.29	3,781.92	61.07	3,914.14
	100.00	6,071.32	100.00	6,408.95

### 27 (A) CONTINGENT LIABILITIES NOT PROVIDED FOR (AS CERTIFIED BY THE MANAGEMENT):-

(i) In respect of:- (₹ in Lacs)

Particulars	As on March 31, 2015	As on March 31, 2014
Central Excise/ State Excise	22,644.34	19,592.03
Customs	1,025.70	860.10
Service Tax	70.76	66.46
Sales Tax	18.24	28.79
Other matters	958.75	2,021.94
Total	24,717.79	22,569.32

(ii) Bills discounted with banks ₹ 3,829.60 Lacs (Previous Year : ₹ 5,258.74 Lacs).

(iii) Corporate Guarantee to banks for loan availed by Shakumbari Sugar & Allied Industries Limited (a subsidiary company) amounting to ₹ 12,045.43 Lacs (Previous Year 12,428.52). (Refer Note No. 32A(iii))

**(B)** Custom duty saved on import of raw material under Advance License pending fulfillment of export obligation is amounting to ₹ 3,026.13 Lacs (Previous Year ₹ 1,935.70 Lacs).

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 respective advance licenses. Accordingly and on "Going Concern Concept" basis there is no need to make any provision for custom duty saved.

## Notes to the Accounts

28 Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances of ₹ 2,094.55 Lacs, Previous Year ₹ 2,243.59 Lacs) are ₹ 2,923.53 Lacs (Previous Year ₹ 4,295.71 Lacs).

### 29 Employees Benefits:

#### a) Defined Contribution Plan:

Contribution to Defined Contribution Plan, recognized as expense for the year are as under: (₹ in Lacs)

	Current Year	Previous Year
Employer's Contribution to Provident Fund	486.95	464.29

#### 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 the Projected Unit Credit Method, which recognizes each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation. The obligation for leave encashment is recognized in the same manner as gratuity.

#### I. Reconciliation of opening and closing balance of Defined Benefit Obligation (₹ in Lacs)

	Gratuity		Leave Encashment (Unfunded)	
	31.3.2015	31.3.2014	31.3.2015	31.3.2014
Present Value of Obligation at the beginning of the year	1915.07	1,734.00	498.74	439.50
Current Service Cost	187.04	162.11	67.05	60.02
Interest Cost	174.27	138.73	45.39	35.16
Actuarial (gain)/ loss on obligations	174.40	(36.03)	133.68	(8.41)
Benefit Paid	(168.51)	(83.74)	(41.20)	(27.53)
Present Value of Obligation as at the end of the year	2282.27	1,915.07	703.66	498.74

#### II. Reconciliation of opening and closing balance of fair value of plan assets (₹ in Lacs)

	Gratuity	
	31.03.2015	31.03.2014
Fair value of plan assets at the beginning of the year	1787.95	1,448.08
Expected Return on Plan Assets	160.91	130.33
Contributions	127.12	285.92
Actuarial gain/ (loss) on Plan assets	95.21	7.36
Benefit Paid	(168.51)	(83.74)
Fair value of plan assets at the end of the year	2002.68	1,787.95

#### III. Reconciliation of fair value of assets and obligation (₹ in Lacs)

	Gratuity		Leave Encashment (Unfunded)	
	31.03.2015	31.03.2014	31.03.2015	31.03.2014
Fair value of plan assets at the end of the year	2002.68	1,787.95	-	-
Present Value of Obligation at the end of the year	2282.27	1,915.07	703.66	498.74
Funded Status [surplus/(Deficit)]	(279.59)	(127.12)	(703.66)	(498.74)
Net Assets/(Liability) Recognized in Balance Sheet	(279.59)	(127.12)	(703.66)	(498.74)

## Notes to the Accounts

### IV. Expenses recognized during the year (₹ in Lacs)

	Gratuity		Leave Encashment (Unfunded)	
	31.03.2015	31.03.2014	31.03.2015	31.03.2014
Current Service Cost	187.04	162.11	67.05	60.02
Interest Cost	174.27	138.73	45.39	35.16
Expected Return on Plan Assets	(160.91)	(130.33)	-	-
Actuarial (gain)/ loss	79.19	(43.39)	133.68	(8.41)
Net Expenses Recognized	279.59	127.12	246.12	86.77

### V. Investment Detail

All Investments are made with Trust.

### VI. Actuarial / Demographic assumptions:

	Gratuity		Leave Encashment (Unfunded)	
	31.03.2015	31.03.2014	31.03.2015	31.03.2014
Mortality Table (LIC)	1994-96 (Ultimate)		1994-96 (Ultimate)	
Discount rate (Per annum)	7.80%	9.10%	7.80%	9.10%
Expected Return on Plan Assets (Per annum)	9.00%	9.00%	NA	NA
Rate of escalation in salary (per annum)	8.00%	8.00%	8.00%	8.00%
Retirement Age	58 Years		58 years	
Withdrawal Rate (All Ages)	10%		10%	

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. The above information is certified by the actuary.

The principal assumptions are the discount rate & salary growth rate. The discount rate is generally based upon the market yields available on Government bonds at the accounting date with a term that matches that of the liabilities.

- 30** 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 of ₹ 507.05 Lacs (Previous Year ₹ 507.05 Lacs) (shown as recoverable under the head Short Term Loans and Advances) with State Government of Uttarakhand, which is still pending for refund of the amount.
- 31** 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. Amount of ₹ 106.15 Lacs (Previous Year ₹ 106.15 Lacs) paid under protest is shown as recoverable from State Govt. of Uttarakhand, under the head Short Term Loans and Advances.
- 32** (A) (i) Company has investment of ₹ 5427.50 Lacs (Previous Year ₹ 5,427.50 Lacs) in equity share capital and 10% cumulative redeemable preference share capital in a subsidiary company 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 the provision of Sick Industrial Companies Act, 1985.
- Considering the intrinsic value of the investee assets, long term nature of investment and direction issued by the Hon'ble Board for Industrial and Financial Reconstruction (BIFR) for preparation of revival scheme by the operating agency as appointed, which has been filed with BIFR on 11<sup>th</sup> January 2014 and also

## Notes to the Accounts

filed TEV (Technical Evaluation Study) with IDBI (Operating Agency) on 09<sup>th</sup> February, 2015, no provision at this stage is considered necessary by the management against investments made in above stated subsidiary namely SSAIL.

- (ii) Loans and advances includes Inter corporate deposit with SSAIL amounting to ₹ 1,915.13 Lacs (Previous Year ₹ 1,834.83 Lacs) (including interest thereon) and advances of ₹ 8,453.81 Lacs (Previous Year ₹ 8,375.82 Lacs), where management is confident about recoverability/ realisability of the same. Accordingly, considering the facts as stated in Para (i) above, amount is considered good and fully recoverable and no provision there against is considered necessary by the management.
  - (iii) Central Bank of India (CBI) vide its letter dated 28.05.2014 had issued a notice under Section 13(2) of SARFAESI Act 2002 to SSAIL and IGL. The said notice was replied by SSAIL and IGL has challenged the legality of issuance of such notices. CBI, thereafter, on 11.09.2014 had issued another notice under Section 13(4) of SARFAESI on SSAIL and IGL, which has been challenged at DRT, Lucknow. As per the legal opinion, the notice is not valid since SSAIL is registered in BIFR as sick Company.
- (B) (i) Short term loans and advances to related party includes Inter Corporate Deposit(ICD) amounting to ₹14,649.64 Lacs (Previous Year ₹ 14,723.64 Lacs) given to IGL Finance Ltd. (IGLFL), a 100% subsidiary of the company. IGLFL in turn had invested funds for short term in commodity financing contracts offered by National Spot Exchange Ltd. (NSEL). NSEL has defaulted in settling the contracts on due dates and for which IGLFL has initiated legal and other action and in turn IGLFL did not pay due amount to the company. Accordingly considering the prudence no interest on above ICD has been accrued for the period from 01-09-2013 to 31-3-2015. However, 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, the management is confident for recovery of dues from NSEL over a period of time.
- (ii) Pending above no provision has been considered necessary at this stage by the company for exposure in IGLFL of ₹ 14,774.64 Lacs (Previous Year ₹ 14,848.64 Lacs) (including Investment in capital of ₹ 125.00 Lacs), and the above is shown as good and fully recoverable by the management.
- (C) Company has received letters dated 30<sup>th</sup> Oct 2014 and 05<sup>th</sup> May 2015 from National Stock Exchange of India (NSE), wherein the Company has been advised to reinstate its financial statement w.r.t. qualification raised for the years FY 2012-13 by the statutory auditor on investments and loans to SSAIL (Note no. 32 (A) (i) &(ii)) and suitably rectified the qualification raised for the year FY 2013-14 by the statutory auditor w.r.t. investment and loan to IGLFL (Note no. 32 (B)) respectively. For SSAIL, the Company has written letters to NSE for granting opportunity to represent the case and for IGLFL the Company has requested NSE to clarify the issue for effect to their directive.
- (D) The Company has made equity investment of ₹ 27.41 Lacs (Previous Year ₹ 27.41 Lacs) in its wholly owned subsidiary IGL CHEM INTRENATIONAL PTE Limited, Singapore (IGL CHEM) and their outstanding in its account on account of receivables of amounting to ₹ 477.75 Lacs (Previous Year ₹ 530.31 Lacs). Due to losses & slowdown in business, net worth of IGL CHEM becomes negative. In view of strategic and long term in nature of investment, no provision against the same has been considered necessary by the management.
- 33** On receipt of approval of the shareholders and NOIDA Authority, during the year the Company had entered into a Business Transfer Agreement (BTA) with wholly owned subsidiary company, IGL Infrastructure Private Limited ('IGL Infra') (formed during the current year) for sale of its Rental Business Division on slump sale basis w.e.f. 30<sup>th</sup> Mar 2015 for consideration of ₹ 18,420.00 Lacs, pending receipt of the final 'NOC' from 2 banks (approval since received). The consideration has been included under Short Term Loans & Advances Receivable. Profit on sale this amounting to ₹ 5,194.26 Lacs is included under exceptional items. (Refer Note No. 46(d)).
- 34** On account of outbreak of fire in cooling tower at Kashipur plant during first quarter of the year, production and profitability was adversely affected. Accordingly, Company had filed a claim with the insurance company for the reinstatement of machinery as well as loss incurred due to business interruption amounting to ₹ 622.63 Lacs & ₹ 4,192.43 Lacs respectively as assessed by the management and an expert. Till date ₹ 348.64 Lacs have been received from the insurance company for the reinstatement of machinery. On prudential basis, the company has accounted for ₹ 3,029.63 Lacs (including reinstatement loss ₹ 622.63 Lacs). An amount of ₹ 2,680.99 Lacs being receivable from the Insurance Company is shown under short term loans & advances, which is considered good and fully recoverable by the management. Final adjustment will be done on settlement of the account by the Insurance Company.

## Notes to the Accounts

35. During the year a wholly owned subsidiary have been formed to support its business activities in U.S.A IGL CHEM international USA LLC and till date company has made investment of ₹ 62.83 Lacs in Share capital (Ref Note no 11).
36. Miscellaneous expenses under other expenses includes CSR expenses amounting to ₹ 109.65 Lacs.
37. Other current liabilities includes provision amounting to ₹ 13,421.55 Lacs (including for the Previous year ₹ 8,369.43 Lacs) made against special discount allowed to an overseas party (Refer Note No. 46(c)), pending receipt of approval of RBI. Further, account/balance is subject to confirmation/reconciliation.
38. During the current year, the Company has computed the depreciation based on useful lives of its fixed assets as specified under Schedule II of the Companies Act, 2013. The carrying value of fixed assets which have completed their useful lives as per the Schedule II as on 1<sup>st</sup> April 2014 have been charged off against the balance in General Reserve of amounting to ₹ 469.85 Lacs (net of deferred tax ₹ 248.67 Lacs). Had there not been any change in the useful lives of the fixed assets, the depreciation for the year would have been higher by ₹ 676.43 Lacs.
39. In accordance with Companies (Accounting Standards) Amendment Rules 2009 as amended by Companies (Accounting Standards) (Second Amendment) Rules 2011, the Company continued its policy, as exercised in financial year 2008-09, the option of adjusting exchange differences arising on reporting of long term foreign currency monetary items related to acquisition of depreciable capital assets in the cost of the assets to be depreciated over the balance life of the assets and other long term monetary item in the "Foreign Currency Monetary Item Translation Difference" to be amortised over the period of loan. Accordingly: (a) Exchange differences (gain)/ loss relating to long-term monetary items, in so far related to acquisition of depreciable capital assets, arising during the year amounting to ₹ 983.59 Lacs (Previous Year ₹ 936.50 Lacs) (net of depreciation ₹ 10.23 Lacs, Previous Year ₹ 25.60 Lacs) adjusted to the cost of fixed assets, and (b) relating to other long-term monetary items arising during the year amounting to ₹ 237.22 Lacs (Previous Year ₹ 1,206.62 Lacs) (Net of amortization of ₹ 541.28 Lacs, Previous Year ₹ 655.34 Lacs) are adjusted to "Foreign Currency Monetary Item Translation Difference". As on 31<sup>st</sup> March 2015, un-amortize amount of ₹ 3,880.59 Lacs and ₹ 699.01 Lacs (Previous Year ₹ 3,080.06 Lacs and ₹ 2,275.70 Lacs) is included in Plant & Machinery & CWIP under Note 10 and in Foreign Currency Monetary Item Translation Difference Account under Note 3 respectively.
40. As required by section 22 of The Micro, Small and Medium Enterprises Development Act, 2006 the following information is disclosed:

(₹ in Lacs)

S. No	Particular	2014-15	2013-14
a)	i) Principal amount remaining unpaid at the end of the accounting year	3.49	-
	ii) Interest due on above	-	-
b)	The amount of interest paid by the buyer along with amount of payment made to the suppliers beyond the appointed date	-	-
c)	The amount of interest accrued and remaining unpaid at the end of financial year	-	-
d)	The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the due date during the year) but without adding interest specified under this Act	-	-
e)	The amount of further interest due and payable in succeeding year, until such interest is actually paid.	-	-

The above information's regarding Micro, Small and medium Enterprise has been determined to the extent such parties have been identified of information available with the Company.

- 41 (i) Catalyst is charged to the Statement of Profit & Loss as consumable (Stores & Spares) based on technically assessed useful life (1 to 3 Years).
- (ii) Specialized Computer Software is amortized over its useful life of 6 years on SLM basis.
- 42 Earnings per share (EPS):

	2014-15	2013-14
Net profit/ (loss) for the year attributable to equity shareholders (₹ in Lacs)	(6,133.88)	(11,954.48)
Weighted average number of equity shares outstanding	30961500	30961500
Basic and diluted earnings per share (face value of ₹ 10 each) (₹)	(19.81)	(38.61)

## Notes to the Accounts

- 43 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 Lacs)

Particulars	2014-15	2013-14
Amount brought forward from previous year	1,438.53	1,773.84
Add: Raw Material & Chemical Consumed	83.07	24.47
Salary, wages, allowances, etc.	32.46	116.04
Contribution to Provident and other funds	4.01	2.61
Employees' welfare and other benefits	25.06	17.82
Legal and Professional charges	1.06	2.14
Repair and Maintenance	104.15	30.79
Travelling and Conveyance	27.60	57.28
Interest on Fixed Loans	789.84	1,932.26
Power and Fuel	768.46	589.19
Rates and Taxes	1.05	9.40
Miscellaneous Expenses	3.52	0.87
	<b>3,278.81</b>	<b>4,556.71</b>
Less: Transferred/ Capitalised during the year	867.79	3,118.18
Balance carried forward	<b>2,411.02</b>	<b>1,438.53</b>

- 44 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) (incorporated on 09.07.2014)
- IGL Infrastructure Private Limited.(IGL Infra) (incorporated on 13.10.2014)

B. Key Management Personnel

- U. S. Bhartia (Chairman and Managing Director)
- M. K. Rao (Executive Director)
- Rakesh Bhartia (Chief Executive Officer) @
- Anand Singhal (Chief Financial Officer) @
- Lalit Sharma (Company Secretary) @

C. Relatives of Key Management Personnel

- Pragya Bhartia
- Jayshree Bhartia
- Anand Singhal (HUF) @
- Rakesh Bhartia (HUF) @
- Alpana Sharma @

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.

E. Joint Venture Enterprise

- Kashipur Infrastructure and Freight Terminal Private Limited (KIFTPL)
- @ W.e.f 1<sup>st</sup> April 2014 in accordance with Companies Act, 2013.

## Notes to the Accounts

(ii) Detail of Transactions with related parties:

(₹ in Lacs)

Related Party Transaction Summary	Subsidiaries		Significant Influence		Joint Venture		Key Managerial Person		Relative of KMP	
	2015	2014	2015	2014	2015	2014	2015	2014	2015	2014
Purchase of material	615.73	2,406.03	-	-	-	-	-	-	-	-
Purchase of Services	-	-	80.16	38.41	-	-	-	-	-	-
Sale of Material	2,982.11	3,656.92	281.74	293.76	-	-	-	-	-	-
Purchase of Stores and Spares	-	5.57	-	-	-	-	-	-	-	-
Sale of Fixed Assets	-	-	-	-	-	1,462.59	-	-	-	-
Slump Sale	18,420.00	-	-	-	-	-	-	-	-	-
ICD Given	15.00	22,054.00	-	-	1,436.30	300.00	-	-	-	-
ICD Received Back	74.00	9,290.36	-	-	1,436.30	300.00	-	-	-	-
Interest Income	2,078.61	1,811.82	-	-	36.82	4.14	-	-	-	-
Interest Waived-Off	1,989.39	1,190.42	-	-	-	-	-	-	-	-
Capital Advance Given	-	-	-	1,000.00	-	-	-	-	-	-
Security Given	-	-	-	-	-	-	220.00	280.00	-	-
Investment in Equity Shares	67.83	-	-	-	2,440.00	-	-	-	-	-
Reimbursement of Expenses made	1.46	4.90	32.49	-	6.85	1.07	-	-	-	-
ICD Received	-	-	6,383.00	2,830.00	-	-	-	-	-	-
ICD Paid Back	-	-	13,293.24	4,013.50	-	-	-	-	-	-
Interest Expense	-	-	396.90	717.10	-	-	-	-	-	-
Rent Paid	-	-	29.22	25.68	-	-	24.00	24.00	-	-
Vehicle Lease Rent	-	-	-	-	-	-	-	-	14.16	-
Salary Paid	-	-	-	-	-	-	263.40	-	27.29	27.29
Managerial Remuneration	-	-	-	-	-	-	220.48	364.91	-	-
Balance Outstanding										
<b>Payable</b>										
ICD Payable (including interest)	-	-	-	6,994.51	-	-	-	-	-	-
Others	-	-	151.71	8.92	-	-	9.75	-	1.44	-
<b>Receivable</b>										
ICD (including interest)	16,579.77	16,558.47	-	-	-	-	-	-	-	-
Capital Advance Given	-	-	1,000.00	1,000.00	-	-	-	-	-	-
Security Deposit	-	-	480.00	480.00	-	-	500.00	280.00	-	-
Others	27,353.02	8,906.13	4.60	4.64	-	1,462.93	-	-	-	-

## Notes to the Accounts

- (iii) Detail of remuneration to KMP :-
- Chairman & Managing Director – ₹ 151.70 Lacs (Previous Year ₹ 295.83 Lacs)
  - Executive Director – ₹ 68.78 Lacs (Previous Year ₹ 69.08 Lacs)
  - Chief Executive Officer – ₹ 185.05 Lacs
  - Chief Financial Officer – ₹ 54.24 Lacs
  - Company Secretary – ₹ 24.11 Lacs
- (iv) Disclosure in respect of Material Related Party transactions during the year:
- Purchases of Material are from:
    - SSAIL ₹ 615.73 Lacs (Previous Year ₹ 2,406.03 Lacs).
  - Purchase of Services
    - Polylink polymers ₹ 46.45 Lacs (Previous Year ₹ 38.41 Lacs)
    - Hindustan Wires ₹ 33.71 Lacs (Previous Year ₹ Nil)
  - Sales of Material are to:
    - IGLCHEM ₹ 2,981.47 Lacs (Previous Year ₹ 3,656.21 Lacs).
    - Hindustan Wires Limited. ₹ 281.74 Lacs (Previous Year ₹ 293.76 Lacs).
  - Slump Sale to IGL Infra ₹ 18,420.00 Lacs (Previous Year ₹ Nil)
  - Inter Corporate Deposit / Other Deposits given includes to:
    - ICD given to KIFTPL ₹ 1,436.30 Lacs (Previous Year ₹ 300.00 Lacs)
  - Inter Corporate Deposit / Others Deposits received back includes from:
    - IGLFL ₹ 74.00 Lacs (Previous Year ₹ 9,290.36 Lacs).
    - ICD Received Back from KIFTPL ₹ 1,436.30 Lacs (Previous Year ₹ 300.00 Lacs)
  - Interest Income includes from:
    - SSAIL ₹ 135.03 Lacs (Previous Year ₹ 135.03 Lacs).
    - KIFTPL ₹ 36.82 Lacs (Previous Year ₹ 4.14 Lacs)
    - IGLFL ₹ 1,943.58 Lacs (Previous Year ₹ 1,676.79 Lacs)
  - Interest Waived off includes from:
    - SSAIL ₹ 45.81 Lacs (Previous Year ₹ Nil).
    - IGLFL ₹ 1,943.58 Lacs (Previous Year ₹ 1,190.42 Lacs)
  - Security Deposit given to US Bhartia ₹ 220.00 Lacs (Previous Year ₹ 280.00 Lacs)
  - Investment In Equity Share
    - KIFTPL ₹ 2,440.00 Lacs (Previous Year ₹ Nil)
    - IGLCHEM US ₹ 62.83 Lacs (Previous Year ₹ Nil)
    - IGL Infra ₹ 5.00 Lacs (Previous Year ₹ Nil)
  - Reimbursement of expense made.
    - Polylink Polymers (India) Limited ₹ 30.01 Lacs (Previous Year ₹ Nil)
    - KIFTPL ₹ 6.85 Lacs (Previous Year ₹ 1.07 Lacs)
  - Inter Corporate Deposit received includes from:
    - Kashipur Holding Limited ₹ 5,308.00 Lacs (Previous Year ₹ 2,530.00 Lacs).
    - J Boseck & Co. (P) Limited ₹ 600.00 Lacs (Previous Year ₹ NIL).
    - Supreet Vyapaar (P) Limited ₹ 415.00 Lacs (Previous Year ₹ NIL).
  - Inter Corporate Deposit paid back includes to:
    - Kashipur Holding Limited ₹ 11,152.24 Lacs (Previous Year ₹ 2,045.00 Lacs).
    - Mayur Barter (P) Ltd. ₹ 745.00 Lacs (Previous Year ₹ 820.00 Lacs).
    - Supreet Vyapaar (P) Ltd. ₹ 646.00 Lacs (Previous Year ₹ 547.00 Lacs).
    - J Boseck & Co. (P) Limited ₹ 600.00 Lacs (Previous Year ₹ 600 Lacs).
    - Facit Commosales (P) Ltd ₹ 90.00 Lacs (Previous Year ₹ 250 Lacs)
  - Interest Expense includes to:
    - Kashipur Holding Limited ₹ 294.86 Lacs (Previous Year ₹ 549.78 Lacs).
    - Supreet Vyapaar (P) Ltd. ₹ 21.88 Lacs (Previous Year ₹ 39.45 Lacs).
    - Mayur Barter (P) Ltd. ₹ 67.05 Lacs (Previous Year ₹ 93.59 Lacs).
  - Rent Paid to :
    - Polylink Polymers ₹ 13.48 Lacs (Previous Year ₹ 12.00 Lacs)
    - Kashipur Holding Limited ₹ 7.69 Lacs (Previous Year ₹ 6.00 Lacs)
  - Vehicle Lease Paid to:
    - Rakesh Bhartia HUF ₹ 6.36 Lacs
    - Anand Singhal HUF ₹ 4.80 Lacs
    - Alpna Sharma ₹ 3.00 Lacs
  - Inter Corporate Deposit Payable (including interest) includes:
    - Kashipur Holding Limited ₹ Nil (Previous Year ₹ 5,849.90 Lacs).
    - Mayur Barter (P) Ltd. ₹ Nil (Previous Year ₹ 788.61 Lacs)
  - ICD Receivable (including interest) includes:
    - Shakumbari Sugar and Allied Industries Limited ₹ 1,915.13 Lacs (Previous Year ₹ 1,834.83 Lacs).
    - (Maximum balance outstanding during the year ₹ 1,915.13 Lacs, Previous Year ₹ 1,834.83 Lacs).

## Notes to the Accounts

- IGL Finance Limited ₹ 14,649.64 Lacs (Previous Year ₹ 14,723.64 Lacs). (Maximum balance outstanding during the year ₹ 14,649.64 Lacs, Previous Year ₹ 15,857.00 Lacs).
- s) Capital Advance receivable:
  - Hindustan Wires Limited ₹ 1,000 Lacs (Previous Year ₹ 1,000 Lacs)
- t) Security Deposit receivable:
  - Ajay Commercial Co. (P) Limited ₹ 240 Lacs (Previous Year ₹ 240 Lacs)
  - J.B. Commercial Co. (P) Limited ₹ 240 Lacs (Previous Year ₹ 240 Lacs)
  - US Bhartia ₹ 500 Lacs (Previous Year ₹ 280 Lacs)
- u) Others Receivable includes:
  - IGL Infra ₹ 18,420 Lacs (Previous Year ₹ Nil). (Maximum balance outstanding during the year ₹ 18,420 Lacs, Previous Year ₹ Nil)
  - Shakumbari Sugar and Allied Industries Limited ₹ 8,453.81 Lacs (Previous Year ₹ 8,375.82 Lacs). (Maximum balance outstanding during the year ₹ 8,453.81 Lacs, Previous Year ₹ 10,135.18 Lacs).
  - IGL CHEM International Pte. Ltd. ₹ 477.75 Lacs (Previous Year ₹ 530.31 Lacs). (Maximum balance outstanding during the year ₹ 1,462.93 Lacs, Previous Year ₹ 1,403.41 Lacs).

#### 45 Expenditure on Research & Development: (₹ in Lacs)

Particulars	2014-15	2013-14
Capital	158.05	92.45
Revenue	339.66	245.13
<b>Total</b>	<b>497.71</b>	<b>337.58</b>

#### 46 Exceptional item includes:

(a) A Provision of ₹ 1,100.00 Lacs (Previous Year ₹ Nil) has been created against foreign exchange contract related dispute and any liability that may arise therefrom; (b) Loss on account of exchange rate differences amounting to ₹ 1,600.55 Lacs (net of gain of ₹ 5,064.53 Lacs) [Previous Year ₹ 10,803.19 Lacs (net of gain of ₹ 11,336.93 Lacs)] for year ended 31st March 2015, on payment, settlement as well as reinstatement of short term foreign currency borrowings and other monetary assets/ liabilities; (c) Provision on account to special discount to an overseas overdue receivables amounting to ₹ 5,052.12 Lacs (Previous Year ₹ 8,369.43 Lacs), (Refer Note No. 37); (d) Profit on sale of 'Rental Business Division' amounting to ₹ 5,194.26 Lacs (Previous Year ₹ Nil) (Note No. 33); (e) Loss on sale of spent silver catalyst amounting to ₹ 2,480.78 Lacs (Previous Year ₹ Nil) and (f) Writing off of export incentive receivable of ₹ 756.32 Lacs (Previous Year ₹ Nil) which has been recognized in earlier years as per applicable government schemes, in view of remote chances of realization on account of steep fall in price in the international commodity market.

- 47 a) The Company had entered into a Joint Venture Agreement dated October 12, 2011 ("JV Agreement") with Fourcee Infrastructure Equipments Pvt. Ltd. (FIEPL) for setting up a Private Freight Terminal and a company, Kashipur Infrastructure and Freight Terminal Pvt. Ltd. ("KIFTPL") was incorporated on 11<sup>th</sup> November 2011. Both JV partners have entered into a Joint Venture Termination Agreement for the termination of the JV. Gain on settlement with JV Partner is included under Other Income (Note No 20). Post settlement and purchase of full rights of erstwhile JV Partner (FIEPL) by the company, the Company has entered into a new Joint Venture Agreement with Apollo Logisolutions Limited ('ALS'). ALS as per the agreement has invested in 51% of paid up equity share capital of KIFTPL.
- b) In compliance with Accounting Standard 27 on Financial Reporting of Interest in Joint Ventures, 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:

	31.03.2015	31.03.2014
Country of Incorporation	<b>India</b>	
Percentage of Share in Joint Venture	<b>48.90%</b>	50.00%
Assets	<b>3306.44</b>	2,126.26
Liabilities	<b>3306.44</b>	2,126.26
Income	-	-
Expenditure	<b>3.07</b>	0.38
Capital Commitment (Net of advances)	<b>1116.79</b>	989.87

## Notes to the Accounts

### 48 Segment Information:

#### A. Information about Business Segments (Primary Segments): (₹ in Lacs)

	Business Segments				Others		Unallocable		Total	
	Industrial Chemicals		Liquor		31.03.2015	31.03.2014	31.03.2015	31.03.2014	31.03.2015	31.03.2014
	31.03.2015	31.03.2014	31.03.2015	31.03.2014						
<b>A REVENUE</b>										
1 Gross Sales (External)	230,894.39	270,991.12	70,056.34	66,746.49	8,222.03	5,608.99	-	-	309,172.76	343,346.60
Inter-Segment	136.99	106.58	-	-	-	-	-	-	136.99	106.58
Total	231,031.38	271,097.70	70,056.34	66,746.49	8,222.03	5,608.99	-	-	309,309.75	343,453.10
2 Other Income	5,864.22	977.12	76.07	99.76	679.23	558.04	1,304.85	2,894.82	7,924.37	4,529.74
3 Total Revenue		271,968.24	70,132.41	66,846.25	8,901.26	6,167.03	1,304.85	2,894.82	3,17,097.13	347,876.34
<b>B RESULTS</b>										
1 Segment Result (PBIT)	2,911.89	1,916.76	1,759.83	1,769.24	1,579.74	817.86	(2,146.78)	(8,129.93)	4,104.68	(3,626.07)
2 Interest Expense (Net)									15,769.72	13,353.20
3 Profit Before Tax									(11,665.04)	(16,979.27)
4a Provision for Current Tax (net of MAT credit)									-	-
4b Deferred Tax									(5,531.16)	(5,024.79)
4c Taxation provision of earlier year									-	-
5 Profit after Tax									(6,133.88)	(11,954.48)
<b>C Other Information:</b>										
1 Segment Assets	223,530.20	2,21,084.45	26,336.20	16,798.34	16,720.38	22,026.79	49,188.52	60,949.26	3,15,775.30	3,20,858.84
2 Segment Liabilities	37,643.66	60,601.10	9,976.85	3,167.34	2,523.20	1,461.20	2,20,101.10	2,05,071.67	2,70,244.81	2,70,301.31
3 Capital Expenditure	7,860.41	9,987.45	281.53	1,105.45	687.07	1,507.67	-	194.50	8,829.01	12,795.07
4 Depreciation and Amortisation expenses	6,720.25	6,883.65	276.25	248.34	1,021.45	786.42	816.96	366.06	8,834.91	8,284.47

#### Information about Geographical Segments (Secondary Segments): (₹ in Lacs)

	Domestic		Overseas		Total	
	31.03.2015	31.03.2014	31.03.2015	31.03.2014	31.03.2015	31.03.2014
1 Gross Sales (External)	2,06,197.87	2,23,805.03	1,02,974.89	1,19,541.57	3,09,172.76	3,43,346.60
2 Segment Assets	2,42,692.54	2,35,052.29	23,894.24	24,857.29	2,66,586.78	2,59,909.58

#### Notes:

##### Primary Segment reporting (by business segment)

Segments have been identified in line with Accounting Standard on 'Segment Reporting' (AS-17), taking into account the organisational structure as well as the differential risks and returns of these segments. The Company has identified three segments i.e. business Industrial chemical, Liquor and others which includes herbal products and reported accordingly.

##### Secondary Segment reporting (by geographical segment-customer location)

In respect of secondary segment information, the Company has identified its geographical segment as (a) domestic and (b) overseas on the basis of location of customers.

##### Reportable segments

Reportable segments have been identified as per the quantitative criteria specified in 'Accounting Standard 17: Segment Reporting'.

##### Segment Composition

**Industrial Chemicals Segment** comprises Glycols, Specialty Chemicals, Natural Gum and other related goods etc.

**Liquor Segment** comprises manufacture and sale of Ethyl Alcohol (Potable).

'Others' primarily includes Herbal Products and Rental.

## Notes to the Accounts

### 49 Additional Information:

#### A. (a) Payment to Auditors (Exclusive of applicable service tax) (₹ in Lacs)

		2014-15	2013-14
i)	As Auditors	15.00	15.00
ii)	In other capacity in respect of		
	a) Out of Pocket Expenses	1.08	1.76
	b) Certification	6.15	5.49
		22.23	22.25

#### (b) Cost Auditors (Exclusive of applicable service tax) (₹ in Lacs)

		2014-15	2013-14
i)	Audit Fees	1.00	1.00
ii)	Out of Pocket Expenses	0.13	0.10
		1.13	1.10

#### B. (a) C.I.F. Value of Imports (₹ in Lacs)

	Particulars	2014-15	2013-14
i)	Capital Goods	6,818.34	-
ii)	Stores & Spares	1,423.74	9,717.83
iii)	Raw Materials	33,778.60	27,457.09
iv)	Traded Goods	32,934.30	46,519.76

#### (b) Earning in Foreign currency (₹ in Lacs)

Particulars	2014-15	2013-14
FOB Value of Exports – Goods	96,151.79	1,10,788.99

#### C. Commodity and Foreign Exchange Derivatives and exposures (as certified by the management).

##### (a) Outstanding at the year- end as follows

Nature of Instruments	2014-15 Amount (FC in millions)	2014-15 Amount (₹ in Lacs)	2013-14 Amount (FC in millions)	2013-14 Amount (₹ in Lacs)
Forward Contracts - USD	2.00	1,250.10	28.35	17,985.08
Foreign currency options - USD	-	-	-	-
<b>Open foreign exchange exposures:</b>				
Packing Credit Net of Export debtors - USD	52.38	32,742.26	-	-
Loans - USD	49.44	30,906.86	50.66	30,358.40
Payable - USD	17.86	11,166.39	53.53	32,077.30
- EURO	0.03	18.24	0.03	22.81
- JPY	1.33	6.91	1.33	7.76
- CHF	0.01	2.82	0.01	2.96

## Notes to the Accounts

- (b) Exchange fluctuation gain of ₹ Nil (Previous Year gain of ₹ 0.62 Lacs), is net of loss of ₹ Nil (Previous Year net of loss of ₹ 0.20 Lacs).
- (c) The Company uses derivative instruments for hedging possible losses and exchange fluctuation gain is ₹ 923.67 Lacs net off loss of ₹ 1,270.11 Lacs (Previous Year loss ₹ 679.44 Lacs net off gain of ₹ 5,253.99 Lacs) which is inclusive of loss of ₹ 71.37 Lacs (Previous Year loss of ₹ 343.04 Lacs) provision for mark to market gain/loss on account of all outstanding financial transactions as on 31<sup>st</sup> March 2015.
- (d) Considering the principle of prudence and announcement made by The Institute of Chartered Accountants of India 'Accounting for Derivatives' in March, 2008, the Company has provided for an amount of ₹ 41.08 Lacs included in (c) (Previous Year ₹ 143.63 Lacs) on outstanding contracts to the Statement of Profit & Loss, on account of foreign exchange derivative instruments.

### D. Expenditure in Foreign Currency (₹ in Lacs)

	Particulars	2014-15	2013-14
a)	Travelling and other matters	125.59	134.54
b)	Interest	408.96	507.40
c)	Process Engineering and Technical Assistance	-	-
d)	Advertisement/ Subscription/ Membership	314.88	50.51
e)	Commission	372.50	437.22
f)	Others	10.58	63.86

### E. Remittance in Foreign Currency on Dividend Account

	2014-15	2013-14
Amount of Final Dividend Remitted*	₹ 0.40 Lacs	₹ 0.88 Lacs
Year to which the Dividend relates	Year ended 31 <sup>st</sup> March 2014	Year ended 31 <sup>st</sup> March 2013
No. of Equity Shares held by Non-resident shareholders	40300	44200
No. of Non-resident shareholders	54	57

\* Excluding for those shareholders for whom dividend has been credited to their NRE Accounts in India.

50 Previous year's figures have been regrouped/ rearranged/ recast wherever considered necessary.

As per our report of even date

**For Lodha & Co.**

Chartered Accountants

Firm Registration no. 301051E

**N.K. Lodha**

Partner

M. No. 85155

Place : Noida, UP

Dated : 28th May, 2015

**U.S. Bhartia**

Chairman and Managing Director

**Rakesh Bhartia**

Chief Executive Officer

Place : Noida, UP

Dated : 28th May, 2015

**M.K. Rao**

Executive Director

**Anand Singhal**

Chief Financial Officer

**Lalit Kumar Sharma**

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 statements of subsidiaries/associate companies/joint ventures**
**PART "A" : Subsidiaries**

(Amt. in Lacs)

S. No	1	2	3	4
<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>
Financial ending year on	March 31, 2015	March 31, 2015	March 31, 2015	March 31, 2015
Reporting Currency	INR	INR	USD	INR
Exchange Rate on the last date of financial year			62.495	
Share Capital	6,067.71	27.41	0.79	150.00
Reserves & Surplus	(18,399.55)	(204.50)	(3.63)	(63.95)
Total Assets	12,871.29	306.72	4.91	14,736.12
Total Liabilities	12,871.29	306.72	4.91	14,736.12
Investments	-	-	-	290.00
Turnover	2,637.44	3,203.60	52.30	-
Profit / (loss) before tax	(2,541.95)	(183.11)	(2.95)	(0.60)
Provision for Taxation	-	(0.92)	0.01	0.14
Profit / (loss) after Taxation	(2,541.95)	(182.19)	(2.94)	(0.74)
Proposed Dividend	-	-	-	-
% of Shareholding	98.89%		100%	100%

**Note :**

- IGL Chem International USA LLC yet to commence operation.
- IGL Infrastructure Private Limited, a wholly owned subsidiary of India Glycols Limited, has not been considered to prepare above statement as the investment is held temporarily with a view to its subsequent disposal in the near future.

**PART "B" : Associates and Joint Ventures**

Statement pursuant to Section 129(3) of the companies Act, 2013 related to Associate Companies and Joint Ventures

(Amt. in Lacs)

S.No	1
<b>Name of the Associates/Joint Venture</b>	Kashipur Infrastructure and Freight Terminal Private Limited
<b>1. Latest audited Balance Sheet Date</b>	March 31, 2015
Reporting Currency	INR
<b>2. Shares of Associate/Joint Ventures held by the company on the year end</b>	
No.	2,445,000.00
Amount of Investment in Associates/Joint Venture	2,440.50
Extend of Holding %	48.90%
<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>	2,655.42
<b>6. Profit/Loss for the year</b>	
i. Considered in Consolidation	(3.07)
ii. Not Considered in Consolidation	(3.20)

**Note :**

- Kashipur Infrastructure and Freight Terminal Pvt Ltd yet to commence operation.
- There are no Associates or Joint Venture which have been liquidated or sold during the year.

## INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF INDIA GLYCOLS LIMITED

### Report on the Consolidated Financial Statements

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"), and joint venture, comprising of the Consolidated Balance Sheet as at 31<sup>st</sup> March, 2015, the Consolidated Statement of Profit and Loss, the Consolidated Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

### Management's Responsibility for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the preparation of these consolidated financial statements in terms of the requirements of the Companies Act, 2013 (hereinafter referred to as "the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group including its joint venture in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. 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 its joint venture and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the 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 financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

### Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. While conducting the audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the

consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Holding Company's preparation of the consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on whether the Holding Company has an adequate internal financial controls system over financial reporting in place and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Holding Company's Board of Directors, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their reports referred to in sub-paragraph (a) of the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our qualified audit opinion on the consolidated financial statements.

### Basis for Qualified Opinion

Attention is invited to:

- i. Note no. 32 regarding non provision against total exposure of amounting ₹ 14,444.43 Lacs (Previous Year ₹ 14,503.44 Lacs) in NSEL made by a subsidiary, where the management is confident about its recoverability for the reason as stated in said note, and our inability to comment thereon.
- ii. Note no. 45 (b)(iii) related with a subsidiary regarding non-provisioning of interest, penal interest, charges etc. amounting to ₹ 977.52 Lacs (excluding penal interest, charges etc.- amount unascertained) and pending confirmation and reconciliation of secured loan balances for the reasons as stated in the said note.
- iii. Note no. 42 related with a subsidiary regarding non provision against impairment loss on its fixed assets for the reason stated in the said note, as its expected recoverable value is more than its carrying value and our inability to comment thereon.

We further report that the loss for the year, reserve & surplus, balance of banks, fixed assets, secured loans, loans & advances are without considering impact of the above which cannot be ascertained or otherwise for the reason stated in as above. Our opinion was also qualified in respect of matters reported in Para (i) above on the financial statement for the year ended 31<sup>st</sup> March, 2014.

### Qualified Opinion

In our opinion and best to our information and according to the explanations given to us, except for the possible effects of the matter described in the "Basis for Qualified Opinion" paragraph above, and based on the consideration of the reports of other auditors on the financial statements of the subsidiaries and the joint venture as noted below, the Consolidated Financial Statements give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of the affairs of the Group and its joint venture as at 31<sup>st</sup> March 2015, and its consolidated loss and its consolidated cash flows for the year ended on that date.

### Emphasis of Matter

- (1) We draw attention to note no. 33 to the financial statements for two notices received by the Holding

Company from National Stock Exchange (NSE) regarding reinstatement of financial statement and to suitably rectify the financial statement as stated in said note. Pending granting of opportunity / clarification. Company have not reinstated/rectified.

Further, attention is invited to:

- 2(a) Note no. 36 regarding insurance claim filed with the Insurance company for the reinstatement of machinery as well as loss incurred due to business interruption where management is confident about full realisability, as stated in the said note.
- 2(b) Note no. 28 (B) regarding Advance License pending fulfilment of export obligation, where management is confident that pending obligation will be fulfilled before expiry of advance license.
- 2(c) Note no. 37 regarding provision made (including made in earlier years) for special discount on account of sudden and steep fall in prices and quality issues, where necessary approvals are pending as stated in the said note.
- 2(d) Note No. 41(a) related a subsidiary regarding pending verification and updation of records of certain fixed assets as stated in the said note.
- 2(e) Note No. 43 related with a Subsidiary regarding pending confirmation/ reconciliation of balances of receivables, payables, banks (including fixed deposits with Bank), loans & Advances [including capital advances], Current Liabilities and Provisions and internal control to be further strengthened for the reasons as stated in the said note and consequential impact whereof presently cannot be ascertained.

Our opinion is not qualified in respect of above matters.

#### Other Matters

- (a) We did not audit the financial statements of the subsidiary company M/s IGL Finance Limited, M/s IGL Chem International PTE Limited and M/s IGL Chem International USA LLC whose financial statements reflect total assets of ₹ 15,305.33 Lacs as at 31st March, 2015, total revenues of ₹ 3,003.18 Lacs and net cash flows amounting to ₹ (14.86) Lacs for the year ended on that date as considered in the consolidated financial statements. These financial statements have been audited by other auditors, whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and our report in terms of sub-sections (3) and (11) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries is based solely on the report of the other auditors.
- (b) We did not audit the financial statements of the joint venture M/s Kashipur Infrastructure and Freight Terminal Pvt. Ltd. whose financial statements reflect total assets of ₹ 3,306.44 Lacs as at 31st March 2015, total revenues of Nil and net cash flow of ₹ (741.77) Lacs for the year then ended. The said financial statements have been audited by other auditor, whose report has been furnished to us by the management and our opinion, in so far as it relates to this joint venture is based solely on the report of their auditor and further information and explanation provided to us and relied upon by us.

- (c) Financial statements of one subsidiary company namely Shakumbari Sugar & Allied Industries Limited, whose financial statement reflect total assets of ₹ 12,871.29 Lacs as at 31st March 2015 and total revenue of ₹ 2,637.44 Lacs and net cash flow of ₹ 111.13 Lacs for the year then ended, have been audit by us where net worth of the Company is negative and accounts are prepared on going concern basis.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not qualified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors.

#### Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2015 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, based on the comments in the auditors' reports of the Holding company, subsidiary Companies and joint venture incorporated in India, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, 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) *Except for the effect of the matter described in the Basis for Qualified Opinion paragraph above, in our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.*
  - c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, and the Consolidated Cash Flow Statement 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 Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
  - e) *The matter described in the basis for qualified opinion paragraph above, in our opinion, may have an adverse effect on the functioning of the group.*
  - f) On the basis of the written representations received from the directors of the Holding Company as on 31st March, 2015 taken on record by the Board of Directors of the Holding Company and the reports of the other statutory auditors of subsidiaries companies and joint venture incorporated in India, none of the directors of the Group's companies and joint venture incorporated in India is disqualified as on 31st March, 2015 from being appointed as a director in terms of Section 164 (2) of the Act.
  - 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 Auditor's) 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. 28(A) (i) read with 46(a), 28(A)(iv), 28(A)(v), 30, 31, 32 & 34 to the consolidated financial statements.
- ii. Provision has been made in the consolidated financial statement, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long term contracts including derivative contracts. Refer Note No. 46(a), 52 (c) & 52 (d) 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.

**For Lodha & Co.**  
Chartered Accountants  
Firm's Registration No. 301051E

**(N. K. Lodha)**

Partner

M. No.: - 85155

Place: Noida, U.P.  
Date : 28th May, 2015

**Annexure referred to in paragraph 1 under the heading "Report on Other Legal and Regulatory Requirements" of our Consolidated Report of even date for the year ended 31<sup>st</sup> March 2015-India Glycols Limited.**

1. (a) (i) The holding Company and its joint venture have maintained proper records showing full particulars, including quantitative details and situation of fixed assets except in case of certain locations where records are in process of updation / compilation.
  - (ii) In respect of subsidiary company (SSAIL), fixed assets records showing full particulars, including quantitative details and situation of fixed assets *are in process of compilation /updation. (Read with note no.41(a)).*
  - (b) (i) As per information & explanation given to us, certain fixed assets of the holding Company and its joint venture have been physically verified by the management of the respective entities. As explained to us there is regular programme of physical verification in a phased manner, which in our opinion and opinion of the other auditor is reasonable having regard to the size of the holding Company and its joint venture and the nature of its fixed assets. The discrepancies noticed on such physical verification were not material.
  - (ii) *In respect of subsidiary company (SSAIL), as per information and explanations given to us, no physical verification of fixed assets is carried out during the year by the Management.* In view of the adequate security arrangements, management is of the view there will not be any material discrepancies (read with note no. 41(a)). However in the opinion of auditors of SSAIL this to be further strengthened.
2. (a) The inventories of the group (except stock in transit which have been verified based on subsequent receipt/reconciliation) have been physically verified by the management of the respective entities at reasonable intervals, *however in regard to SSAIL this to be read with note no. 41(b).*
  - (b) (i) The procedures of physical verification of inventories followed by the management of the respective entities are reasonable and adequate in relation to the size of the holding Company and nature of its business.
  - (ii) In respect of subsidiary company (SSAIL), in our opinion and according to the information and explanations given to us, the procedures of physical verification of inventories followed by the management *needs to be further strengthened (read with para (2) (a) above)* in relation to the size of the SSAIL and nature of its business.
  - (c) The group is maintaining proper records of inventory. The discrepancies noticed on such physical verification of inventory as compared to book records were not material.
  - (d) As explained to us through the reports of other auditors, one of the subsidiary Company and the Joint venture does not have any inventory during the year.
3. The group and its joint venture have not granted during the year any loan secured or unsecured to companies, firms or other parties covered in the register maintained under Section 189 of the Companies Act, 2013. Accordingly, the provisions of clause 3(iii) (a) & (b) of the order are not applicable to the group.
  4. In our opinion and opinion of other auditors and according to the information and explanations given to us, having regard to the explanation that *some of the items purchased are of special nature and for which suitable alternative sources do not exist for obtaining comparable quotation or where user department has shown specific preference, where, as explained, rates were determined considering the quality, volume, nature of the items and market conditions prevailing at that time in certain cases, there is an internal control system which needs to be further strengthened to be made the same commensurate with the size of the holding company, subsidiary company (read with note no. 41, 43) & joint venture and nature of its business for the certain purchases of inventory & fixed assets, and for the sale of goods and services.* Based on the audit procedure performed and information & explanations provided by the management of the respective entities, during the course of our audit, we and other auditors have not observed any continuing failure to correct major weaknesses in internal control system.
  5. (i) In our opinion and according to the information and

explanations given to us, the holding company has complied with the directive issued by the Reserve Bank of India and the provisions of Section 73 to 76 of the Act or any other relevant provisions of the Act and the rules framed there under (to the extent applicable) with regard to deposit accepted from the public. According to the information and explanation given to us no order has been passed by the Company Law Board or National Company Law Tribunal or Reserve Bank of India or any Court or other tribunal in this regard.

- (ii) In our opinion and opinion of the other auditors and according to the information and explanations given to us and to the other auditors, subsidiary Companies and joint venture have not accepted any deposits from the public. According to the information and explanations given to us and to other auditors, no order has been passed by the Company Law Board or National Company Law Tribunal or Reserve Bank of India or any Court or other tribunal in this regard.
6. We and the other auditors have broadly reviewed the books of account maintained by the holding Company and a subsidiary company pursuant to the rules made by the Central Government for the maintenance of cost records under Section 148(1) of the Act in respect of the products of the group to which the said

rules are made applicable and are of the opinion that prima facie, the prescribed records have been made and maintained. Neither we nor the other auditors have, however, made a detailed examination of the said records with a view to determine whether they are accurate and complete.

7. (a) According to the records of the group and its joint venture are generally regular in depositing with appropriate authorities undisputed statutory dues including provident fund, employees' state insurance, income- tax, sales-tax, wealth tax, service tax, duty of customs, duty of excise, value added tax and any other material statutory dues to the extent applicable to it and there are no undisputed statutory dues payable for a period of more than six months from the date they became payable as at 31<sup>st</sup> March 2015.
- (b) According to the records and information and explanations given to us and to the other auditors, there are no dues in respect of Income Tax and Wealth Tax that have not been deposited with the appropriate authorities on account of any dispute and dues in respect of Custom Duty, Service Tax, Excise Duty, Sales tax and Cess (refer note no. 43) that have not been deposited with appropriate authority on account of dispute and the forum where the dispute is pending are given below:-

Nature of Statute	Nature of dues	Amount (₹ in lacs)	Period	Forum
Holding Company				
Custom Act	Custom duty	11.42	1992-93	High Court – Uttaranchal
	Custom duty	193.05	2004-05, 2009-10	Asstt. Commissioner of custom
	Duty Drawback	15.86	2006-07	Joint Secretary , Department Of Revenue
	Custom Duty	763.77	2004-05, 2010-11	Commissioner Customs (Appeals)
Finance Act 1994	Service Tax	36.31	2004-05 to 2007-08	CESTAT
	Service Tax	8.09	2004-08, 2010-12	Assistant Commissioner- Haldwani
Central Excise Act	Cenvat Credit	7,438.36	2007-08 to 2013-14	Commissioner Allahabad
	Cenvat Credit	6,568.27	2006-07 to 2013-14	Assistant Commissioner Haldwani
	Cenvat Credit	1,118.53	2013-14	Commissioner LTU – KSP
	CenvatCredit	1,920.52	2013-14	Commissioner LTU – GKP
	Cenvat Credit	33.86	2010-11 to 2013-14	Commissioner Appeal Allahabad
	Cenvat Credit	20.54	2005-06 to 2009-10	CESTAT
	Cenvat Credit	15.82	2011-12 to 2013-14	Asstt. Commissioner Gorakhpur
	Cenvat Credit	9.06	2010-11 to 2011-12	Commissioner Appeals, LTU - GKP
	Cenvat Credit	6.41	2013-14	Assistant/Deputy Commissioner LTU – GKP
	Cenvat Credit	5.91	2011-12 to 2013-14	Additional Commissioner, LTU - KSP
	Cenvat Credit	2.56	2013-14	Joint/Additional Commissioner LTU – KSP
	Cenvat Credit	12.20	2008-09 to 2012-13	Commissioner Appeal LTU – KSP
	Cenvat Credit	0.23	2013-14	Superintendent - LTU- GKP
	Excise duty	4,183.63	2010-11	Commissioner LTU – KSP
	Excise Duty	902.57	2007-08 to 2011-12	Asstt. Commissioner Gorakhpur
	Excise duty	90.62	2006-07 to 2009-10	Allahabad High Court
	Excise duty	69.99	2007-08	CESTAT
	Excise duty	56.70	2005-06 to 2008-09, 2012-13, 2013-14	Assistant Commissioner Haldwani
	Excise duty	14.10	2008-09 to 2012-13	Additional Commissioner LTU - KSP
	Excise duty	1.87	2010-11	Joint Secretary, GOI, New Delhi
UP VAT Act	Sales Tax	16.65	2008-09, 2009-10, 2011-12 & 2013-14	Additional Commissioner

<b>Subsidiary Company-Shakumbari Sugar &amp; Allied Industries Limited</b>				
Central Sales Tax Act	Central Sales Tax	2,544.67	2004-05 & 2007-08	Dy. Commissioner of Commercial Taxes, Saharanpur
	Central Sales Tax	13.79	2005-06 & 2006-07	Addl. Commissioner of Commercial Taxes, Saharanpur
Central Excise Act	Excise Duty	33.04	2007-08 to 2008-09, 2011-12 to 2012-13	CESTAT, New Delhi
	Excise Duty	6.46	2008-09 to 2012-13,	CESTAT, New Delhi
	Excise Duty	5.15	2010-11 to 2012-13	Asst. Commissioner, Saharanpur
UP Trade Tax Act	Entry Tax	0.48	2004-05	Dy. Commissioner of Commercial Taxes, Saharanpur
	Entry Tax	3.32	2005-06 to 2006-07	Addl. Commissioner of Commercial Taxes, Saharanpur
UP Trade Tax Act	Provincial Sales Tax	309.85	2007-08	Dy. Commissioner of Commercial Taxes, Saharanpur
	Provincial Sales Tax	0.11	2005-06	Addl. Commissioner of Commercial Taxes, Saharanpur

- (c) (i) According to the records of the group and the information and explanations given to us, the amount required to be transferred by the Holding Company to Investor Education and Protection Fund in accordance with the relevant provisions of the Companies Act, 1956 and rules made there under has been transferred to such fund with in time.
- (ii) There were no amounts which were required to be transferred to the investor education and protection fund by the subsidiary Companies and joint venture.
- 8 (i) The holding company does not have accumulated losses as at the end of the financial year. Further holding company has not incurred cash loss during the current financial year and not in the immediately preceding financial year. However, considering the exceptional item (note no. 46) holding company has incurred cash loss during the current financial year, as well as in the immediately preceding financial year.
- (ii) Subsidiary company IGL Finance Limited (IGLFL) and joint venture, have accumulated losses as at 31<sup>st</sup> March, 2015 which are not more than 50% of its net worth. IGLFL and joint venture have incurred cash losses during the financial year, as well as in the immediately preceding financial year.
- (iii) In respect of subsidiary company Shakumbari Sugar & Allied Industries Limited (SSAIL), SSAIL has accumulated losses at the end of the financial year exceeding fifty per cent of its net worth (net worth fully eroded, read with note no. 45(a)), further SSAIL has incurred cash losses during the current financial year and in the immediately preceding financial year.
9. Based on our audit procedures and on the information and explanations given by the management, the group and its joint venture have not defaulted in repayment of dues to financial institution, banks or debenture holders *other than in case of a subsidiary company (SSAIL) who has defaulted in repayment of instalments dues of principal and interest amount to the banks of* ₹ 950.44 Lacs & ₹ 88.72 Lacs (maximum period of 730 days) respectively. (Refer note no. 45 (b)).
10. According to the information and explanations given to us, the holding company has given corporate guarantees to banks for Loans taken by SSAIL (a subsidiary Company) for amounting to ₹ 12,045.43 lacs as stated in note no. 27(A)(iii) of the standalone financial statements, the terms and conditions on which the Company has given guarantees for loans taken by SSAIL from banks are not, prima facie, as explained, prejudicial to the interest of the holding Company since the same is/are on account of commercial expediency. As explained to us and other auditors, the subsidiary companies and joint venture have not given any guarantee for loans taken by others from financial institution.
11. (i) According to the information and explanations given to us and to the other auditors, the term loans by the group were applied for the purposes for which the loans were obtained except pending utilization, have been temporarily parked in the current assets/deposit with banks.
- (ii) As explained to us, a subsidiary and joint venture have not taken any loan during the year.
12. During the course of our examination of the books and records of the company carried out in accordance with the auditing standards generally accepted in India and based on the reliance placed on the report of other auditors, we have neither come across any material instance of fraud on or by the Group and a subsidiary company (the auditor of SSAIL has given the reference of note No. 43 in its report) and its joint venture, noticed neither reported during the year nor we have been informed of such case by the management.

**For LODHA & CO.,**  
Chartered Accountants  
Firm's Registration No. 301051E

**(N. K. LODHA)**  
Partner  
Membership No. 85155

Place: Noida, UP  
Date: 28<sup>th</sup> May, 2015

## Consolidated Balance Sheet as at 31st March, 2015

(₹ in lacs)

	Note No.	As at 31.03.2015	As at 31.03.2014
<b>EQUITY AND LIABILITIES</b>			
<b>Shareholders' Funds</b>			
Share Capital	2	3,096.15	3,096.15
Reserves and Surplus	3	26,609.08	34,149.21
		<b>29,705.23</b>	<b>37,245.36</b>
<b>Non-current Liabilities</b>			
Long-term borrowings	4	40,068.17	70,929.57
Deferred tax liabilities (Net)	5	4,874.61	10,654.44
Other Long-term liabilities	6	407.97	874.61
Long-term provisions	7	519.95	365.13
		<b>45,870.70</b>	<b>82,823.75</b>
<b>Current Liabilities</b>			
Short-term borrowings	8	141,759.10	111,007.17
Trade payables		24,652.96	49,113.80
Other current liabilities	9	72,954.49	43,434.48
Short-term provisions	7	498.94	661.37
		<b>239,865.49</b>	<b>204,216.82</b>
<b>TOTAL</b>		<b>315,441.42</b>	<b>324,285.93</b>
<b>ASSETS</b>			
<b>Non-current Assets</b>			
<b>Fixed Assets</b>			
Tangible assets	10	111,476.28	127,678.95
Intangible assets	10	76.90	229.97
Capital work-in-progress	10	16,137.61	13,693.48
Intangible assets under development	10	48.90	50.00
Goodwill on Consolidation		3,039.30	3039.30
Non-current investments	11	400.00	404.11
Long-term loans and advances	12	5,816.21	5,826.99
Other non-current assets	13	314.29	324.23
		<b>137,309.49</b>	<b>151,247.03</b>
<b>Current Assets</b>			
Current Investments	11	-	9.80
Inventories	14	48,708.73	58,674.52
Trade receivables	15	43,719.81	44,060.86
Cash and Bank balances	16	16,191.85	16,446.52
Short-term loans and advances	17	69,043.49	53,607.48
Other current assets	18	468.05	239.72
		<b>178,131.93</b>	<b>173,038.90</b>
<b>TOTAL</b>		<b>315,441.42</b>	<b>324,285.93</b>

Summary of significant accounting policies

1

The accompanying notes are an integral part of the financial statements.

As per our report of even date

**For Lodha & Co.**

Chartered Accountants

Firm Registration no. 301051E

**N.K. Lodha**

Partner

M. No. 85155

Place : Noida, UP

Dated : 28th May, 2015

**U.S. Bhartia**

Chairman and Managing Director

**Rakesh Bhartia**

Chief Executive Officer

Place : Noida, UP

Dated : 28th May, 2015

**M.K. Rao**

Executive Director

**Anand Singhal**

Chief Financial Officer

**Lalit Kumar Sharma**

Company Secretary

**Consolidated Statement of Profit & Loss for the year ended March 31, 2015** (₹ in lacs)

	Note No.	2014-15	2013-14
Revenue from operations	19	257,949.78	297,657.20
Other income	20	4,226.86	1,931.66
<b>Total Revenue</b>		<b>262,176.64</b>	<b>299,588.86</b>
<b>Expenses:</b>			
Cost of materials consumed	21	138,647.78	155,861.00
Purchase of Stock-in-Trade	22	32,934.30	51,030.79
Change in inventories of finished goods, work-in-progress and Stock-in-trade	23	4,378.13	1,032.09
Employee benefit expense	24	9,214.27	8,676.69
Finance costs	25	16,338.73	15,034.27
Depreciation and amortization expense	10	8,878.48	9,060.77
Other expenses	26	60,385.87	60,883.04
<b>Total Expenses</b>		<b>270,777.56</b>	<b>301,578.65</b>
<b>Profit/ (Loss) before exceptional items and tax</b>		<b>(8,600.92)</b>	<b>(1,989.79)</b>
Exceptional Items (Net)	46	5,795.51	19,172.62
<b>Profit/ (Loss) before tax</b>		<b>(14,396.43)</b>	<b>(21,162.41)</b>
Tax Expense:			
- Current Tax		-	-
- Deferred tax Charged / (Credit)		(5,531.16)	(5,024.79)
- Tax for earlier years		(0.78)	(1.83)
- Minimum Alternate Tax Credit entitlement		-	-
<b>Profit/ (Loss) for the period</b>		<b>(8,864.49)</b>	<b>(16,135.79)</b>
<b>Earning per Equity share basic/ diluted</b>		<b>(28.63)</b>	<b>(52.12)</b>

Summary of significant accounting policies

1

The accompanying notes are an integral part of the financial statements.

As per our report of even date

**For Lodha & Co.**  
Chartered Accountants  
Firm Registration no. 301051E

**N.K. Lodha**  
Partner  
M. No. 85155  
Place : Noida, UP  
Dated : 28th May, 2015

**U.S. Bhartia**  
Chairman and Managing Director

**Rakesh Bhartia**  
Chief Executive Officer

Place : Noida, UP  
Dated : 28th May, 2015

**M.K. Rao**  
Executive Director

**Anand Singhal**  
Chief Financial Officer

**Lalit Kumar Sharma**  
Company Secretary

## Consolidated Cash Flow Statement for the year ended 31st March, 2015 (₹ in lacs)

	2014-15		2013-14	
<b>A Cash Flow from Operating Activities</b>				
Net Profit/ (Loss) Before Tax		(14,396.43)		(21,162.41)
Adjustments For:				
Depreciation	8,878.48		9,060.77	
(Profit)/Loss on Sale of Assets	(5,197.77)		(168.51)	
Unrealised Foreign Exchange Fluctuation (Gain) / Loss	94.53		(1,376.46)	
Amortisation of Foreign Currency Monetary Item Translation Difference	2,355.19		1,832.88	
Effect of Exchange Difference on Translation of Foreign Currency Cash & Cash Equivalent	0.01		0.08	
Insurance Gain Recoverable	(2,407.00)		-	
(Profit)/Loss on Sale of Non-Current Investments	(684.74)		-	
(Profit)/Loss on Sale of Current Investments	0.63		(883.59)	
Provision for Diminution in Value of Current Investments	-		0.20	
Bad Debts W/Off & Provision for Doubtful Debts & Advances	6,280.49		8,406.99	
Provision No Longer Required Written Back	(214.01)		(49.51)	
Finance Costs	17,867.38		15,849.57	
Interest / Dividend Income	(2,003.87)	24,969.32	(1,571.30)	31,101.12
<b>Operating Profit/ (Loss) before Working Capital Changes</b>		<b>10,572.89</b>		<b>9,938.71</b>
Adjustments For:				
(Increase) / Decrease in Trade & Other Receivables	(14,735.50)		(29,753.06)	
(Increase) / Decrease in Inventories	9,965.79		(1,595.88)	
Increase / (Decrease) in Trade & Other Payables	(22,648.89)	(27,418.60)	(1,499.50)	(32,848.44)
<b>Cash Generated from / (Used in) Operations</b>		<b>(16,845.71)</b>		<b>(22,909.73)</b>
Income Tax Paid (Net)		(257.19)		(477.31)
<b>Net Cash flow from / (Used in) Operating Activities</b>		<b>(17,102.90)</b>		<b>(23,387.04)</b>
<b>B Cash Flow from Investing Activities</b>				
Purchase of Fixed Assets	(7,117.33)		(11,497.69)	
Sale of Fixed Assets	18,943.67		1,282.20	
Interest / Dividend received	1,890.02		1,438.02	
ICDs given	(15.00)		-	
ICDs received back	3,062.00		1,695.45	
Investments in shares of subsidiaries/ joint venture	(5.00)		-	
Sale of Non-Current Investments	693.85		-	
Sale of Current Investments	9.17		18,555.80	
Purchase of current investment	-		(490.00)	
<b>Net Cash flow from / (Used in) Investing Activities</b>		<b>17,461.38</b>		<b>10,983.78</b>
<b>C Cash Flow from Financing Activities</b>				
Proceeds from Issue of Share Capital	220.19		-	
Proceeds from Borrowings	79,389.88		108,859.18	
Repayment of Borrowings	(61,203.10)		(81,544.30)	
Finance Costs	(18,415.36)		(17,719.81)	
Dividends Paid (Including Corporate Dividend Tax)	(371.62)		(935.54)	
<b>Net Cash flow from / (Used in) Financing Activities</b>		<b>(380.01)</b>		<b>8,659.53</b>
<b>D Effect of Changes in Currency Fluctuation Reserve</b>		<b>(2.67)</b>		<b>(25.15)</b>
<b>E Effect of Exchange Differences on Translation of Foreign Currency Cash &amp; Cash Equivalent</b>		<b>(0.01)</b>		<b>(0.08)</b>
<b>Net Increase/(Decrease) in Cash &amp; Cash Equivalents [A+B+C+D+E]</b>		<b>(24.21)</b>		<b>(3,768.96)</b>
Opening Cash & Cash Equivalent (refer note 16)		2,208.10		5,977.06
Closing Cash & Cash Equivalent (refer note 16)		2,183.89		2,208.10

The accompanying notes are an integral part of the financial statements.

As per our report of even date

**For Lodha & Co.**

Chartered Accountants

Firm Registration no. 301051E

**N.K. Lodha**

Partner

M. No. 85155

Place : Noida, UP

Dated : 28th May, 2015

**U.S. Bhartia**

Chairman and Managing Director

**Rakesh Bhartia**

Chief Executive Officer

Place : Noida, UP

Dated : 28th May, 2015

**M.K. Rao**

Executive Director

**Anand Singhal**

Chief Financial Officer

**Lalit Kumar Sharma**

Company Secretary

## Notes to Consolidated Financial Statements

### 1. SIGNIFICANT ACCOUNTING POLICIES

#### PRINCIPLES OF CONSOLIDATION

- (i) The Consolidated Financial Statements (CFS) comprises the financial statements of India Glycols Limited (IGL) and its following Subsidiaries/ Joint Venture as on March 31, 2015.

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 Finance Limited	Subsidiary	India	100%
IGL Infrastructure Pvt. Ltd.#	Subsidiary	India	100%
IGL ChemInternational USA LLC (IGLCHEM US) *	Subsidiary	USA	100%
Kashipur Infrastructure and Freight Terminal Private Limited (KIFTPL)	Joint Venture	India	48.90%

# Incorporated on 13.10.2014

\* Incorporated on 09.07.2014

- (ii) For Consolidation IGL Infrastructure Pvt. Ltd., a wholly owned subsidiary has not been considered as the investment is held temporarily with a view to its subsequent disposal in the near future.
- (iii) The Consolidated Financial Statements have been prepared using uniform accounting policies and in accordance with the generally accepted accounting principles (GAAP).
- (iv) The effects of intergroup balances and transactions are eliminated in consolidation.
- (v) The difference between the costs to the Holding Company of its investment in the Subsidiary Companies over the Holding Company's portion of equity of the subsidiaries is recognized in the financial statements as Goodwill or Capital Reserve as the case may be. Goodwill arisen on consolidation is shown as separate line item in the balance sheet under Assets and Capital Reserve on consolidation is shown under Reserve & Surplus.
- (vi) The policy adopted by SSAIL for valuation of Inventories is enumerated below:-
- 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.
  - Store and spares parts – At cost arrived at applying weighted average method.
  - 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.
- (vii) Foreign Subsidiary conversion: Operation of foreign subsidiary has been considered non integral foreign operation by the management thus all assets and liabilities are converted at the rates prevailing at the end of the year and Revenue items have been consolidated at the average rates. Exchange gain/ loss arising on translation of financial statements of foreign subsidiaries are shown under the head 'Foreign Currency Translation Reserve' in the Consolidated Balance Sheet.
- (viii) Interests in Joint Venture (KIFTPL) has been accounted by using the proportionate consolidation method as per Accounting Standard 27- "Financial Reporting of interests in Joint Ventures" notified by Companies (Accounting Standards) Rules, 2006.

### 2. SHARE CAPITAL

(₹ in Lacs), except as otherwise stated

Particulars	As at 31.03.2015	As at 31.03.2014
<b>Authorised :</b>		
45,000,000 (Previous Year 45,000,000) Equity Shares of ₹ 10/- each	4,500.00	3,000.00
	4,500.00	3,000.00
<b>Issued, Subscribed and paid up :</b>		
30,961,500 (Previous Year 30,961,500) Equity Shares of ₹ 10/- each fully paid up	3,096.15	3,096.15
	3,096.15	3,096.15

## Notes to Consolidated 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% shares in the company

Name of Shareholder	31.03.2015 No's	31.03.2014 No's
Kashipur Holdings Limited	10,287,406	10,287,406
Sajani Devi Bhartia	2,100,249	2,100,249

### c) Reconciliation of the number of shares outstanding at the beginning and at the end of the reporting period

Particulars	31.03.2015 No's	31.03.2014 No's
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	30,961,500	30,961,500

d) In last 5 years there was no Bonus Issue, buy back and /or issue of shares other for cash consideration.

### 3. RESERVES AND SURPLUS

	As at 01.04.2014	Additions	Deductions	(₹ in Lacs) As at 31.03.2015
Capital Reserve	679.33	-	-	679.33
Capital Reserve on consolidation*	-	220.19	-	220.19
General Reserve #	11,184.00	-	469.85	10,714.15
Statutory Reserve	0.30	-	-	0.30
Security Premium	3,958.36	-	-	3,958.36
Mollases Reserve Fund	1.89	-	-	1.89
Foreign Currency Translation Reserve	(18.25)	-	2.67	(20.92)
Reserve for Contingencies	200.00	-	-	200.00
Surplus in Statement of Profit & Loss {Refer footnote (a)}	20,419.28	(8,864.49)	-	11,554.79
<b>Sub Total (a)</b>	36,424.91	(8,644.30)	472.52	27,308.09
Foreign Currency Monetary Item Translation Difference (Debit Balance)	(2,275.70)	(778.50)	(2,355.19)	(699.01)
<b>Sub Total (b)</b>	(2,275.70)	(778.50)	(2,355.19)	(699.01)
<b>Total (a) + (b)</b>	34,149.21	(9,422.80)	(1,882.67)	26,609.08
Previous year	50,485.47	(1,645.71)	14,690.55	34,149.21

## Notes to Consolidated Financial Statements

(₹ in Lacs)

	March 31, 2015		March 31, 2014	
<b>(a) Detail of Surplus in the Statement of Profit &amp; Loss</b>				
Opening balance	20,419.28		36,917.56	
Add: Net Profit/ (Loss) after tax transferred from Statement of Profit and Loss	(8,864.49)		(16,135.79)	
	11,554.79		20,781.77	
Less: Appropriations				
Proposed Dividend **	-		309.62	
Corporate Dividend Tax	-		52.62	
Transfer to Molasses Reserve Fund	-		0.25	
<b>Net Surplus in the Statement of Profit &amp; Loss</b>		11,554.79		20,419.28
		11,554.79		20,419.28

\* With respect in Joint venture (Refer Note No. 48)

\*\* The Board of Directors, proposed a final dividend of ₹ Nil (Previous year ₹ 1) per equity share. The total dividend appropriation for the year ended March 31, 2015 amounted to ₹ Nil (Previous Year ₹ 362.24 Lacs) including corporate dividend tax of ₹ Nil (Previous Year ₹ 52.62 Lacs).

# In view of adoption of schedule II of The Companies Act 2013, depreciation on assets whose useful life expired prior to 01st April 2014 has charged to General Reserve (net of deferred tax ₹ 248.67 Lacs)

### 4. LONG TERM BORROWINGS

(₹ in Lacs)

	Non-Current Portion		Current Maturities	
	As at 31.03.2015	As at 31.03.2014	As at 31.03.2015	As at 31.03.2014
<b>SECURED LOANS</b>				
Rupee Term Loans				
from Banks	29,345.16	39,549.39	28,443.11	19,760.33
Other than Banks	2,448.29	2,707.23	258.93	295.74
Foreign Currency Term Loans from Banks	7,751.02	21,762.71	15,919.84	3,282.31
	39,544.47	64,019.33	44,621.88	23,338.38
<b>UNSECURED LOANS</b>				
Loan from related parties (Body Corporates)	-	6,910.24	-	-
Loan from others	523.70	-	-	-
	523.70	6,910.24	-	-
Less: Amount disclosed under the head				
“Other Current Liabilities” (Note No. 9)	-	-	44,621.88	23,338.38
	40,068.17	70,929.57	-	-

## Notes to Consolidated Financial Statements

### Notes:

- 1 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.
- 2 Rupee Term Loans includes loans from Banks of ₹ 46.19 Lacs (Previous Year ₹ 32.13 Lacs) and loans from others of ₹ Nil (Previous Year ₹ 10.64 Lacs) secured by hypothecation of Motor Vehicles purchased there under which is repayable on different dates. Further, Rupee Term Loans from others includes ₹ 608.75 Lacs (Previous Year ₹ 708.75 Lacs) secured against bank guarantee.
- 3 Term Loan from bank of ₹ 4,654.47 Lacs (Previous Year ₹ 4,978.47 lacs), is repayable in 8 equal quarterly installments of ₹ 517.50 Lacs and 1 installment of ₹ 514.47 lacs.
- 4 Term Loan from bank of ₹ 10,000.00 Lacs (Previous Year ₹ 10,000.00 Lacs), is repayable in 12 equal quarterly installments commencing from April 2015.
- 5 Term Loan from bank of ₹ 2,499.60 Lacs (Previous Year ₹ 2,499.60 Lacs), is repayable in 10 equal quarterly installments commencing from May 2015.
- 6 Term Loan from bank of ₹ Nil (Previous Year ₹ 2,500.00 Lacs), is repayable in 4 equal quarterly installments.
- 7 Term Loan from bank of ₹ 2,915.00 Lacs (Previous Year ₹ 2,915.00 Lacs), is repayable in 2 quarterly installments (2 installments of ₹ 1457.50 Lacs each) commencing from May 2015.
- 8 Term Loan from bank of ₹ Nil Lacs (Previous Year ₹ 1,637.28 Lacs). It includes Foreign Currency Loan of ₹ Nil (Previous Year ₹ 898.80 Lacs, USD 15.00 Lacs)
- 9 Term Loan from bank of ₹ 1,249.98 Lacs (Previous Year ₹ 1,458.33 Lacs), is repayable in 6 equal quarterly installments.
- 10 Term Loan from bank of ₹ 3,093.75 Lacs (Previous Year ₹ 3,093.75 Lacs), is repayable in 7 equal quarterly installments.
- 11 Term Loan from bank of ₹ 1,951.00 Lacs (Previous Year ₹ 2,380.00 lacs), is repayable in 54 equal monthly installments of ₹ 35.75 Lacs each and remaining 1 installments of ₹ 20.50 Lacs.
- 12 Term Loan from bank of ₹ 2,185.57 Lacs (Previous Year ₹ 2,187.50 Lacs), is repayable in 5 equal quarterly installments of ₹ 364.58 Lacs and remaining 1 installments of ₹ 362.67 Lacs.
- 13 Term Loan from bank of ₹ 1,875.00 Lacs (Previous Year ₹ 1,875.00 Lacs), is repayable in 2 equal quarterly installments.
- 14 Term Loan from bank of ₹ 1,421.29 Lacs (Previous Year ₹ 2,233.46 Lacs), is repayable in 06 equal quarterly installments of ₹ 203.05 Lacs and remaining 1 installments of ₹ 202.99 Lacs.
- 15 Term Loan from bank of ₹ 2,499.98 Lacs (Previous Year ₹ 2,500.00 Lacs), is repayable in 1 installments in April 2015.
- 16 Term Loan from bank of ₹ 3,431.00 Lacs (Previous Year ₹ 3,432.95 Lacs), is repayable in 13 equal quarterly installments of ₹ 245.21 Lacs each and remaining 1 installments for ₹ 243.27 Lacs.
- 17 Term Loan from bank of ₹ 4,374.98 Lacs (Previous Year ₹ 4,375.00 Lacs), is repayable in 3 equal quarterly installments commencing from April 2015.
- 18 Term Loan from bank of ₹ 2,551.00 Lacs (Previous Year ₹ 2,551.00 Lacs), is repayable in 12 equal quarterly installments of ₹ 212.58 Lacs commencing from Sep. 2015.
- 19 Term Loan from bank of ₹ 8,750.00 Lacs (Previous Year ₹ 5,000.00 Lacs), is repayable in 14 equal quarterly installments is ₹ 625 Lacs.
- 20 Term Loan from bank of ₹ 3,923.65 Lacs (USD 62.77 Lacs) (Previous Year ₹ 3,761.38 Lacs, USD 62.77 Lacs), is repayable in 5 equal quarterly installments.
- 21 Term Loan from bank of ₹ Nil (USD Nil), (Previous Year ₹ 868.30 Lacs, USD 14.49 Lacs),
- 22 Term Loan from bank of ₹ 9,500.77 Lacs (USD 155.46 Lacs) (Previous Year ₹ 9,315.15 Lacs, USD 155.46 Lacs), is repayable in 10 monthly installments (3 equal monthly installments of ₹ 583.33 Lacs, 3 equal monthly installments of ₹ 883.33 Lacs, 3 equal monthly installments of ₹ 856.67 Lacs and balance in last installment commencing from April 2015.
- 23 Term Loan from bank of ₹ 10,246.44 Lacs (USD 170.25 Lacs) (Previous Year ₹ 10,201.38 Lacs (USD 170.25 Lacs), is repayable in 36 monthly installments (33 equal monthly installments of ₹ 271.67 Lacs and 3 equal monthly installments of ₹ 427.11 Lacs commencing from April 2015.
- 24 Term Loan from DBT Bihorama ₹ 350.00 Lacs (Previous Year ₹ 450.00 Lacs) is repayable in 7 equal half yearly installment.
- 25 Term Loan from DBT Bihorama ₹ 258.75 Lacs (Previous Year ₹ 258.75 Lacs) is repayable in 10 equal half yearly installment after completion of the project.
- 26 Loan from related parties of ₹ Nil (Previous Year ₹ 6,910.24 Lacs) is payable after a period of 3 years from the respective date of loans.
- 27 Term loan from Banks of ₹ 1,778.98 Lacs (Previous year ₹ 1,956.92 Lacs) in respect of subsidiary Company, is repayable in 8 equal quarterly installments of ₹ 44.47 Lacs each, 8 equal quarterly installments of ₹ 88.95 Lacs each & 4 equal quarterly installments of ₹ 177.89 Lacs each starting from Year 2016. The loan is secured by a first pari passu charge on the entire fixed assets of the subsidiary Company present and future and second pari passu charge on current assets of the subsidiary Company both present & future.
- 28 Term loan from Banks of ₹ 1,250.00 Lacs (Previous year ₹ 2,083.29 Lacs) in respect of subsidiary Company, is repayable in 6 equal quarterly installments of ₹ 208.33 Lacs each . The loan is secured by a first pari passu charge created on movable and immovable properties both present and future of subsidiary Company's plant situated at saharanpur in state of Uttar Pradesh.
- 29 Term loan from Banks of ₹ 18.85 Lacs (Previous year ₹ 18.85 Lacs) in respect of subsidiary Company, is repayable in 2 quarterly installment 1st of ₹ 10.11 Lacs and 2nd quarterly installment of ₹ 8.74 Lacs. The loan is secured by a first pari passu charge created on movable (including book debts) and immovable properties both present and future of subsidiary Company's plant situated at saharanpur in state of Uttar Pradesh.
- 30 Term loan from Banks of ₹ 761.00 Lacs (Previous year ₹ Nil) in respect of subsidiary Company, is repayable in 36 monthly installment of ₹ 21.14 Lacs each started from year 2016. The Loan is secured by first pari passu charge on fixed assets of the subsidiary Company.
- 31 Term Loan from Sugar Development Fund of ₹ 92.55 Lacs (Previous year ₹ 277.66 Lacs) is repayable in 1 half yearly installments of ₹ 92.55 Lacs.
- 32 Term Loan from Sugar Development Fund of ₹ 1,740.42 Lacs (Previous year ₹ 1,740.42 Lacs) is repayable in 5 equal yearly installments of ₹ 348.08 Lacs each started from year 2017.
- 33 Term Loan from Sugar Development Fund of ₹ 265.50 Lacs (Previous year ₹ 265.50 Lacs) is repayable in 4 equal yearly installments of ₹ 66.38 Lacs each started from year 2016.
- 34 The above loans (27 to 33) is secured by corporate guarantees of India Glycols Limited (The Holding Company).
- 35 Term Loan facilities from Bank of ₹ 480.63 lacs (Previous Year ₹ 500.00 Lacs) (being share of Joint Venture [JV]) secured by First Charge over all the fixed assets (moveable & immovable) including mortgage over Project land of JV, first charge on all the JV's account including DSRA & Escrow account and assignment of insurance policies of assets. The same is payable in 34 quarterly instalments commencing from January 2015. However the creation of necessary charge by way of hypothecation is in process.
- 36 Loan from others of ₹ 523.70 Lacs (Previous year ₹ Nil) is payable after a period of 3 years from the respective date of loans.

## Notes to Consolidated Financial Statements

### 5. DEFERRED TAX LIABILITIES (NET)

(₹ in Lacs)

	As at 31.03.2015	As at 31.03.2014
Pursuant to the Accounting Standard on "Accounting for taxes on Income" (AS-22) deferred tax liability/assets are as:		
<b>Deferred Tax Assets :-</b>		
Amount covered U/s 43B	377.97	236.95
Provision for doubtful debts / advances	4,672.63	2,872.99
Unabsorbed Depreciation	7,187.90	4,149.00
Business Loss	569.82	496.85
Others	236.19	209.94
<b>Gross Deferred tax Assets</b>	<b>13,044.51</b>	<b>7,965.73</b>
<b>Deferred Tax Liabilities :-</b>		
Accelerated depreciation	17,279.92	17,510.05
Others	639.20	1,110.12
<b>Gross Deferred tax Liability</b>	<b>17,919.12</b>	<b>18,620.17</b>
<b>Net Deferred Tax Liability</b>	<b>4,874.61</b>	<b>10,654.44</b>

### 6. OTHER LONG TERM LIABILITIES

(₹ in Lacs)

	As at 31.03.2015	As at 31.03.2014
Interest Accrued but not due on borrowings	321.06	256.42
Retention Money	44.35	52.92
Security deposits	42.56	565.27
	<b>407.97</b>	<b>874.61</b>

### 7. PROVISIONS

(₹ in Lacs)

	Long - Term		Short - Term	
	As at 31.03.2015	As at 31.03.2014	As at 31.03.2015	As at 31.03.2014
<b>Provision for employee benefits</b>				
Provision for Gratuity	-	-	281.80	127.12
Provision for Leave Encashment	519.95	365.13	199.89	162.90
	<b>519.95</b>	<b>365.13</b>	<b>481.69</b>	<b>290.02</b>
<b>Others:</b>				
Proposed equity dividend	-	-	-	309.62
Provision for tax on proposed equity dividend	-	-	-	52.62
Provision for Fringe Benefit Tax {Net of advance tax ₹ 38.65 Lacs} (Previous Year ₹ 38.65 Lacs)}	-	-	0.26	0.26
Provision for Wealth Tax	-	-	16.99	8.85
	-	-	17.25	371.35
	<b>519.95</b>	<b>365.13</b>	<b>498.94</b>	<b>661.37</b>

## Notes to Consolidated Financial Statements

### 8. SHORT TERM BORROWINGS

(₹ in Lacs)

	As at 31.03.2015	As at 31.03.2014
<b>SECURED LOANS</b>		
Loans repayable on demand from Banks:		
Buyers Import Credit*	48,713.30	31,653.31
Working Capital Loans*	86,516.07	75,501.50
	<b>135,229.37</b>	107,154.81
<b>UNSECURED LOANS</b>		
Short Term Loan From Related Parties	-	40.50
Short Term Loans from Banks	6,529.73	3,811.86
	<b>6,529.73</b>	3,852.36
	<b>141,759.10</b>	111,007.17

\* 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.

Further Packing credit facility of ₹ Nil (Previous Year ₹ 1570.00 Lacs) (included in working capital loans) are specifically secured by pledge of deposit.

Out of the above, working capital facility of ₹ 5,723.26 Lacs (Previous Year ₹ 5,723.26 Lacs) is also secured by the corporate guarantees of India Glycols Limited (The Holding Company).

### 9. OTHER CURRENT LIABILITIES

(₹ in Lacs)

	As at 31.03.2015	As at 31.03.2014
Current maturities of long term borrowings (Note No 4)	44,621.88	23,338.38
Interest accrued but not due on borrowings	385.80	196.93
Duties, taxes and other statutory dues	1,801.74	1,982.29
Capital Payables	2,205.82	1,845.29
Advance from Customers	6,111.02	4,613.80
Retention money	208.73	254.94
Interest accrued and due on borrowings	88.72	99.93
Expenses payable (Including MTM on derivative contracts)	1,770.79	1,542.78
Other Payables (Ref Note No 37)	15,643.63	9,433.16
Investor education & protection fund shall be credited by the following amounts when due:		
(i) Unclaimed Dividends	111.91	121.29
(ii) Unclaimed matured deposits	3.36	4.16
(iii) Unclaimed interest on above (ii)	1.09	1.53
	<b>72,954.49</b>	43,434.48

## Notes to Consolidated Financial Statements

### 10. CONSOLIDATED FIXED ASSETS SCHEDULE

(₹ in Lacs)

Description	Gross Carrying Amount				Depreciation/ Amortization				Net Carrying Amount	
	As at 01.04.2014	Additions*	Sales/ Other Adjust- ments	As at 31.03.2015	As at 01.04.2014	For the year**	Sales/ Other Adjust- ments	As at 31.03.2015	As at 31.03.2015	As at 31.03.2014
<b>Tangible assets</b>										
Freehold Land	1,747.64	31.40	16.71	<b>1,762.33</b>	-	-	-	-	<b>1,762.33</b>	1,747.64
Leasehold Land	1,527.71	-	691.19	<b>836.52</b>	168.66	17.23	81.87	<b>104.02</b>	<b>732.50</b>	1,359.05
Buildings	20,021.55	190.48	10,291.44	<b>9,920.59</b>	2,867.78	862.34	928.81	<b>2,801.31</b>	<b>7,119.28</b>	17,153.77
Plant and Machinery	175,843.84	6,526.44	2,357.77	<b>180,012.51</b>	72,873.07	7,534.30	593.06	<b>79,814.31</b>	<b>100,198.20</b>	102,970.77
Office Equipment	2,108.27	53.21	35.91	<b>2,125.57</b>	1,255.79	430.01	17.52	<b>1,668.28</b>	<b>457.29</b>	852.48
Furniture and Fixtures	3,740.11	94.95	2,429.91	<b>1,405.15</b>	754.18	413.92	525.50	<b>642.60</b>	<b>762.55</b>	2,985.93
Vehicles #	1,125.28	52.28	131.04	<b>1,046.52</b>	515.97	148.18	61.76	<b>602.39</b>	<b>444.13</b>	609.31
<b>Total (A)</b>	206,114.40	6,948.76	15,953.97	<b>197,109.19</b>	78,435.45	9,405.98	2,208.52	<b>85,632.91</b>	<b>111,476.28</b>	127,678.95
Previous year	188,241.19	19,510.34	1,637.13	<b>206,114.40</b>	70,044.59	8,926.78	535.92	<b>78,435.45</b>	<b>127,678.95</b>	
<b>Intangible assets</b>										
Computer software	814.32	38.79	-	<b>853.11</b>	584.35	191.86	-	<b>776.21</b>	<b>76.90</b>	229.97
<b>Total (B)</b>	814.32	38.79	-	<b>853.11</b>	584.35	191.86	-	<b>776.21</b>	<b>76.90</b>	229.97
Previous year	1,063.92	-	249.60	814.32	687.26	134.21	237.12	584.35	229.97	
<b>Capital work- in-progress</b>									<b>16,137.61</b>	13,693.48
<b>Intangible assets under development</b>									<b>48.90</b>	50.00

Notes:

\* (i) Addition to Plant and Machinery includes foreign exchange fluctuation difference arising under AS-11 (The effect of changes in foreign exchange rates) vide notification no. G.S.R 225 (E) dated 31st March, 2009 issued by Ministry of corporate affairs of Government of India as amended by Companies (Accounting Standards) (Second Amendment) Rules 2011.

\* (ii) Includes capitalisation of:

(a) Finance cost: Plant & Machinery ₹ 651.82 Lacs (Previous Year ₹ 2,361.03 Lacs).

(b) Exchange difference: Plant and Machinery includes CWIP ₹ 993.82 Lacs (Previous Year ₹ 962.10 Lacs). (Unamortised amount ₹ 3,880.59 Lacs (Previous Year ₹ 3,080.06 Lacs)

\*\* includes depreciation charged to General reserve ₹ 718.52 Lacs (Previous year ₹ Nil), refer note No 38.

Depreciation amounting to ₹ 0.84 Lacs (Previous Year ₹ 0.22 Lacs) has been carried forward as project preoperative expenses by joint venture and the same is not charged to statement of Profit and Loss.

# Gross block includes ₹ 117.95 Lacs (Previous Year ₹ 130.39 Lacs) secured by hypothecation against loan

Note:

Opening Gross Block & Accumulated depreciation of Foreign Subsidiary, IGL Chem PTE LIMITED, Singapore, as on 31st March, 2015 is reinstated as per AS-11 and amount of ₹ Nil (Previous Year ₹ 0.72 Lacs) ( Net of depreciation of ₹ Nil, Previous Year ₹ 0.24 lacs) is adjusted in Foreign Currency Translation Reserve.

## Notes to Consolidated Financial Statements

### 11. INVESTMENTS

(₹ in Lacs), except as otherwise stated

Particulars	Nominal Value	As at March, 31 2015		As at March, 31 2014	
<b>Non-Current Investment</b>					
<b>Long Term, Non- Trade Investment - At Cost less provision</b>					
<b>Investment in Equity Instruments</b>					
<b>Unquoted, Fully paid up - Subsidiary Companies</b>					
50,000 (Previous Year Nil) Equity Shares of IGL Infrastructure Private Ltd.	₹ 10		5.00		-
			5.00		-
<b>Quoted, fully paid up - Others</b>					
211,360 (Previous Year 211,360) Equity Shares of IDBI Bank Ltd	₹ 10		105.00		105.00
Nil (Previous Year 34,000) Equity Shares of Axis Bank Ltd.	₹ 10		-		7.14
Nil (Previous Year 2,500) Equity Shares of ICICI Bank Ltd.	₹ 10		-		1.97
			105.00		114.11
			110.00		114.11
<b>Investment in Preference Share (Unquoted, fully paid up)</b>					
4,68,000 (Previous year 4,68,000) 15% Redemable Non-cumulative Preference Shares of Hindustan Wires Ltd	₹ 100	468.00		468.00	
Less: Provision for diminution		191.02	276.98	191.02	276.98
22,000 15% Redemable Cumulative Preference Shares of Hindustan Wires Ltd	₹ 100	22.00		22.00	
Less: Provision for diminution		8.98	13.02	8.98	13.02
			290.00		290.00
<b>Total Non - Current investments</b>			400.00		404.11
Aggregated book value of Unquoted investment			295.00		290.00
Aggregated book value of quoted investment			105.00		114.11
Market value of quoted investments			150.07		700.53
Aggregate provision made for Diminution in value of Investments			200.00		200.00
<b>Current Investments - at the lower of cost or fair value</b>					
<b>Others-Unquoted, fully paid up (Non-Trade Investment)</b>					
<b>Investments in Mutual funds</b>					
Nil (Previous Year 100,000) SBI Gold Fund- growth	₹ 10		-		9.80
<b>Total Current Investments</b>			-		9.80
Aggregated book value of Unquoted investment			-		9.80
Aggregate provision made for Diminution in value of Investments			-		0.20

## Notes to Consolidated Financial Statements

### 12. LONG TERM LOANS & ADVANCES

(Unsecured, considered good unless stated otherwise)

(₹ in Lacs)

	As at 31.03.2015	As at 31.03.2014
Capital Advances	2,967.58	3,137.82
Security Deposits @	2,750.48	2,537.10
Inter Corporate Deposits#	15.00	-
Other Loans & advances * (Includes ₹ Nil (Previous Year ₹ 0.66 Lacs) due from a director)	83.15	152.07
	<b>5,816.21</b>	<b>5,826.99</b>

\* Prepaid expenses and loans to employees

# Includes loans to related parties ₹ 15.00 lacs (Previous year ₹ Nil)

@ Includes ₹ 980.00 lacs (Previous Year ₹ 760.00 Lacs) security deposit to director, private companies in which director / directors of company is director and are also related parties.

### 13. OTHER NON-CURRENT ASSETS

(₹ in Lacs)

	As at 31.03.2015	As at 31.03.2014
Bank balance in deposit account* (Refer Note No. 16)	56.53	114.54
Interest receivable	13.76	13.70
Others		
Up front fee, processing charges, etc amortised over tenure of loans	244.00	195.99
	<b>314.29</b>	<b>324.23</b>

\* Pledged with bank / Government Authorities as margin money / security against guarantees, packing credit facility and other borrowings maturing after 12 months

### 14 INVENTORIES (At lower of cost and net realisable value)

(As taken, valued and certified by the management)

(₹ in Lacs)

	As at 31.03.2015	As at 31.03.2014
Raw Materials *	17,249.79	22,452.81
Work-in-Process	4,618.51	4,618.72
Finished Goods **	10,515.69	15,021.19
Stores and Spares	16,293.53	16,497.90
Residue Product	2.21	53.14
Scrap	3.26	6.36
Loose Tools	25.74	24.40
	<b>48,708.73</b>	<b>58,674.52</b>

\*Includes in transit ₹ 923.16 Lacs (Previous Year ₹ 218.18 Lacs)

\*\*Includes in transit ₹ 20.83 Lacs (Previous Year ₹ 468.76 Lacs)

## Notes to Consolidated Financial Statements

### 15. TRADE RECEIVABLES

(Unsecured, considered good unless stated otherwise)

(₹ in Lacs)

	As at 31.03.2015	As at 31.03.2014
(a) Outstanding for a period exceeding six months from the date they are due for payment		
- Considered good (Refer Note No 37)	14,294.12	2,744.07
- Doubtful	151.35	63.32
(b) Other (Considered Good)	29,425.69	41,316.79
	43,871.16	44,124.18
Less: Provision for Doubtful debts	151.35	63.32
	43,719.81	44,060.86

### 16. CASH AND BANK BALANCES

(₹ in Lacs)

	As at 31.03.2015	As at 31.03.2014
<b>(a) Cash and Cash equivalents</b>		
(i) Cash in Hand	67.25	32.70
(ii) Balance with Banks		
- On Current Accounts	2,116.64	2,175.40
	2,183.89	2,208.10
<b>(b) Other bank balances</b>		
- In Fixed Deposit Accounts * - Current	13,896.05	14,117.13
- In Fixed Deposit Accounts * - Non current	56.53	114.54
- On Dividend Accounts	111.91	121.29
	16,248.38	16,561.06
Less: Amount disclosed under Other Non Current Assets (Note No 13)	56.53	114.54
	16,191.85	16,446.52

\* Pledged with bank / Government Authorities as margin money / security against guarantees, packing credit facility and other borrowings.

## Notes to Consolidated Financial Statements

### 17. SHORT TERM LOANS & ADVANCES

(Unsecured, considered good unless stated otherwise)

(₹ in Lacs)

	As at 31.03.2015		As at 31.03.2014	
Deposits with Non Banking Financial Institutions		1,429.00		4,491.00
Interest receivable		771.56		657.77
Export Incentive receivable		1,643.13		2,851.01
Balance with Excise and Authorities		9,284.85		8,857.89
Deposits with Government Departments & Others		168.83		170.71
MAT Credit Entitlements		8,075.74		8,075.74
Advance Income Tax/ Tax deducted at source (net of income tax provision of ₹ 4,076.08 Lacs, Previous Year ₹ 4,076.08 Lacs)		929.41		671.44
Receivable from sale of Rental business division (Refer Note No 35)		18,420.00		-
Prepaid expenses		1,581.60		966.28
Other Advances:				
Advances recoverable in cash or in kind or for value to be received	26,739.37		26,865.64	
Doubtful advances / loans	71.97		73.59	
	26,811.34		26,939.23	
Less : Provision for doubtful advances / loans	(71.97)	26,739.37	(73.59)	26,865.64
		69,043.49		53,607.48

### 18 OTHER CURRENT ASSETS

(₹ in Lacs)

	As at 31.03.2015		As at 31.03.2014	
Upfront fee, processing charges, etc amortised over tenure of loans		468.05		239.72
		468.05		239.72

The Company has during the year amortised the ancillary cost incurred in connection with the borrowing over the term of the loan.

## Notes to Consolidated Financial Statements

### 19 REVENUE FROM OPERATIONS

(₹ in Lacs)		
	2014-15	2013-14
<b>Sales of Products</b>		
Glycols	70,599.53	75,786.60
E.O. Derivatives	107,955.67	106,906.63
Guar Gum Powder and derivatives	11,837.37	29,603.61
Ethyl Alcohol (Potable)	69,111.92	65,744.32
Industrial Gases	3,758.33	3,961.33
Sugar	2,041.86	8,647.89
Sale of traded goods		
Chemical Products	35,483.49	54,222.27
Export Incentive receivable	1,294.92	704.81
Others	7,228.28	5,147.19
	309,311.37	350,724.65
Less: Excise Duty	57,173.58	57,139.79
	252,137.79	293,584.86
<b>Sales of Service</b>		
Rent	1,408.55	1,378.06
Others	669.88	551.25
	2,078.43	1,929.31
<b>Other Operating Revenue</b>		
Provision no longer required written back/ Sundry Balances written back	214.01	49.51
Miscellaneous Income	3,519.55	2,093.52
	3,733.56	2,143.03
<b>Total Revenue from operations</b>	<b>257,949.78</b>	<b>297,657.20</b>

### 20 OTHER INCOME

(₹ in Lacs)		
	2014-15	2013-14
Interest Income	467.26	726.35
Dividend on Long term Investment	7.96	15.56
Interest on current Investment	-	12.09
Dividend on current investment	-	2.00
Insurance Claim Recoverable	2,407.00	-
Gain on settlement with JV partner (Ref note no 48)	621.50	-
Profit on sale of Current investment	-	883.59
Profit on sale of Non-Current investment	684.74	-
Profit on sale of Fixed Assets	38.40	292.07
	<b>4,226.86</b>	<b>1,931.66</b>

## Notes to Consolidated Financial Statements

### 21 COST OF MATERIALS CONSUMED

	(₹ in Lacs)	
	2014-15	2013-14
Raw Materials consumed		
i) Molasses	34,928.44	39,327.83
ii) Chain Starters	18,459.09	12,196.12
iii) Special Denatured Spirit	53,177.15	50,256.38
iv) Guar split, Guar Seeds, etc.	9,154.20	28,585.51
v) Production Chemicals & Others	10,777.14	10,980.49
vi) Cane	-	2,678.22
vii) Packing Material	12,151.76	11,836.45
<b>Total</b>	<b>138,647.78</b>	<b>155,861.00</b>

### 22 PURCHASE OF STOCK IN TRADE

	(₹ in Lacs)	
	2014-15	2013-14
Chemical and Oil Products	32,934.30	51,030.79
	32,934.30	51,030.79

(₹ in Lacs)

### 23 CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND STOCK-IN-TRADE

	(₹ in Lacs)	
	2014-15	2013-14
<b>CLOSING STOCK</b>		
<b>Finished Goods</b>		
- Glycols	1,982.04	2,586.72
- E.O. Derivatives	7,084.24	7,414.56
- Ethyl Alcohol (Potable)	470.91	423.87
- Guar Gum Powder and derivatives	58.60	1,232.94
- Guar Churi	0.41	0.26
- Industrial Gases	24.72	12.25
- Sugar	593.07	3,003.32
- Bagasse	7.25	19.99
- Anhydrous Alcohol and Rectified Spirit	21.73	44.97
- Bio compost & Press mud	4.80	8.93
- Herbal Products	267.92	273.38
<b>Total Finished Goods</b>	<b>10,515.69</b>	<b>15,021.19</b>
<b>Work-in-Process</b>	<b>4,618.51</b>	<b>4,618.72</b>
<b>Residue Product</b>	<b>2.21</b>	<b>53.14</b>
	<b>15,136.41</b>	<b>19,693.05</b>

## Notes to Consolidated Financial Statements

### 23 CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND STOCK-IN-TRADE (Contd.)

(₹ in Lacs)

	2014-15	2013-14
<b>LESS : OPENING STOCK</b>		
<b>Finished Goods</b>		
- Glycols	2,586.72	1,564.80
- E.O. Derivatives	7,414.56	4,789.98
- Ethyl Alcohol (Potable)	423.87	423.00
- Guar Gum Powder and derivatives	1,232.94	777.50
- Guar Churi	0.26	0.18
- Industrial Gases	12.25	31.83
- Sugar	3,003.32	9,204.74
- Bagasse	19.99	141.45
- Anhydrous Alcohol and Rectified Sprit	44.97	16.78
- Bio compost & Press mud	8.93	21.88
- Herbal Products	273.38	274.45
<b>Total Finished Goods</b>	<b>15,021.19</b>	<b>17,246.59</b>
<b>Work-in-Process</b>	<b>4,618.72</b>	<b>3,403.87</b>
<b>Residue Product</b>	<b>53.14</b>	<b>39.42</b>
	<b>19,693.05</b>	<b>20,689.88</b>
Less: Differential Excise Duty provided on Stocks.	(178.51)	35.26
	<b>4,378.13</b>	<b>1,032.09</b>

### 24 EMPLOYEE BENEFITS EXPENSE

(₹ in Lacs)

	2014-15	2013-14
Salaries, Wages, Allowances, etc.	7,870.44	7,265.20
Contribution to Provident and other Funds	576.25	606.11
Employees' Welfare and other Benefits	767.58	805.38
<b>Total</b>	<b>9,214.27</b>	<b>8,676.69</b>

### 25 FINANCE COSTS

(₹ in Lacs)

	2014-15	2013-14
Interest on Fixed Loans	9,042.45	8,753.22
Other Interest	6,164.96	5,059.20
Other Borrowing Cost		
Financial Charges	2,659.97	2,037.15
	<b>17,867.38</b>	<b>15,849.57</b>
Less: Interest Received on temporary deposits	1,528.65	815.30
	<b>16,338.73</b>	<b>15,034.27</b>

## Notes to Consolidated Financial Statements

### 26 OTHER EXPENSES

(₹ in Lacs)

	2014-15		2013-14	
Stores and spares Consumed		6,106.13		6,513.98
Power and Fuel		33,594.40		34,825.95
Repairs and Maintenance				
- Buildings		505.04		535.54
- Plant and Machinery		1,928.77		2,684.63
- Others		483.67		541.36
Rent		123.98		157.56
Rates and Taxes		1,265.98		1,453.23
Travelling and Conveyance		945.78		970.07
Insurance		511.62		501.15
Directors' sitting Fee		12.20		12.80
Donation		31.40		121.12
Commission to Selling agents		1,292.52		1,020.47
Freight forwarding and others (Net of recovery from customers / provision written back ₹ 1,003.42 Lacs, Previous year ₹ 903.81 Lacs)		7,758.01		6,428.44
Exchange Fluctuation loss (Net of gain ₹ 0.40 Lacs, Previous Year ₹ 0.82 Lacs)		1.96		0.87
Loss on sale of Current Investment		0.63		-
Commodity Derivative Loss		21.59		7.94
Provision for doubtful debts		91.03		-
Bad debts written off	37.34	-	14.29	-
Less : Provision for doubtful debts written back	3.00	34.34	0.89	13.40
Loss on Sale / Discard of Fixed Assets		34.89		123.56
Debts/ Advances written off		-		24.16
Provision for diminution in value of Current Investments		-		0.20
Amortisation of Foreign Currency Monetary Item Transaction Difference		2,355.19		1,832.88
Wealth Tax		26.36		9.86
Printing & Stationery, Postage, Telephone, security, legal and professional and other Miscellaneous Expense		3,260.38		3,103.87
		60,385.87		60,883.04

## Notes to Consolidated Financial Statements

27. Accounting Policies and other notes to the accounts of the financial statements of the Company and its subsidiaries are set out in their respective financial statements.

28. (A) Contingent Liabilities not provided for (As certified by the Management):

(i) In Respect of :-		(₹ in Lacs)	
Particulars	As on March 31, 2015	As on March 31, 2014	
Central Excise/ State Excise	22,688.99	19,636.68	
Customs	1,025.70	860.10	
Service Tax	70.76	66.46	
Sales Tax	2,890.46	2,901.01	
Other matters	958.75	2,021.94	
<b>Total</b>	<b>27,634.66</b>	<b>25,486.19</b>	

(ii) In respect of subsidiary company (SSAIL), claims against the Company not acknowledged as debts ₹116.79 Lacs (Previous Year: ₹ 116.79 Lacs)

(iii) Bills discounted with Banks ₹ 3829.60 Lacs (Previous Year: ₹ 5,258.74 Lacs).

(iv) In respect of subsidiary company (SSAIL), Recovery Charges claimed by S.D.M. Behat towards payment of cane dues ₹ 66.82 Lacs (Previous Year ₹ 66.82 Lacs) including the interest on cane dues ₹ 46.89 Lacs (Previous Year ₹ 46.89 Lacs).

(v) Pending final disposal by the Appellate Tribunal (CESTAT), Central Excise, SSAIL has not reversed in the books of account CENVAT credit taken, in respect of certain inputs and capital goods and godown rent for ₹15.21Lacs (Previous Year ₹ 15.21 Lacs) initially disallowed by authorities, however, the same has been reversed in the Excise records and the same is included in CENVAT receivables.

(B) Custom duty saved on import of raw material under Advance License pending fulfillment of export obligation is amounting to ₹ 3,026.13Lacs (Previous Year ₹ 1,935.70 Lacs).

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 respective advance licenses. Accordingly and on "Going Concern Concept" basis there is no need to make any provision for custom duty saved.

29. Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances of ₹ 2,967.58 Lacs, Previous Year ₹ 3,137.82 Lacs) are ₹ 7,487.02 Lacs (Previous Year ₹ 8,690.40 Lacs).

30. 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 of ₹ 507.05 Lacs (Previous Year ₹ 507.05 Lacs) (shown as recoverable under the head Short Term Loans and Advances) with State Government of Uttarakhand, which is still pending for refund of the amount.

31. 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. Amount of ₹ 106.15 Lacs (Previous Year ₹ 106.15 Lacs) paid under protest is shown as recoverable from State Govt. of Uttarakhand, under the head Short Term Loans and Advances.

32. 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. However, considering the proposal of the arrangement of merger of NSEL with Financial Technologies (India) Limited (FITL) as announced by the Central Government; and other measure which have so far been taken for and pending before the Govt. and other authorities, legal actions taken by the subsidiary company, the management is confident of recovery of the dues from NSEL over the period of time. Accordingly, against total exposure of ₹14,444.43 Lacs (Previous Year ₹ 14,503.44 Lacs), no provision has been considered necessary at this stage by the subsidiary company and hence treated as good and fully recoverable

## Notes to Consolidated Financial Statements

33. Company has received letters dated 30<sup>th</sup> Oct 2014 and 05<sup>th</sup> May 2015 from National Stock Exchange of India (NSE), wherein the Company has been advised to reinstate its financials w.r.t. qualification raised by the statutory auditor of the company for the years FY 2012-13 on investments and loans to SSAIL and to suitably rectify the qualification raised for the year FY 2013-14 by the statutory auditor w.r.t. investment and loan to IGLFL respectively. For SSAIL, the Company has written letters to NSE for granting opportunity to represent the case and for IGLFL the Company has requested NSE to clarify the issue for effect to their directive.
34. Central Bank of India (CBI) vide its letter dated 28.05.2014 had issued a notice under Section 13(2) of SARFAESI Act 2002 to SSAIL and IGL. The said notice was replied by SSAIL and IGL has challenged the legality of issuance of such notices. CBI, thereafter, on 11.09.2014 had issued another notice under Section 13(4) of SARFAESI on SSAIL and IGL, which has been challenged in DRT, Lucknow. As per the legal opinion, the notice is not valid since SSAIL has already been registered with BIFR as sick Company.
35. On receipt of approval of the shareholders and NOIDA Authority, during the year the Company had entered into a Business Transfer Agreement (BTA) with wholly owned subsidiary company, IGL Infrastructure Private Limited ('IGL Infra') (formed during the current year) for sale of its Rental Business Division on slump sale basis w.e.f 30<sup>th</sup> March 2015 for a total consideration of ₹ 18,420.00 Lacs, pending receipt of the final 'NOC' from 2 banks (approvals since been received). The consideration has been included under Short Term Loans & Advances Receivable. Profit on sale on this amounting to ₹ 5,194.26 Lacs is included under exceptional items. (Refer No. 46(d)).
36. On account of outbreak of fire in cooling tower at Kashipur plant during first quarter of the year, production and profitability was adversely affected. Accordingly, Company had filed a claim with the insurance company for the reinstatement of machinery as well as loss incurred due to business interruption amounting to ₹ 622.63 Lacs & ₹ 4,192.43 Lacs respectively as assessed by the management and an expert. Till date ₹ 348.64 Lacs have been received from the insurance company for the reinstatement of machinery. On prudential basis, the company has accounted for ₹ 3,029.63 Lacs (including reinstatement loss ₹ 622.63 Lacs). An amount of ₹ 2,680.99 Lacs being balance receivable from the Insurance Company is shown under short term loans & advances, which is considered good and fully recoverable by the management. Final adjustment will be done on settlement of the account by the Insurance Company.
37. Other current liabilities includes provision amounting to ₹13,421.55 Lacs (including for the Previous year ₹ 8,369.43 Lacs) made against special discount allowed to an overseas party (Refer Note No. 46(c)), pending receipt of approval of RBI. Further, account/balance is subject to confirmation/reconciliation.
38. During the current year, the Company has computed the depreciation based on useful lives of its fixed assets as specified under Schedule II of the Companies Act, 2013. The carrying value of fixed assets which have completed their useful lives as per the Schedule II as on 1<sup>st</sup> April 2014 have been charged off against the balance in General Reserve of amounting to ₹ 469.85 Lacs (net of deferred tax ₹ 248.67 Lacs). Had there not been any change in the useful lives of the fixed assets, the depreciation for the year would have been higher by ₹ 687.61 Lacs.
39. In accordance with Companies (Accounting Standards) Amendment Rules 2009 as amended by Companies (Accounting Standards) (Second Amendment) Rules 2011, the Company continued its policy, as exercised in financial year 2008-09, the option of adjusting exchange differences arising on reporting of long term foreign currency monetary items related to acquisition of depreciable capital assets in the cost of the assets to be depreciated over the balance life of the assets and other long term monetary item in the "Foreign Currency Monetary Item Translation Difference" to be amortised over the period of loan. Accordingly: (a) Exchange differences (gain)/ loss relating to long-term monetary items, in so far related to acquisition of depreciable capital assets, arising during the year amounting to ₹ 983.59 Lacs (Previous Year ₹ 936.50 Lacs) (net of depreciation ₹10.23 Lacs, PreviousYear ₹ 25.60 Lacs) adjusted to the cost of fixed assets, and (b) relating to other long-term monetary items arising during the year amounting to ₹ 237.22 Lacs (Previous Year ₹ 1,206.62 Lacs) (Net of amortization of ₹ 541.28 Lacs, Previous Year ₹ 655.34 Lacs) are adjusted to "Foreign Currency Monetary Item Translation Difference". As on 31<sup>st</sup> March 2015, un-amortize amount of ₹ 3,880.59 Lacs and ₹ 699.01 Lacs (Previous Year ₹ 3,080.06 Lacs and ₹ 2,275.70 Lacs) is included in Plant & Machinery & CWIP under Note 10 and in Foreign Currency Monetary Item Translation Difference Account under Note 3 respectively.
40. (i) Catalyst is charged to the Profit & Loss Account as consumable (Stores & Spares) based on technically assessed useful life (1 to 3 Years).  
(ii) Specialized Computer Software is amortised over its useful life of 6 years on SLM basis.
41. In respect of subsidiary company(SSAIL) :-  
a) SSAIL is in process of updating the fixed assets records and no physical verification of Fixed Assets has been carried out accordingly difference between the book and physical inventory could not be ascertained.

## Notes to Consolidated Financial Statements

Depreciation as per the Schedule II of the Companies Act, 2013 have been provided on estimated basis. Further management is in process of assessment of item wise details of depreciation on fixed assets and in the opinion of management there will not be material impact on final assessment; and

- b) Inventory of finished goods, raw materials, stores and spares has been taken / valued and as certified by the management as certain subsidiary records are in process of updation. In view of the adequate security arrangements, management is of the view that there will not be any material discrepancies between book and physical stock of inventories and fixed assets on completion of physical verification.
- c) No provision against non-moving and damaged/old inventory of finished goods, raw materials and stores and spares has been considered necessary by the management (read with note no. (a) & (b) above).
- d) During the year certain expenses, provisions for doubtful debts (read with Note No. 43) are accounted, as approved by the management, as Company is in process of compiling full audit trail. Further, steps have been initiated to strengthen its accounting software as well as internal control of the Company.
- 42.** In accordance with the Accounting Standard (AS-28) on "Impairment of Assets" issued by the Institute of Chartered Accountants of India, in view of the management with respect to SSAIL, no impairment loss on its Fixed Assets/ Cash Generating Units (CGU) is considered necessary at this stage, as its expected recoverable value is more than its carrying value.
- 43.** In respect of a subsidiary company (SSAIL), balances of receivables, payables, banks (including fixed deposits with banks), loans & advances (including capital advances), current liabilities and provisions are in process of confirmation and/or reconciliation. Company has initiated further steps to strengthen the internal control in this regard and this to be read with note no. 41. Based on reconciliation done till date, during the year, as a matter of prudence provision for doubtful debt of amounting to ₹ 91.03 Lacs has been made.
- 44. Related Parties Disclosure(As identified by the management):**
- (i) Relationship**
- A. Subsidiary Company
- IGL Infrastructure Private Limited (IGL Infra) (incorporated on 13.10.2014)
- B. Key Management Personnel & their Relatives
- U. S. Bhartia (Chairman and Managing Director)
  - M. K. Rao (Executive Director)
  - Rakesh Bhartia (Chief Executive Officer) @
  - Anand Singhal (Chief Financial Officer) @
  - Lalit Sharma (Company Secretary) @
- C. Relatives of Key Management Personnel
- Pragya Bhartia
  - Jayshree Bhartia
  - Anand Singhal (HUF) @
  - Rakesh Bhartia (HUF) @
  - Alpna Sharma @
- 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.
- @ w.e.f 1<sup>st</sup> April, 2014 in accordance with Companies Act, 2013.

## Notes to Consolidated Financial Statements

(ii) Detail of Transactions with related parties:

Related Party Transaction Summary	Significant Influence		Key Managerial Person		Relative of KMP		Subsidiary	
	2015	2014	2015	2014	2015	2014	2015	2014
Purchase of Services	80.16	38.41	-	-	-	-	-	-
Sale of Material	281.74	293.76	-	-	-	-	-	-
Security Deposit Given	-	-	220.00	280.00	-	-	-	-
Slump Sale	-	-	-	-	-	-	18,420.00	-
Capital Advances Given	-	1,000.00	-	-	-	-	-	-
Investment in preference shares	-	490.00	-	-	-	-	-	-
Redemption of preference shares	-	490.00	-	-	-	-	-	-
Investment in Equity Shares	-	-	-	-	-	-	5.00	-
Reimbursement of Expenses made	32.49	-	-	-	-	-	-	-
ICD Received	6,432.88	2,870.50	-	-	-	-	-	-
ICD Paid Back	13,382.73	4,013.50	-	-	-	-	-	-
Interest Expense	400.01	717.26	-	-	-	-	-	-
Rent Paid	29.59	25.68	24.00	24.00	-	-	-	-
Vehicle Lease Rent	-	-	-	-	14.16	-	-	-
Salary	-	-	263.40	-	27.29	27.29	-	-
Managerial Remuneration	-	-	220.48	364.91	-	-	-	-
Balance Outstanding	-	-	-	-	-	-	-	-
Payable	-	-	-	-	-	-	-	-
ICD Payable	-	7,035.15	-	-	-	-	-	-
Others	151.71	8.92	9.75	-	1.44	-	-	-
Receivable	-	-	-	-	-	-	-	-
Capital Advances	1,000.00	1,000.00	-	-	-	-	-	-
Security Deposit	480.00	480.00	500.00	280.00	-	-	-	-
Others	4.60	4.64	-	-	-	-	18,420.00	-

(iii) Detail of remuneration to KMP :-

- Chairman & Managing Director – ₹ 151.70 Lacs (Previous Year ₹ 295.83 Lacs)
- Executive Director – ₹ 68.78 Lacs (Previous Year ₹ 69.08 Lacs)
- Chief Executive Officer – ₹ 185.05 Lacs
- Chief Financial Officer – ₹ 54.24 Lacs
- Company Secretary – ₹ 24.11 Lacs

Disclosure in respect of Material Related Party transactions during the year:

- a) Purchase of Services
- Polylink polymers ₹ 46.45 Lacs (Previous Year ₹ 38.41 Lacs)
  - Hindustan Wires ₹ 33.71 Lacs (Previous Year ₹ Nil)

## Notes to Consolidated Financial Statements

- b) Sales of Material are to:
- Hindustan Wires Limited. ₹ 281.74 Lacs (Previous Year ₹ 293.76 Lacs)
- c) Slump Sale to IGL Infra ₹ 18,420.00 Lacs (Previous Year ₹ Nil)
- d) Security Deposit given to US Bhartia ₹ 220 Lacs (Previous Year ₹ 280 Lacs).
- e) Investment In Equity Share
- IGL Infra ₹ 5 Lacs (Previous Year ₹ Nil)
- f) Reimbursement of expense made.
- Polylink Polymers (India) Limited ₹ 30.01 Lacs (Previous Year ₹ Nil)
- g) Inter Corporate Deposit received includes from:
- Kashipur Holding Limited ₹ 5,308.00 Lacs (Previous Year ₹ 2,530.00 Lacs).
  - J Boseck (P) Ltd ₹ 600.00 Lacs (Previous Year ₹ NIL)
  - Supreet Vyapaar ₹ 415.00 Lacs (Previous Year ₹ NIL)
- h) Inter Corporate Deposit paid back includes to:
- Kashipur Holding Limited ₹ 11,152.24 Lacs (Previous Year ₹ 2,045.00 Lacs).
  - Mayur Barter (P) Ltd. ₹ 745.00 Lacs (Previous Year ₹ 820.00 Lacs).
  - Supreet Vyapaar (P) Ltd. ₹ 646.00 Lacs (Previous Year ₹ 547.00 Lacs).
  - J Boseck (P) Ltd. ₹ 600.00 Lacs (Previous Year ₹ 600 Lacs).
  - Facit Commosales (P) Ltd ₹ 90.00 Lacs (Previous Year ₹ 250 Lacs)
- i) Interest Expense includes to:
- Kashipur Holding Limited ₹ 294.86 Lacs (Previous Year ₹ 549.78 Lacs).
  - Supreet Vyapaar (P) Ltd. ₹ 21.88 Lacs (Previous Year ₹ 39.45 Lacs).
  - Mayur Barter (P) Ltd. ₹ 67.05 Lacs (Previous Year ₹ 93.59 Lacs).
- j) Rent Paid to
- Polylink Polymers ₹ 13.48 Lacs (Previous Year ₹ 12.00 Lacs)
  - Kashipur Holding Limited ₹ 7.69 Lacs (Previous Year ₹ 6.00 Lacs)
- k) Vehicle Lease Paid to:
- Rakesh Bhartia HUF ₹ 6.36 Lacs
  - Anand Singhal HUF ₹ 4.80 Lacs
  - Alpna Sharma ₹ 3.00 Lacs
- l) Capital advances Receivable:
- Hindustan Wires Limited ₹ 1,000 Lacs (Previous year ₹ 1,000.00 Lacs)
- m) Inter Corporate Deposit Payable (including interest) includes:
- Kashipur Holding Limited ₹ NIL (Previous Year ₹ 5,849.90 Lacs).
  - Mayur Barter (P) Ltd. ₹ NIL (Previous Year ₹ 788.61 Lacs).
- n) Security Deposit receivable:
- Ajay Commercial Co. (P) Limited ₹ 240 Lacs (Previous Year ₹ 240 Lacs)
  - J.B. Commercial Co. (P) Limited ₹ 240 Lacs (Previous Year ₹ 240 Lacs)
  - US Bhartia ₹ 500 Lacs (Previous Year ₹ 280 Lacs)
- o) Others Receivable includes:
- IGL Infra ₹ 18,420 Lacs (Previous Year ₹ Nil). (Maximum balance outstanding during the year ₹18,420 Lacs, Previous Year ₹ Nil)
45. a) The Subsidiary Company, SSAIL had 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. Accordingly in the Year 2012-13 SSAIL had filed application with the Board for Industrial and Financial Reconstruction (BIFR). The BIFR vide its order dated 4th April 2013 has declared M/s. SSAIL as a sick industrial company in terms of Sec 3(1)(o) of Sick Industrial Companies (Special Provisions) Act, 1985. Further, BIFR has appointed IDBI as the Operating Agency (OA) with directions to prepare a revival scheme for the company. Accordingly SSAIL has filed Draft Rehabilitation Scheme with BIFR on 11th January 2014, and as per the directions, the Company has filed with IDBI (OA) TEV (Technical Evaluation Study). The State and Central Government have initiated various steps to support the sugar industry like decontrol of free sale of sugar release mechanism, doing away with levy quota system and also considering linking the sugar cane price with sugar price, considering this and continuous financial support from the Holding company, the management considers it appropriate to prepare Financial Statements of SSAIL on Going Concern basis despite the negative net worth on the balance sheet date.

## Notes to Consolidated Financial Statements

- b) As stated in note no. (a) above and in view of financial tightness SSAIL could not pay on time and made default in repayment of:
- Principal :- IDBI Bank ₹ 208.33 Lacs (Jan-15 to Mar-15- since been paid) Central Bank of India (CBI) ₹ 742.11 Lacs (Apr-13 to Mar-15-Interest on CC)
  - Interest :- CBI ₹ 5.41 Lacs (Apr-13 to Mar-15), Axis Bank ₹ 37.00 Lacs (Feb-15 to Mar 15- since been paid) & IDBI Bank ₹ 46.31 Lacs (Feb-15 to Mar-15- since been paid)
  - Above Bank Balances of loan from CBI is subject to confirmation and reconciliation and interest, penal interest, charges etc. amounting to ₹ 977.52 Lacs (excluding penal interest, charges etc.) has not been provided for (amount unascertained) as the SSAIL has initiated steps for negotiation with CBI.

**46. Exceptional item includes:**

(a) A Provision of ₹ 1,100.00 Lacs (Previous Year ₹ Nil) has been created against foreign exchange contract related dispute and any liability that may arise therefrom; (b) Loss on account of exchange rate differences amounting to ₹ 1,600.55 Lacs (net of gain of ₹ 5,064.53 Lacs) [Previous Year ₹ 10,803.19 Lacs (net of gain of ₹ 11,336.93 Lacs)] for year ended 31st March 2015, on payment, settlement as well as reinstatement of short term foreign currency borrowings and other monetary assets/ liabilities; (c) Provision on account of special discount to an overseas overdue receivables amounting to ₹ 5,052.12 Lacs (Previous Year ₹ 8,369.43 Lacs), (Refer Note No. 37) in view of remote chances of realization on account of steep fall in price in the international commodity market.; (d) Profit on sale of 'Rental Business Division' amounting to ₹ 5,194.26 Lacs (Previous Year ₹ Nil) (Note No.35); (e) Loss on sale of spent silver catalyst amounting to ₹ 2,480.78 Lacs (Previous Year ₹ Nil) and (f) Writing off of export incentive receivable of ₹ 756.32 Lacs (Previous Year ₹ Nil) which has been recognized in earlier years as per applicable government schemes.

**47.** As on 31<sup>st</sup> March, 2015 as per the audited financial statements of IGL CHEM INTRENATIONAL PTE Limited, Singapore (IGL CHEM), the networth of the IGL CHEM has become negative.

**48.** The Company had entered into a Joint Venture Agreement dated October 12, 2011 ("JV Agreement") with Fourcee Infrastructure Equipments Pvt. Ltd. (FIEPL) for setting up a Private Freight Terminal and a company, Kashipur Infrastructure and Freight Terminal Pvt. Ltd. ("KIFTPL") was incorporated on 11<sup>th</sup> November 2011. Both JV partners have entered into a Joint Venture Termination Agreement for the termination of the JV. Accordingly on settlement with FIEPL gain (on settlement with JV Partner) is included under Other Income (Note No 20). Post settlement and purchase of full rights of erstwhile JV Partner (FIEPL) by the company, the Company has entered into a new Joint Venture Agreement with Apollo Logisolutions Limited ('ALS'). ALS as per the agreement has invested in 51% of paid up equity share capital of KIFTPL.

**49.** In compliance with Accounting Standard 27 on "Financial Reporting of Interest in Joint Venture", the details of company's share in its joint venture in the respective head of Financial Statement are as under:

Particulars	Amount (₹ in Lacs)	
	31.03.2015	31.03.2014
<b>Liabilities</b>		
Long term Liabilities	417.09	500.00
Other Long-term liabilities	44.35	52.91
Other current liabilities	189.58	1,575.09
<b>Assets</b>		
Tangible assets	744.18	761.27
Intangible assets	0.06	0.10
Capital work-in-progress	1507.67	1,035.72
Intangible assets under development*	48.90	50.00
Long-term loans and advances	214.10	236.40
Other non-current assets	11.98	14.00
Cash and cash equivalents	762.84	21.55
Short-term loans and advances	16.71	7.22
<b>Expenses</b>		
Rates and taxes	-	0.02
Miscellaneous expenses	3.07	0.36

\* Share in Railway License Fee

## Notes to Consolidated Financial Statements

### 50. Segment Information:

#### A. Information about Business Segments (Primary Segments): (₹ in Lacs)

	Business Segments				Others		Unallocable		Total	
	Chemicals		Liquor							
	31.03.2015	31.03.2014	31.03.2015	31.03.2014	31.03.2015	31.03.2014	31.03.2015	31.03.2014	31.03.2015	31.03.2014
<b>A REVENUE</b>										
1 Gross Sales (External)	231,069.80	271,655.13	70,056.34	66,746.56	10,263.66	14,252.27	-	-	311,389.80	352,653.96
Inter- Segment	136.99	106.58	-	-	-	-	-	-	136.99	106.58
Total	231,206.79	271,761.71	70,056.34	66,746.56	10,263.66	14,252.27	-	-	311,526.79	352,760.54
2 Other Income	5,870.51	977.12	76.07	99.76	816.22	652.12	1,197.62	2,345.69	7,960.42	4,074.69
3 Total Revenue	236,940.31	272,632.25	70,132.41	66,846.32	11,079.88	14,904.39	1,197.62	2,345.69	319,350.22	356,728.65
<b>B RESULTS</b>										
1 Segment Result (PBIT)	2,537.19	2,100.72	1,751.16	1,760.80	(25.39)	(1,282.23)	(2,320.66)	(8,707.43)	1,942.30	(6,128.14)
2 Interest Expense (Net)									16,338.73	15,034.27
3 Profit Before Tax									(14,396.43)	(21,162.41)
4a Provision for Current Tax (net of MAT credit)									-	-
4b Deferred Tax									(5,531.16)	(5,024.79)
4c Taxation provision of earlier year									(0.78)	(1.83)
5 Profit after Tax									(8,864.49)	(16,135.79)
<b>C Other Information:</b>										
1 Segment Assets	218,755.40	216,973.25	26,664.01	17,173.44	23,075.51	31,521.36	46,946.50	58,617.35	315,441.42	324,285.93
2 Segment Liabilities	37,896.17	61,041.15	10,071.90	3262.39	5,807.58	5,788.54	231,960.54	216,948.49	285,736.19	287,040.57
3 Capital Expenditure	7,860.40	9,988.07	281.53	1,105.45	687.07	1,486.26	431.34	1,357.13	9,260.34	13,936.91
4 Depreciation and Amortisation expenses	6,858.15	7,032.52	284.92	256.78	1,602.13	1,368.96	852.64	402.51	9,597.84	9,060.77

#### B. Information about Geographical Segments (Secondary Segments): (₹ in Lacs)

	Domestic		Overseas		Total	
	31.03.2015	31.03.2014	31.03.2015	31.03.2014	31.03.2015	31.03.2014
1 Gross Sales (External)	208,867.52	232,663.61	102,522.28	119,990.35	311,389.80	352,653.96
2 Segment Assets	244,824.27	240,793.12	23,670.65	24,875.46	268,494.92	265,668.58

#### Notes:

##### Primary Segment reporting (by business segment)

Segments have been identified in line with Accounting Standard on 'Segment Reporting' (AS-17), taking into account the organisational structure as well as the differential risks and returns of these segments. The Company has identified three segments i.e. business Industrial chemical, Liquor and others which includes herbal products, rental and sugar and reported accordingly.

##### Secondary Segment reporting (by geographical segment-customer location)

In respect of secondary segment information, the Company has identified its geographical segment as (a) domestic and (b) overseas on the basis of location of customers.

##### Reportable segments

Reportable segments have been identified as per the quantitative criteria specified in 'Accounting Standard 17: Segment Reporting'.

##### Segment Composition

**Industrial Chemicals Segment** comprises Glycols, Specialty Chemicals, Natural Gum and other related goods etc.

**Liquor Segment** comprises manufacture and sale of Ethyl Alcohol (Potable).

'Others' primarily includes Herbal Products, Rental and Sugar.

## Notes to Consolidated Financial Statements

### 51. Earnings per share (EPS):

	2014-15	2013-14
Net profit / (loss) for the year attributable to equity shareholders (₹ in Lacs)	<b>(8,864.49)</b>	(16,135.79)
Weighted average number of equity shares outstanding	<b>30961500</b>	30961500
Basic and diluted earnings per share (face value of ₹ 10 each) (₹)	<b>(28.63)</b>	(52.12)

### 52. Commodity and Foreign Exchange Derivatives and exposures (as certified by the management).

#### (a) Outstanding at the year- end as follows

Nature of Instruments	2014-15 Amount (FC in millions)	2014-15 Amount (₹ in Lacs)	2013-14 Amount (FC in millions)	2013-14 Amount (₹ in Lacs)
Forward Contracts - USD	2.00	1,250.10	28.35	17,985.08
Foreign currency options - USD	-	-	-	-
Open foreign exchange exposures:				
Packing Credit Net of Export debtors - USD	52.38	32,742.26	-	-
Loans - USD	49.44	30,906.86	50.66	30,358.40
Payable - USD	17.86	11,166.39	53.53	32,077.30
- EURO	0.03	18.24	0.03	22.81
- JPY	1.33	6.91	1.33	7.76
- CHF	0.01	2.82	0.01	2.96

- (b) Exchange fluctuation gain of ₹ NIL (Previous Year loss of ₹ 0.87 Lacs), is net of loss of ₹ NIL (Previous Year gain of ₹ 0.82 Lacs).
- (c) The Company uses derivative instruments for hedging possible losses and exchange fluctuation gain is ₹923.67 Lacs net off loss of ₹ 1,270.11 Lacs (Previous Year loss ₹ 679.44 Lacs net off gain of ₹ 5,253.99 Lacs) which is inclusive of loss of ₹ 71.37 Lacs (Previous Year loss of ₹ 343.04 Lacs) provision for mark to market gain/loss on account of all outstanding financial transactions as on 31<sup>st</sup> March 2015.
- (d) Considering the principle of prudence and announcement made by The Institute of Chartered Accountants of India 'Accounting for Derivatives' in March, 2008, the Company has provided for an amount of ₹ 41.08 Lacs included in (c) (Previous Year ₹ 143.63 Lacs) on outstanding contracts to the Statement of Profit & Loss, on account of foreign exchange derivative instruments.

## Notes to Consolidated Financial Statements

53. Additional Information as required under schedule III of the Companies Act, 2013, of the enterprises consolidated as subsidiary/ Associates/ Joint Ventures.

Sl. No	Name of the entity	Net Assets,( i.e., total assets minus total liabilities)		Share in profit or (loss)	
		As % of consolidated net assets	Amount (₹ in Lacs)	As % of consolidated profit or loss	Amount (₹ in Lacs)
<b>A</b>	<b>Parent</b>				
	India Glycols limited	170.74%	45,530.90	69.19%	(6,133.88)
<b>B</b>	<b>Subsidiaries</b>				
<b>(a)</b>	<b>Indian</b>				
1	Shakumbari Sugar & Allied Industries Limited.	(46.25%)	(12,331.84)	28.68%	(2,541.95)
2	IGL Finance Limited	0.32%	86.05	0.01%	(0.74)
<b>(b)</b>	<b>Foreign</b>				
1	IGL Chem International PTE. LTD.	(0.66%)	(177.09)	2.06%	(182.19)
2	IGL Chem International USA LLC	0.18%	48.09	0.16%	(14.39)
<b>C</b>	<b>Minority Interest is insignificant and immaterial, hence not considered.</b>				
<b>D</b>	<b>Joint Ventures (as per</b>				
<b>(a)</b>	<b>Proportionate Consolidation Method)</b>				
	<b>Indian</b>				
	Kashipur Infrastructure and Freight Terminal Private Limited (KIFTPL) Eliminations	(34.30%)	(9,145.39)	-0.13%	11.33
	<b>TOTAL</b>	100.00%	26,666.16	100.00%	(8864.49)

54. Previous Year's figures have been regrouped/ rearranged/ recast wherever considered necessary.

As per our report of even date

**For Lodha & Co.**

Chartered Accountants

Firm Registration no. 301051E

**N.K. Lodha**

Partner

M. No. 85155

Place : Noida, UP

Dated : 28th May, 2015

**U.S. Bhartia**

Chairman and Managing Director

**Rakesh Bhartia**

Chief Executive Officer

**M.K. Rao**

Executive Director

**Anand Singhal**

Chief Financial Officer

**Lalit Kumar Sharma**

Company Secretary



# INDIA GLYCOLS LIMITED

CIN: L24111UR1983PLC009097

Registered Office : A-1, Industrial Area, Bazpur Road, Kashipur-244 713, Distt. Udham Singh Nagar, Uttarakhand

**PROXY FORM**  
[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]

Name of the member(s):		Email Id:	
Registered address:		Folio No./Client Id:	
		DP Id:	

I/We, being the member(s) of ..... shares of the above named Company hereby appoint:

- 1) \_\_\_\_\_ of \_\_\_\_\_ having email id \_\_\_\_\_ or failing him
- 2) \_\_\_\_\_ of \_\_\_\_\_ having email id \_\_\_\_\_ or failing him
- 3) \_\_\_\_\_ of \_\_\_\_\_ having email id \_\_\_\_\_ or failing him

and whose signature (s) are appended below as my / our proxy to attend and vote (on poll) for me/us and on my/our behalf at the Thirty First Annual General Meeting of the Company, to be held on Friday, 28<sup>th</sup> August, 2015 at 12.30 P.M. at A-1, Industrial Area, Bazpur Road, Kashipur-244 713, District Udham Singh Nagar, Uttarakhand and at any adjournment thereof in respect of such resolutions as are indicated below:

\*\*I wish my above proxy to note in the manner as indicated in the box below:

Resolution No.	RESOLUTIONS	FOR	AGAINST
<b>ORDINARY BUSINESS</b>			
1(a)	Adoption of Audited Financial Statements of the Company for the Financial Year ended March 31, 2015, together with the report of the Board of Directors and Auditors thereon		
(b)	Adoption of Consolidated Financial Statements of the Company for the Financial Year ended March 31, 2015, together with report of Auditors thereon		
2	Re-appointment of Smt. Jayshree Bhartia who retires by rotation		
3	Appointment of Statutory Auditors and fixing of their remuneration		
<b>SPECIAL BUSINESS</b>			
4	Approval of the remuneration of the Cost Auditor		
5	Raising of funds by the Company by way of issue of securities/shares		

Signed this ..... day of .....2015.

Signature of member

Signature of proxy holder(s)

Affix revenue stamp of not less than ₹1.00

Notes:

1. This form, in order to be effective, should be duly stamped, completed, signed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the meeting.
2. A proxy need not be a member of the Company.
3. Appointing a proxy does not prevent a member from attending the meeting in person, if he so wishes.
4. For the resolution, explanatory statement and notes, please refer to the notice of the Annual General Meeting.
- \*\*5. This is only optional. Please put a 'X' in the appropriate column against the resolutions indicated in the Box. If you leave the 'For' or 'Against' column blank against any or all the resolutions, your Proxy will be entitled to vote in the manner as he/she thinks appropriate.



# INDIA GLYCOLS LIMITED

CIN: L24111UR1983PLC009097

Registered Office : A-1, Industrial Area, Bazpur Road, Kashipur-244 713, Distt. Udham Singh Nagar, Uttarakhand

## THIRTY FIRST ANNUAL GENERAL MEETING ADMISSION SLIP

FOLIO NO. / DP ID & CLIENT ID NO.....  
(to be filled in by the shareholders)

I declare that I am a Registered Shareholder of the Company and hold \_\_\_\_\_ Shares.

Member's Signature

NOTE :

1. A member intending to appoint a proxy should complete the Proxy Form below and deposit it at the Company's Registered Office, not later than 48 hours before the commencement of the meeting.
2. A member proxy attending the meeting must complete this Admission Slip and hand it over at the entrance. Name of the Proxy in BLOCK LETTERS Proxy's Signature. Kindly bring your copy of the Annual Report at the Annual General Meeting, as copies of the Report will not be distributed at the Meeting

