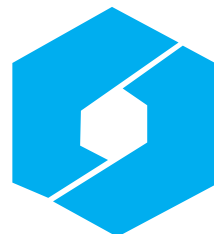




**THIRTY SIXTH  
ANNUAL REPORT  
2019-20**

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**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	Independent Director
Jitender Balakrishnan	Independent Director
Ravi Jhunjhunwala	Independent Director
Jagmohan N. Kejriwal	Independent Director
Sajeve Deora	Independent Director
Ashwini Kumar Sharma	Nominee Director
(till 31 <sup>st</sup> August, 2019)	
M.K. Rao	Executive Director
(till 30 <sup>th</sup> November, 2019)	
Sudhir Agarwal	Executive Director
(w.e.f. 1 <sup>st</sup> December, 2019)	
Shukla Wassan	Independent Director
(w.e.f. 1 <sup>st</sup> April, 2020)	
Pragya Bhartia Barwale	Executive Director
(w.e.f. 24 <sup>th</sup> June, 2020)	

## Audit Committee

Pradip Kumar Khaitan	Chairman
Ravi Jhunjhunwala	Member
Jagmohan N. Kejriwal	Member
Sajeve Deora	Member
M.K. Rao	Member
(till 30 <sup>th</sup> November, 2019)	
Sudhir Agarwal	Member
(w.e.f. 1 <sup>st</sup> December, 2019)	

## Stakeholders' Relationship Committee

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

## Chief Executive Officer

Rakesh Bhartia  
(till 16<sup>th</sup> June, 2020)

## Chief Financial Officer

Anand Singhal

## Company Secretary

Ankur Jain

## Statutory Auditors

K. N. Gutgutia & Co., Chartered Accountants

## Cost Auditors

R.J. Goel & Co., Cost Accountants

## Bankers

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

## Registered Office

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

## Corporate Office

3A, Shakespeare Sarani,  
Kolkata - 700 071

## Head Office

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

## Registrars & Transfer Agents

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

# Notice

**Notice** is hereby given that the Thirty Sixth Annual General Meeting (“AGM”) of the members of India Glycols Limited will be held on **Thursday, the 24<sup>th</sup> day of September, 2020 at 11.00 A.M. through Video Conferencing (“VC”)/ Other Audio Visual Means (“OAVM”)** to transact the following business:

## ORDINARY BUSINESS:

- To receive, consider and adopt the audited financial statements (including the consolidated financial statements) of the Company for the financial year ended 31<sup>st</sup> March, 2020, together with the Reports of the Board of Directors and Auditors thereon.
- To confirm the payment of Interim dividend of ₹6/- per Equity share as the Final dividend for the financial year 2019-20.
- To appoint a Director in place of Shri U.S. Bhartia (DIN: 00063091), who retires by rotation and being eligible, offers himself for re-appointment.

## SPECIAL BUSINESS:

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

“**RESOLVED THAT** pursuant to the provisions of Section 148 and all other applicable provisions, if any, of the Companies Act, 2013, the Companies (Audit and Auditors) Rules, 2014 and the Companies (Cost Records and Audit) Rules, 2014, (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), remuneration payable to M/s. R.J. Goel & Co., Cost Accountants (Registration No. 000026), appointed by the Board of Directors (“the Board”) to conduct the audit of the cost records of the Company for the financial year ending 31<sup>st</sup> March, 2021, amounting to ₹2,50,000/- (Rupees Two Lakhs Fifty Thousand only) plus applicable tax and out-of-pocket expenses, if any, be and is hereby ratified and confirmed.

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

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

“**RESOLVED THAT** pursuant to the provisions of Section 152 and other applicable provisions of the Companies Act, 2013 (“the Act”) and rules made thereunder (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), Shri Sudhir Agarwal (DIN: 08602216), who was appointed as an Additional Director by the Board of Directors of the Company w.e.f. 1<sup>st</sup> December, 2019 and who holds office upto the date of ensuing Annual General Meeting, in terms of Section 161 of the Act and Articles of Association of the Company and in respect of whom the Company has received

requisite notice in writing under Section 160 of the Act proposing his candidature for the office of a Director of the Company, be and is hereby appointed as a Director of the Company.

**RESOLVED FURTHER THAT** pursuant to the provisions of Section 196, 197, 198, 203, Schedule V and other applicable provisions of the Act, and rules made thereunder, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, (“SEBI Listing Regulations”) (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), Article 128 of the Articles of Association of the Company and subject to the approval of Central Government and /or other authorities, if required, approval of the Members of the Company be and is hereby accorded for the appointment of Shri Sudhir Agarwal (DIN: 08602216), as an Executive Director and Key Managerial Personnel of the Company in the category of whole time director of the Company, for a period of three (3) years w.e.f. 1<sup>st</sup> December, 2019 to 30<sup>th</sup> November, 2022 at a monthly Remuneration and other terms and conditions, as mentioned below:

Remuneration:

- |   |               |
|---|---------------|
| A. Basic Salary                         | : ₹2,20,000/- |
| B. Special Allowance                    | : ₹1,00,300/- |
| C. National Pension Scheme Contribution | : ₹22,000/-   |
| D. Ex-Gratia                            | : ₹33,000/-   |
| E. Perquisites:                         |               |

In addition to the salary, the Executive Director shall be entitled to the following perquisites which shall be evaluated as per Income Tax Act, 1961 and Rules, wherever applicable, and in the absence of any such rule, perquisite(s) shall be evaluated at actual cost:

- Unfurnished residential accommodation;
- Furnishing of residence upto an amount not exceeding ₹2.00 lakhs, as per Company’s Policy;
- Gas, electricity, water expenses reimbursement as per Company policy;
- Medical reimbursement equivalent to one month basic salary for self and family;
- Leave travel concession once in a year for an amount not exceeding one and half month basic salary for self and family to any place in India by Air/Rail/ Road;
- Medical and Accidental Insurance premium as per Company’s rules;
- Company maintained car with driver for official and personal use;
- Telephone facility at residence and Mobile phone for business purposes.

F. Others:

Gratuity, Provident Fund and leave encashment as per Company’s rules.

G. Other Terms:

1. Shri Agarwal shall work under the superintendence, control and direction of the Board of Directors of the Company.
2. He shall not be paid any sitting fees for attending meetings of the Board or Committee thereof.
3. If at any time, the Executive Director ceases to be a Director of the Company for any reason/cause whatsoever, he shall cease to be the Executive Director of the Company.
4. the Appointment may be terminated by either party by giving to the other party 3 calendar month's notice in writing or such shorter notice as may be mutually agreed between Shri Sudhir Agarwal and the Company or payment in lieu thereof. The appointment may be terminated by the Company without notice if the appointee is found guilty of any gross negligence, default or misconduct in connection with or affecting the business of the Company or any subsidiary/associates.

**RESOLVED FURTHER THAT** the aggregate of remuneration by way of salary, perquisites and allowances etc. payable to Shri Sudhir Agarwal shall not exceed 5% of the Net Profits of the Company in a financial year computed in the manner laid down under Section 198 of the Act and shall be within the overall limit prescribed under Section 197 read with Schedule V of the Act.

**RESOLVED FURTHER THAT** the Board of Directors of the Company on the recommendation of the Nomination and Remuneration Committee be authorized to vary, alter, revise and/or increase the remuneration as specified above from time to time to the extent the Board of Directors may deem appropriate, provided that such variation or increase, as the case may be, is within the overall limits as specified under the relevant provisions of the Act read with Schedule V including any amendment thereto, from time to time.

**RESOLVED FURTHER THAT** notwithstanding to the above, in the event of any loss or inadequacy of profits in any financial year, during the tenure of Shri Sudhir Agarwal as an Executive Director of the Company, the aforesaid remuneration shall be paid as the minimum remuneration payable to him subject to the provisions and necessary approvals in accordance with the limits prescribed in Schedule V of the Act or by the Central Government, wherever required.

**RESOLVED FURTHER THAT** the Board of Directors of the Company be and are hereby authorized to enter into such agreement(s), deed(s) or any other

documents with Shri Sudhir Agarwal; to settle any question, difficulty or doubt that may arise in this regard and to do all such acts, deeds, matters and things, as they may in their absolute discretion, consider necessary, expedient or desirable in order to give effect to this Resolution or as otherwise considered necessary by them in the best interest of the Company.

**RESOLVED FURTHER THAT** payment of an ex-gratia (one time) for an amount of ₹ 4.00 Lakhs (Rs. Four Lakhs only) to Shri Sudhir Agarwal be and is hereby approved.”

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

“**RESOLVED THAT** pursuant to the provisions of Section 149 and 152 read with Schedule IV and other applicable provisions of the Companies Act, 2013 (“the Act”) and the Companies (Appointment and Qualification of Directors) Rules, 2014 and the applicable provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), and the Articles of Association of the Company, Smt. Shukla Wassan (DIN: 02770898) who was appointed as an Additional Director in the capacity of Independent Director by the Board of Directors w.e.f. 1<sup>st</sup> April, 2020 and who holds office upto the date of ensuing Annual General Meeting in terms of Section 161 of the Act and Articles of Association of the Company and in respect of whom the Company has received requisite notice in writing under Section 160 of the Act proposing her candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company, not liable to retire by rotation, to hold office for Five (5) consecutive years w.e.f. 1<sup>st</sup> April, 2020 to 31<sup>st</sup> March, 2025.”

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

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

“**RESOLVED THAT** pursuant to the provisions of Section 152 and other applicable provisions of the Companies Act, 2013 (“the Act”) (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), Ms. Pragya Bhartia Barwale (DIN: 02109262), who was appointed as an Additional Director by the Board of Directors of the Company w.e.f. 24<sup>th</sup> June, 2020 and who holds office upto the date of ensuing Annual General Meeting, in terms of Section 161 of the Act and Articles of Association of the Company and in respect of whom the Company has received a notice in writing under

Section 160 of the Act proposing her candidature for the office of a Director of the Company, be and is hereby appointed as a Director of the Company.

**RESOLVED FURTHER THAT** pursuant to the provisions of Section 196, 197, 198, 203, Schedule V and other applicable provisions of the Act, and rules made thereunder, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, (“SEBI Listing Regulations”) (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), Article 128 of the Articles of Association of the Company and subject to the approval of the Central Government and/or other authorities, if required, approval of the Members of the Company be and is hereby accorded for the appointment of Ms. Pragya Bhartia Barwale (DIN: 02109262) as an Executive Director and Key Managerial Personnel of the Company in the category of whole time director of the Company, for a period of Five (5) years w.e.f. 24<sup>th</sup> June, 2020 to 23<sup>rd</sup> June, 2025 at a Remuneration and other terms and conditions, as mentioned below:

**A. Salary:**

The Executive Director shall be paid a salary of ₹ 1.00 Crore p.a.

**B. Perquisites:**

In addition to the above, the Executive Director shall be entitled to the following perquisites which shall be evaluated as per Income Tax Act, 1961 and rules, wherever applicable and in the absence of any such rule, perquisite(s) shall be evaluated at actual cost, however, shall not exceed ₹10 lakhs p.a.:

1. Unfurnished residential accommodation;
2. Furnishing of residence;
3. Gas, electricity, water;
4. Medical reimbursement – medical expenses on actuals for self and family;
5. Club fees for two clubs including admission and other fees;
6. Leave travel concession once in a year for self and family to any place in India by Air/Rail/Road as per Rules of the Company;
7. Mediclaim and Personal Accident Insurance;
8. Company maintained car with driver for official and personal use;
9. Telephone facility at residence and mobile phone for business purposes.

**C. Others:**

Gratuity, Provident Fund and leave encashment as per Company’s rules.

**D. Commission:**

2% of the net profits of the Company for each financial year computed in a manner laid down in Section 198 of the Act.

**E. Other Terms:**

1. Ms. Barwale shall work under the superintendence, control and direction of the Board of Directors of the Company.
2. She shall not be paid any sitting fees for attending meetings of the Board or Committee thereof.
3. If at any time, the Executive Director ceases to be a Director of the Company for any reason/cause whatsoever, she shall cease to be the Executive Director of the Company.
4. the Appointment may be terminated by either party by giving to the other party 3 calendar month’s notice in writing or such shorter notice as may be mutually agreed between Ms. Pragya Bhartia Barwale and the Company or payment in lieu thereof.

**RESOLVED FURTHER THAT** the aggregate of remuneration by way of salary, commission, perquisites and allowances etc. payable to Ms. Pragya Bhartia Barwale shall not exceed 5% of the Net profits of the Company in a financial year computed in the manner laid down under Section 198 of the Act and shall be within the overall limit as prescribed under Section 197 read with Schedule V of the Act and SEBI Listing Regulations or any amendment(s) thereto from time to time.

**RESOLVED FURTHER THAT** the Board of Directors of the Company on the recommendation of the Nomination and Remuneration Committee be authorized to vary, alter, revise and/or increase the remuneration as specified above from time to time to the extent the Board of Directors may deem appropriate, provided that such variation or increase, as the case may be, is within the overall limits as specified under the relevant provisions of the Act read with Schedule V and SEBI Listing Regulations including any amendment thereto, from time to time.

**RESOLVED FURTHER THAT** notwithstanding to the above, in the event of any loss or inadequacy of profits in any financial year, during the tenure of Ms. Pragya Bhartia Barwale as Executive Director of the Company, the aforesaid remuneration shall be paid as the minimum remuneration to her subject to the provisions and necessary approvals, if any required under the Act and SEBI Listing Regulations or by the Central Government, wherever required.

**RESOLVED FURTHER THAT** The Board of Directors of the Company be and are hereby authorized to enter into such agreement(s), deed(s) or any other documents with Ms. Pragya Bhartia Barwale; to settle any question, difficulty or doubt that may arise in this regard and to do all such acts, deeds, matters and things, as they may at their absolute discretion, consider necessary, expedient or desirable in order to give effect to this Resolution or as otherwise considered necessary by them in the best interest of the Company.”

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

**“RESOLVED THAT** pursuant to the provisions of Section 180(1)(a) and other applicable provisions of the Companies Act, 2013 (“the Act”) and the rules made thereunder, the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), the Memorandum and Articles of Association of the Company, and subject to such other permissions, consents and approvals, if any, required from any third party including without limitation from relevant government authorities and the Company’s lenders, and in each case, subject to such conditions as may be prescribed by them, and any other conditions which may be necessary or desirable in the opinion of the Board of Directors of the Company (hereinafter referred to as the “Board”, which expression shall include any Committee of the Board), authority and approval of the Members of the Company be and is hereby accorded to the Board to transfer, assign, restructure or convey the whole or substantially the whole of the business undertaking comprising of an alkoxylation plant, a multi-purpose plant (used to produce speciality chemicals), quality assurance / quality control and research and development facilities, application development facilities and distribution of Ethanol based Ethylene Oxide derivatives by the Company [“BioEO (Speciality Chemicals) Business”] along with its employees, customers, suppliers and other partner relationships and including verbal agreements and formal contracts, causes of actions and any or all tangible and intangible assets, properties, liabilities, licenses, permits, consents, approvals relating to the BioEO (Speciality Chemicals) Business of the Company by way of slump sale as a ‘going concern’ or otherwise, to a wholly owned subsidiary of the Company, in such manner, subject to such terms and conditions and for a lumpsum consideration to be decided by the Board, in its sole discretion.

**RESOLVED FURTHER THAT** the Board of the Company be and is hereby authorized to negotiate, finalize the price or other consideration, decide mode, time and manner for the transfer of the BioEO (Speciality Chemicals) Business (including ascertaining the assets and liabilities to be transferred on a consolidated or individual basis, to engage/appoint any advisor, or consultant, to assist in connection with the transactions contemplated herein, finalize and execute necessary agreements, deeds, undertakings, papers, underwritings, transaction documents, schemes, deed of conveyance, deeds of assignment and such other document as may be necessary or expedient in their discretion) and also to authorize and/or delegate all or any of the above powers, or as otherwise considered by the Board to be in the best interest of the Company and settle all questions or difficulties that may arise in this regard

and to do and perform or cause to be done all such acts, deeds, matters and things deemed necessary or incidental to the matters referred above without being required to seek any further consent or approval of the Members or otherwise to the end and intent that the Members shall be deemed to have given their approval thereto expressly by the authority of this Resolution.”

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

**“RESOLVED THAT** pursuant to the provisions of Section 180(1)(a) and other applicable provisions of the Companies Acts, 2013 (“the Act”) and the rules made thereunder, the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), the Memorandum and Articles of Association of the Company, and subject to such other permissions, consents and approvals, if any, required from any third party including without limitation from relevant government authorities and the Company’s lenders, and in each case, subject to such conditions as may be prescribed by them, and any other conditions which may be necessary or desirable in the opinion of the Board of Directors of the Company (hereinafter referred to as the “Board”, which expression shall include any Committee of the Board) authority and approval of the Members of the Company be and is hereby accorded to the Board to transfer, assign, restructure or convey the whole or substantially the whole of the business undertaking comprising of the Ennature Bio-pharma business of the Company engaged in the manufacture of nutraceuticals, phytochemicals and health supplement, comprising of solvent extraction facility and super critical fluid extraction plant (“Ennature Bio-pharma (Nutraceuticals) Business”) along with its employees, customers, suppliers and other partner relationships and including verbal agreements and formal contracts, causes of actions and any or all tangible or intangible assets, properties, liabilities, licenses, permits, consents, approvals relating to the Ennature Bio-pharma (Nutraceuticals) Business of the Company by way of slump sale as a ‘going concern’ or otherwise, to a wholly owned subsidiary of the Company, in such manner, subject to such terms and conditions and for a lumpsum consideration to be decided by the Board, in its sole discretion.

**RESOLVED FURTHER THAT** the Board of the Company be and is hereby authorized to negotiate, finalize the price or other consideration, decide mode, time and manner for the transfer of the Ennature Bio-pharma (Nutraceuticals) Business (including ascertaining the assets and liabilities to be transferred on a consolidated or individual basis, to engage/appoint any advisor, or consultant, to assist in connection with the transactions contemplated herein, finalize and execute necessary agreements, deeds,

undertakings, papers, underwritings, transaction documents, schemes, deed of conveyance, deeds of assignment and such other document as may be necessary or expedient in their discretion) and also to authorize and/or delegate all or any of the above powers, or as otherwise considered by the Board to be in the best interest of the Company and settle all questions or difficulties that may arise in this regard and to do and perform or cause to be done all such acts, deeds, matters and things deemed necessary or incidental to the matters referred above without being required to seek any further consent or approval of the Members or otherwise to the end and intent that the Members shall be deemed to have given their approval thereto expressly by the authority of this Resolution.”

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

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

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



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

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

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

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

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

5% or such percentage as permitted under applicable law on the QIP Floor Price.

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

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

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

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

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

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

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

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

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

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

Place: Noida  
Date : 24<sup>th</sup> June, 2020

**Ankur Jain  
Company Secretary**

Registered Office:  
A-1, Industrial Area, Bazpur Road,  
Kashipur-244713, District Udham Singh Nagar,  
Uttarakhand  
CIN: L24111UR1983PLC009097  
Telephone no: +91-5947-269000, 269500  
Fax: +91-5947-275315 , 269535  
Website: www.indiaglycols.com  
e-mail: compliance.officer@indiaglycols.com

**NOTES:**

1. In view of the Covid-19 pandemic, wherein the physical movement of individual is restricted, the Ministry of Corporate Affairs ("MCA") has vide its circular no. 20/2020 dated 5<sup>th</sup> May, 2020 read together with circular nos. 14/2020 and 17/2020 dated 8<sup>th</sup> April, 2020 and 13<sup>th</sup> April, 2020, respectively, (collectively referred to as "MCA Circulars") permitted convening the Annual General Meeting ("AGM") through Video Conferencing ("VC") /Other Audio Visual Means ("OAVM") facility, without the physical presence of the members at a common venue. Further, Securities and Exchange Board of India ("SEBI") vide its circular no. SEBI / HO / CFD / CMDI / CIR / P / 2020 / 79 dated 12<sup>th</sup> May, 2020 ("SEBI Circular") has also granted certain relaxations with respect to AGM. In view of the above circulars, the 36<sup>th</sup> AGM of the Company is being convened through VC / OAVM in compliance with the applicable provisions of the Companies Act, 2013 ("the Act"). Hence, members can attend and participate in the ensuing AGM through VC/OAVM only. The deemed venue for the AGM shall be the Registered Office of the Company at A-1, Industrial Area, Bazpur Road, Kashipur - 244713, Distt. Udham Singh Nagar, Uttarakhand.
2. **Pursuant to the provisions of the Act, a Member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his/her behalf and the proxy need not be a Member of the Company. Since this AGM is being held through VC/OAVM facility, requirement of physical attendance of Members has been dispensed with. Accordingly, in terms of the MCA circulars and the SEBI circular, the facility for appointment**

**of proxies by the Members will not be available for the 36<sup>th</sup> AGM and hence the proxy form, attendance slip and route map of the AGM venue are not annexed to this Notice.**

3. Corporate Members intending to appoint their representatives for the purpose of voting through remote e-voting, participation in the 36<sup>th</sup> AGM through VC/OAVM facility and e-voting during the 36<sup>th</sup> AGM, are requested to send to the Company a certified copy of the relevant Board Resolution authorizing their representatives. The said resolution/authorisation should be sent to the scrutinizer through its registered email addressed to ashish@asandco.net with a copy marked to compliance.officer@indiaglycols.com.
4. A Statement pursuant to Section 102 of the Act, in respect of Special Business to be transacted at the AGM is annexed hereto and forms part of this Notice.
5. The Members can join the 36<sup>th</sup> AGM through VC / OAVM facility 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility for joining the AGM through VC / OAVM will be available for 1,000 members on first come first served basis. However, this number does not include the large shareholders (i.e. Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit, Nomination and Remuneration and Stakeholders' Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis in term of the MCA circulars.
6. Members attending the 36<sup>th</sup> AGM through VC / OAVM will be counted for the purpose of reckoning quorum under Section 103 of the Act.
7. In case of joint holders attending the AGM, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote.
8. Pursuant to the provisions of Section 91 of the Act and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, ("SEBI Listing Regulations"), the Register of Members and Share Transfer Books of the Company will remain closed from **Friday, 18<sup>th</sup> September, 2020 to Thursday, 24<sup>th</sup> September, 2020 (Both days inclusive)** for the purpose of the AGM.
9. In compliance with the aforesaid MCA Circulars and SEBI Circular, the Notice of the 36<sup>th</sup> AGM, inter-alia, indicating the process and manner of voting through electronic means alongwith the Annual Report 2019-20 is being sent only through electronic mode to those Members whose e-mail addresses are registered with the Company/Depositories.

**To obtain copy of Annual Report for FY 20 through electronic mode, the Members are requested to register/update their e-mail IDs. Members**

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

The Notice convening the 36<sup>th</sup> AGM has been uploaded on the website of the Company at www.indiaglycols.com under Investor relations Section and can also be accessed from the websites of the Stock Exchanges i.e. BSE Limited and the National Stock Exchange of India Ltd. at www.bseindia.com and www.nseindia.com, respectively and the same is also available on the website of NSDL (agency for providing the Remote e-Voting facility) i.e. www.evoting.nsdl.com.

10. In pursuance to the provisions of Section 124 and 125 of the Act read with Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, as amended, ("IEPF rules") read with relevant circulars, the amount of dividend remaining unpaid /unclaimed for a period of seven year from the due date is required to be transferred to the credit of the Investor Education and Protection Fund ("the IEPF") established by the Central Government. The Company had accordingly, during the financial year 2019-20 and in the current financial year, transferred ₹17,19,363/- and ₹25,93,928/, being final dividend 2011-12 and interim dividend during 2012-13, respectively. Further, pursuant to the applicable provisions, all shares in respect of which dividend had remained unpaid/ unclaimed for seven consecutive years or more shall be transferred to the designated demat account of the IEPF Authority ("IEPF Account"). Accordingly, during the financial year 2019-20 and in the current financial year, 21,406 equity shares and 16,421 equity shares of ₹10/- each, respectively, on which the dividend remained unpaid/unclaimed for seven consecutive years, were transferred to the IEPF Account, after completing all the procedural formalities in this regard.

The Company has uploaded the details of unpaid and unclaimed dividends lying with the Company on the website of the IEPF i.e. www.iepf.gov.in. These

details along with details of shareholders whose shares were transferred to the IEPF authority have also been uploaded on the website of the company at [http://www.indiaglycols.com/investors/investor\\_index.htm](http://www.indiaglycols.com/investors/investor_index.htm).

Members may note that the due date of transfer of unclaimed/unpaid final dividend for the FY 2012-13 and the concerned shares is 16<sup>th</sup> October, 2020. Therefore, Members who have not encashed the dividend warrants so far in respect of the aforesaid period(s), are requested to claim the same before the above due date to avoid transferring the unpaid/unclaimed dividend and respective shares to the IEPF Authority and IEPF Account, respectively.

The Members may note that no claim shall lie against the Company in respect of said dividend(s) and shares, upon their transfer to IEPF. However, the same can be claimed back from them after complying with the procedure prescribed under the IEPF rules by visiting the weblink: <http://iepf.gov.in/IEPF/refund.html>. For any related information, the RTA [e-mail: [admin@mcsregistrars.com](mailto:admin@mcsregistrars.com)] or the Company may also be contacted.

11. Shri U.S. Bhartia, Director shall retire by rotation at the 36<sup>th</sup> AGM and is eligible for re-appointment as per Item No. 3 of this notice. His retirement and simultaneous re-appointment shall not affect his holding and continuing to hold the office of Chairman and Managing Director in terms of his appointment. Shri U.S. Bhartia is interested in the ordinary business as set out in item No. 3 with regard to his re-appointment. Smt. Jayshree Bhartia and Ms. Pragya Bhartia Barwale, Directors, being related to Shri U.S. Bhartia, as spouse and daughter, respectively, may be deemed to be interested in item No. 3 of the Notice.

Details of the Director(s) retiring by rotation/seeking appointment at the 36<sup>th</sup> AGM in pursuance to Regulation 36(3) of the SEBI Listing Regulations and Secretarial Standard- 2 of the ICSI are attached as Annexure to this notice and forms part of the explanatory statement.

12. At the 33<sup>rd</sup> AGM held on 1<sup>st</sup> September, 2017, the member approved appointment of M/s K.N. Gutgutia & Co., Chartered Accountants (Registration No. 304153E) ["KNG"] as Statutory Auditors of the Company, to hold office for a period of 5 years till the conclusion of 38<sup>th</sup> AGM, subject to ratification of the appointment at every AGM, if required.

Pursuant to the amendments made to Section 139 of the Act, the requirement of ratification of Statutory Auditor's appointment by the members every year has been dispensed with by the Companies (Amendment) Act, 2017 effective from 7<sup>th</sup> May, 2018. Accordingly, approval of the Members for the ratification of Auditor's appointment is not being sought at the 36<sup>th</sup> AGM.

The Company has received the consent letter and a

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

13. The Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of the Act and the Register of Contracts or Arrangements in which the Directors are interested under Section 189 of the Act will be available electronically for inspection by the members during the 36<sup>th</sup> AGM, upon log-in to NSDL e-Voting system at <https://www.evoting.nsdl.com>.
14. All the relevant documents referred to in the Notice Convening 36<sup>th</sup> AGM and the Statement shall be made available electronically for inspection by the members upto the date of 36<sup>th</sup> AGM. Members who wish to inspect the same may write to the Company at [Compliance.officer@indiaglycols.com](mailto:Compliance.officer@indiaglycols.com).
15. **Voting through electronic means:**
- I. In compliance with provisions of Section 108 of the Act and Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended, Regulation 44 of SEBI Listing Regulations, as amended and MCA Circulars, the Company is pleased to provide the Members facility to exercise their right to vote by electronics means on all the resolutions set forth in the notice convening the 36<sup>th</sup> AGM. The facility of casting the votes by the members using an electronic voting system from a place other than venue of the AGM ("remote e-voting") as well as e-voting facility on the day of AGM will be provided by National Securities Depository Limited ("NSDL"). Resolution(s) passed by Members through remote e-voting is/ are deemed to have been passed as if they have been passed at the AGM.
  - II. The Members who have casted their vote by remote e-voting prior to the AGM may also attend/participate in the AGM through VC/OAVM but shall not be entitled to cast their vote again at the AGM.
  - III. **The remote e-voting period will commence on Sunday, 20<sup>th</sup> September, 2020 (9:00 A.M.) and end on Wednesday, 23<sup>rd</sup> September, 2020 (5:00 P.M.). During this period, Members of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of Thursday, 17<sup>th</sup> September, 2020, may cast their vote by remote e-voting. The remote e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the Member, he/she shall not be allowed to change it subsequently or cast the vote again.**
  - IV. Members can opt for only one mode of voting i.e. remote e-voting or e-voting system at the 36<sup>th</sup> AGM.
  - V. **The process and manner for remote e-voting is as under:**

Step 1: Log-in to NSDL e-Voting system at <https://www.evoting.nsdl.com/>

Step 2: Cast your vote electronically on NSDL e-Voting system.

**Details on Step 1 is mentioned below:**

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

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

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

5. Your password details are given below:
  - a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
  - b) If you are using NSDL e-Voting system

for the first time, you will need to retrieve the ‘initial password’ which was communicated to you. Once you retrieve your ‘initial password’, you need to enter the ‘initial password’ and the system will force you to change your password.

- c) How to retrieve your ‘initial password’?
  - (i) If your email ID is registered in your demat account or with the Company, your ‘initial password’ is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your ‘User ID’ and your ‘initial password’.
  - (ii) If your email ID is not registered, please follow steps mentioned below in process for those shareholders whose email ids are not registered.

6. If you are unable to retrieve or have not received the “initial password” or have forgotten your password:
  - a) Click on “**Forgot User Details/ Password?**” (If you are holding shares in your demat account with NSDL or CDSL) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
  - b) “**Physical User Reset Password?**” (If you are holding shares in physical mode) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
  - c) If you are still unable to get the password by aforesaid two options, you can send a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) mentioning your demat account number/ folio number, your PAN, your name and your registered address.
  - d) Members can also use the OTP (one Time Password) based login for casting the votes on the e-voting system of NSDL.

7. After entering your password, tick on Agree to “Terms and Conditions” by selecting on the check box.
8. Now, you will have to click on “Login” button.
9. After you click on the “Login” button, Home page of e-Voting will open.

**Details on Step 2 is given below:**

How to cast your vote electronically on NSDL e-Voting system?

1. After successful login at Step 1, you will be able to see the Home page of e-Voting. Click on e-Voting. Then, click on Active Voting Cycles.
2. After click on Active Voting Cycles, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle is in active status.
3. Select "EVEN" of **India Glycols Limited**.
4. Now you are ready for e-Voting as the Voting page opens.
5. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/ modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.
6. Upon confirmation, the message "Vote cast successfully" will be displayed.
7. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
8. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

**General Guidelines for shareholders**

- (a) Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/ JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to ashish@asandco.net with a copy marked to evoting@nsdl.co.in.
- (b) It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password?" or "Physical User Reset Password?" option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com) to reset the password.
- (c) In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or call on toll free no.: 1800-222-990 or send a request to Ms. Pallavi Mhatre, Manager, NSDL at the designated e-mail ID: [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) or [pallavid@nsdl.co.in](mailto:pallavid@nsdl.co.in) or at telephone number +91 22 2499 4545.

**Process for those shareholders whose email ids are not registered with the depositories for procuring user id and password and registration**

**of e mail ids for e-voting for the resolutions set out in this notice:**

1. In case shares are held in physical mode, please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to [compliance.officer@indiaglycols.com](mailto:compliance.officer@indiaglycols.com) or to the RTA at [admin@mcsregistrars.com](mailto:admin@mcsregistrars.com).
2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) to [compliance.officer@indiaglycols.com](mailto:compliance.officer@indiaglycols.com) or to the RTA at [admin@mcsregistrars.com](mailto:admin@mcsregistrars.com).

**Process and manner for e-voting on the day of the 36<sup>th</sup> AGM are as under:**

1. The procedure for e-Voting on the day of the 36<sup>th</sup> AGM is same as the instructions mentioned above for remote e-voting.
2. Only those Members/ shareholders, who will be present in the 36<sup>th</sup> AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the 36<sup>th</sup> AGM.
3. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the AGM shall be the same person mentioned for Remote e-voting.

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

1. Member will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-Voting system. Members may access the same at <https://www.evoting.nsdl.com> under shareholders/members login by using the remote e-voting credentials. The link for VC/OAVM will be available in shareholder/members login where the EVEN of Company will be displayed. The members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush. Further, members can also use the OTP based login for logging into the e-Voting system of NSDL.
2. Members who need assistance before or during the AGM, can contact NSDL on [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) / 1800-222-990 or contact Ms. Pallavi Mhatre, Manager, NSDL at [pallavid@nsdl.co.in](mailto:pallavid@nsdl.co.in) / +91 22 2499 4545.

3. Members are encouraged to join the Meeting through Laptops for better experience.
4. Further, Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
5. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
6. Members who would like to express their views or ask questions during the 36<sup>th</sup> AGM may register themselves as a speaker by sending their request from their registered e-mail address mentioning their name, demat account number/folio number, email id, mobile number at [compliance.officer@indiaglycols.com](mailto:compliance.officer@indiaglycols.com). from **Saturday, 19<sup>th</sup> September, 2020 (9:00 A.M.) to Monday, 21<sup>st</sup> September, 2020 (5:00 P.M.)**.
7. Those members who have registered themselves as a speaker will only be allowed to express their views/ask questions during the 36<sup>th</sup> AGM. The Company reserves the right to restrict the number of speakers depending on the availability of time for the AGM.
16. Members may submit their queries, if any, on the financial statements or on any agenda item proposed in this notice **at least 7 days prior to the date of the 36<sup>th</sup> AGM from their registered e-mail address**, mentioning their name, DP ID and Client ID number/folio number and mobile number at Company's e-mail address at [compliance.officer@indiaglycols.com](mailto:compliance.officer@indiaglycols.com) or write to the Company's Head Office at Plot No. 2-B, Sector-126, Distt. Gautam Budh Nagar, Noida-201304, Uttar Pradesh. Such queries by the Members shall be suitably replied by the Company.
17. **The voting rights of members shall be in proportion to their share in the paid up equity share capital of the Company as on the cut-off date of Thursday, 17<sup>th</sup> September, 2020. A person who is not a member as on the cut-off date should treat this notice for information only.**
18. Any person, who acquires shares of the Company and becomes member of the Company after the Company sends the Notice of the 36<sup>th</sup> AGM and holds shares as on the cut-off date Thursday, 17<sup>th</sup> September, 2020, may obtain the User ID and password by sending a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) or to the RTA at [admin@mcsregistrars.com](mailto:admin@mcsregistrars.com). However, if you are already registered with NSDL for remote e-voting then you can use your existing user ID and password for casting your vote. If you forgot your password, you can reset your password by using "Forgot User Details/ Password?" or "Physical User Reset Password?" option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
19. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date i.e. Thursday, 17<sup>th</sup> September, 2020 only shall be entitled to avail the facility of remote e-voting or voting at the 36<sup>th</sup> AGM through e-voting system.
20. Shri Ashish Saxena (C.P. No. 7096) of Ashish Saxena & Co., Company Secretaries, having their office at A-32, Nyay Khand-I, Indirapuram, Ghaziabad-201014, Uttar Pradesh has been appointed as the Scrutinizer to scrutinize the remote e-voting process and casting voting through e-voting system during the 36<sup>th</sup> AGM in a fair and transparent manner.
21. The Chairman shall, at the AGM, at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of Scrutinizer, by use of e-voting system for all those members who are participating in the AGM but have not cast their votes by availing the remote e-voting facility.
22. The Scrutinizer shall after the conclusion of voting at the 36<sup>th</sup> AGM, unblock the votes cast through remote e-voting and e-voting system at the AGM, in the presence of at least two witnesses not in the employment of the Company and shall make a consolidated scrutinizer's report of the total votes cast in favour or against, invalid votes, if any, and whether the resolution has been carried or not, and such Report shall then be submitted to the Chairman or a person authorized by him in writing, within 48 (forty eight) hours from the conclusion of the 36<sup>th</sup> AGM, who shall countersign the same and declare the result of the voting forthwith.
23. The Results declared along with the report of the Scrutinizer shall be placed on the website of the Company [www.indiaglycols.com](http://www.indiaglycols.com) and on the website of NSDL [www.evoting.nsdl.com](http://www.evoting.nsdl.com) and the results shall also be immediately forwarded to the BSE Limited (BSE) and the National Stock Exchange of India Limited (NSE).
24. **MEMBERS ARE REQUESTED TO:**
  - a. Note that SEBI has mandated registration of Permanent Account Number (PAN) and bank accounts details such as bank account number, name of the bank and branch details, MICR code, IFSC code etc. of all security holders. Members holding shares in physical form are therefore, requested to submit their PAN and Bank account details to RTA/Company by sending a duly signed letter along with self-attested copy of PAN Card and original cancelled cheque. Members holding shares in demat form are requested to submit the aforesaid information to their respective depository participant (DP).  
Further, pursuant to recent MCA General Circular 20/2020 dated 5<sup>th</sup> May, 2020 companies are directed to credit the dividend of the shareholders directly to the bank accounts of the shareholders using Electronic Clearing Service. Accordingly,

Members are requested to provide/update their bank details with the respective depository participant for the shares held in dematerialized form and with the RTA in respect of shares held in physical form

- b. Note that in pursuance to Finance Act, 2020, dividend income will be taxable in the hands of shareholders w.e.f. 1<sup>st</sup> April, 2020 and the Company is required to deduct tax at source from dividend paid to shareholders at the prescribed rates. For the prescribed rates for various categories, the members are requested to refer to Finance Act, 2020 and amendments thereto.
- c. Immediately notify any change of address, e-mail address, change of name, contact numbers, bank details, bank mandates, nominations, power of attorney etc. and their PAN to their DP with whom they maintain their demat account and to the RTA in respect of their holding in physical form. Non-resident Indian members are requested to immediately inform the RTA/respective DP, immediately of change in their residential status on return to India for permanent settlement and the particulars of their bank account maintained in India with complete name, branch, account type, account number and address of the bank with pin code number, if not furnished earlier.
- d. Note that SEBI has mandated that requests for effecting transfer of securities (except in case of transmission or transposition of securities) of listed companies shall not be processed from 1<sup>st</sup> April, 2019 unless the securities are held in dematerialized form. Therefore, the Company/RTA has stopped accepting any fresh request for transfer of shares in physical form w.e.f. 1<sup>st</sup> April, 2019. However, members can continue holding shares in physical form. Therefore, members are advised to dematerialize shares of the Company held by them in physical form.
- e. **Note that in order to receive faster communication and enable the Company to serve the members better and to promote the “Green Initiative”, members are requested to register their e-mail address(es) and changes therein, from time to time, by directly sending the relevant e-mail address along with the details of name, address, Folio No., shares held:**
  - i. **To the RTA for shares held in physical form and;**
  - ii. **In respect of shares held in demat mode, also provide DP ID/ Client ID with the above details and register the same with their respective Depository Participants.**

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

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

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

The following statement sets out all the material facts related to the Special Businesses mentioned under item Nos. 4 to 10 of the Notice dated 24<sup>th</sup> June, 2020.

### ITEM NO. 4

The Board of Directors (“the Board”) of the Company on the recommendation of the Audit Committee, approved the appointment of M/s R.J. Goel & Co., Cost Accountants to conduct the audit of cost records of the Company for the financial year ending 31<sup>st</sup> March, 2021.

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

Accordingly, consent of the members is being sought by way of an ordinary resolution for ratification of the remuneration payable to the cost auditor for the financial year 2020-21.

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

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

### ITEM NO. 5

The Board of Directors at its meeting held on 11<sup>th</sup> November, 2019, based on the recommendation of the Nomination and Remuneration Committee, had appointed Shri Sudhir Agarwal (DIN: 08602216) as an Additional Director in the category of Executive Director and Key Managerial Personnel of the Company for a period of three (3) years w.e.f. 1<sup>st</sup> December, 2019 to 30<sup>th</sup> November, 2022 (liable to retire by rotation) and also approved his remuneration, as mentioned in the resolution at Item No. 5 of this Notice, subject to the approval of the Members of the Company in terms of the provisions of Section 196, 197, 198, 203 and Schedule V of the Companies Act, 2013 (“the Act”).



Shri Agarwal, aged about 58 years is a Chemical Engineer graduated from HBTI Kanpur in 1985, is having a total professional experience of about 34 years in the field of Plant Operations and Project Management. Shri Agarwal started his career with a Public Sector Undertaking, M/s National Fertilizers Limited in 1985 as Graduate Engineer Trainee and rose to the level of Chief Manager. He has vast experience of handling various aspects of plant operation, project management etc. in a large Natural Gas based Ammonia / Urea complex. After joining India Glycols Limited, Kashipur Unit as Vice President (Operations) in July, 2014, he was elevated to the position of Site Head of Kashipur Plant in May, 2018. He has been involved in day to day management of Kashipur Unit. During his tenure at the Company, he has played a key role in implementing various initiatives for Productivity improvement, Energy optimization, Water conservation and Environment preservation. Shri Agarwal has also authored/co-authored papers on various topics such as Plant Case Studies, Quality Management & Environment Management etc.

Shri Agarwal fulfills all the conditions to be a professional managerial Personnel in terms of the provisions of Section 197, Schedule V of the Act and rules made thereunder and as such is eligible for appointment as an Executive Director.

In terms of Section 160 of the Act, the Company has received notice in writing from him proposing his candidature. Further, he has given his consent to act as an Executive Director and Key Managerial Personnel of the Company. It has also been confirmed by him that he is not disqualified from being appointed as a Director in terms of Section 164 of the Act along with a declaration that he has not been debarred or disqualified from being appointed or continuing as director of companies by the SEBI or Ministry of Corporate Affairs or any such statutory authority.

Keeping in view his vast expertise and knowledge, it will be in the interest of the Company that Shri Agarwal be appointed as an Executive Director of the Company.

The disclosure in pursuance to the provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard on General Meetings (SS-2), are attached as Annexure and forms part of this Notice.

The remuneration paid/payable to Shri Sudhir Agarwal is in line with the provisions of Section 197 read with Schedule V to the Act. The Company has not made any default in repayment of dues to any bank or public financial institution or any other secured creditor.

The above may be treated as an abstract and written memorandum setting out the terms of appointment and remuneration of Shri Sudhir Agarwal under Section 190 of the Act.

Accordingly, approval of the Members is sought by way of an ordinary resolution for the appointment and payment of remuneration to Shri Sudhir Agarwal for a period of three (3) years i.e. from 1<sup>st</sup> December, 2019 to 30<sup>th</sup> November, 2022 and an ex-gratia (one-time) amount of ₹ 4.00 Lakhs.

Copy of relevant documents including the memorandum(s)

setting out the terms of his appointment and remuneration shall be available electronically for inspection by the Members up to the date of Annual General Meeting and also at the Registered Office of the Company on all working days, except Saturday, during business hours.

Shri Sudhir Agarwal is interested in the resolution set out at Item No. 5 of this Notice. Also, his relatives may be deemed to be interested in the same to the extent of their shareholding interest, if any, in the Company.

Save and except the above, none of the other Directors/ Key Managerial Personnel of the Company/ their relatives are in any way, concerned or interested, financially or otherwise, in the resolution.

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

#### **ITEM NO. 6**

Pursuant to the provisions of Sections 149, 150, 152, Schedule IV and other applicable provisions of the Companies Act, 2013 (“the Act”) and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”) and based on the recommendation of the Nomination and Remuneration Committee (“NRC”), the Board of Directors (“the Board”) of the Company through circular resolution passed on 3<sup>rd</sup> March, 2020 appointed Smt. Shukla Wassan (DIN: 02770898) as an Additional Director in the category of Independent Director of the Company to hold office for a term of five (5) consecutive years w.e.f. 1<sup>st</sup> April, 2020, not liable to retire by rotation, subject to approval of the Members of the Company at the ensuing General Meeting.

As an Additional Director, Smt. Shukla Wassan holds office till the date of the Annual General Meeting and is eligible for being appointed as an Independent Director. In terms of Section 160 of the Act, the Company has received notice in writing from her proposing her candidature. Further, she fulfils all conditions specified by applicable laws for the position of an Independent Director of the Company and also have given a declaration confirming that she meets the criteria of independence as prescribed under Section 149(6) the Act and Regulation 16(1)(b) of SEBI Listing Regulations and has given her consent to act as a Director of the Company. It has also been confirmed by her that she is not disqualified from being appointed as a Director in terms of Section 164 of the Act along with a declaration that she has not been debarred or disqualified from being appointed or continuing as director of companies by the SEBI or Ministry of Corporate Affairs or any such statutory authority.

Considering her rich and varied experience in the field of legal, corporate and regulatory affairs, the NRC and the Board are of the view that her presence on the Board will be of immense value to the Company.

In the opinion of the Board, Smt. Shukla Wassan fulfils the conditions for her appointment as an Independent Director as specified in the Act and the SEBI Listing Regulations and she is independent of the management and possesses appropriate skills, experience and knowledge.

The details of Smt. Wassan pursuant to the provisions of SEBI Listing Regulations and Secretarial Standard on

General Meeting (SS-2), are attached as Annexure and forms part of this Notice.

Accordingly, consent of the Members is sought by way of an ordinary resolution for appointment of Smt. Shukla Wassan for a period of five (5) years i.e. from 1<sup>st</sup> April, 2020 upto 31<sup>st</sup> March, 2025.

A copy of the draft letter of appointment of Smt. Shukla Wassan setting out the terms and conditions for appointment of Independent Directors is available for inspection by the Members electronically upto the date of the AGM and also at the Registered Office of the Company on all working day, except Saturday during business hours.

Smt. Wassan is interested in the resolution set out at item No. 6 of the Notice with regard to her appointment. The relatives of Smt. Wassan may be deemed to be interested in the resolution set out at item No. 6 of the Notice, to the extent of their shareholding interest, if any, in the Company.

Save and except the above, none of the other Directors/ Key Managerial Personnel of the Company/their relatives are, in any way, concerned or interested, financially or otherwise, in resolution.

The Board of Directors recommends the resolution at item No. 6 of this Notice for approval of the Members by way of an Ordinary Resolution.

#### **ITEM NO. 7**

The Board of Directors at its meeting held on 24<sup>th</sup> June, 2020, based on the recommendation of the Nomination and Remuneration Committee, had appointed Ms. Pragma Bhartia Barwale (DIN: 02109262) as an Additional Director and also as an Executive Director in the category of whole time director and Key Managerial Personnel of the Company for a period of 5(five) years w.e.f. 24<sup>th</sup> June, 2020 (liable to retire by rotation) and also approved her remuneration, as mentioned in the resolution, subject to the approval of the Members of the Company in terms of the provisions of Section 196, 197, 198 and 203 read with Schedule V of the Companies Act, 2013 ("the Act") and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations").

Ms. Pragma Bhartia Barwale aged 38 years holds a Bachelor of Arts degree in Economics and International Relations from Brown University, USA and a Master of Science degree in Development Economics from the University of Oxford, U.K. She has a total professional experience of over 12 years in the field of Strategic Planning and Project Management.

She was appointed as President-Business Development of the Company w.e.f. 1<sup>st</sup> August, 2008. She has been a part of the Ennature Biopharma Division since its inception in 2009 and has worked closely on all aspects of the division from operations to product development, strategic partnerships, marketing and overall strategy. The Ennature Biopharma Division of the Company under her guidance, has grown manifold and provides adequate support to the revenue as well as the profitability of the Company. The division has registered a turnover of ₹ 160 crores during FY 19 and ₹ 178 crores during FY 20. She has built credibility with investors/customers and employees and will be able to find the right balance between ownership

and management. She is also a Director on the Board of various companies including listed company.

Ms. Barwale fulfills all the conditions to be a managerial Personnel in terms of the provisions of Section 197, Schedule V of the Act and rules made thereunder and as such is eligible for appointment as an Executive Director.

In terms of Section 160 of the Act, the Company has received notice in writing from a member proposing her candidature. Further, she has given her consent to act as an Executive Director and Key Managerial Personnel of the Company. It has also been confirmed by her that she is not disqualified from being appointed as a Director in terms of Section 164 of the Act along with a declaration that she has not been debarred or disqualified from being appointed or continuing as directors of companies by the SEBI or Ministry of Corporate Affairs or any such statutory authority.

Keeping in view her knowledge & experience, it will be in the interest of the Company that Ms. Barwale be appointed as an Executive Director of the Company

The disclosure in pursuance to the provisions of SEBI Listing Regulations and Secretarial Standard on General Meetings (SS-2), are attached as Annexure and forms part of this Notice.

The remuneration paid/payable to Ms. Pragma Bhartia Barwale is in line with the provisions of Section 197 read with Schedule V to the Act and SEBI Listing Regulations. The Members may note that the Company has not committed any default in repayment of any of its debts as mentioned in Schedule-V of the Act.

Further, Regulation 17 of the SEBI Listing Regulations also requires approval of the members by way of a Special Resolution for payment of fee or compensation to the executive directors who are promoters or members of promoter group where the aggregate annual remuneration to such directors exceeds 5 per cent of the net profits of the Company.

The above may be treated as an abstract and written memorandum setting out the terms of remuneration of Ms. Pragma Bhartia Barwale under Section 190 of the Act.

Accordingly, approval of the Members is sought by way of special resolution for the appointment and payment of remuneration to Ms. Pragma Bhartia Barwale for a period of five (5) years i.e. from 24<sup>th</sup> June, 2020 to 23<sup>rd</sup> June, 2025.

Copy of relevant documents including the memorandum(s) setting out the terms of appointment and remuneration shall be available electronically for inspection by the Members up to the date of Annual General Meeting and also at the Registered Office of the Company on all working days, except Saturday, during business hours.

Ms. Pragma Bhartia Barwale, Shri U. S. Bhartia and Smt. Jayshree Bhartia, Directors are interested in the resolution set out at Item No. 7 of this Notice. Also, their relatives may be deemed to be interested in the same to the extent of their shareholding interest, if any, in the Company. Ms. Pragma Bhartia Barwale is daughter of Shri U.S. Bhartia, Chairman and Managing Director and Smt. Jayshree Bhartia, Director.

Save and except the above, none of the other Directors/ Key Managerial Personnel of the Company/ their relatives are in any way, concerned or interested, financially or otherwise, in the resolution.

The Board of Directors recommends the resolution set out at item no. 7 of this notice for approval of the members as a Special Resolution.

#### ITEM NOS. 8 & 9

The Company has been evaluating its position and business strategy and exploring various options to remain ahead of the competition in the Bio Ethylene Oxide derivatives Business and Ennature Bio-pharma Business, and to enhance shareholders' value in the Company.

One of the options, evaluated by the Company, contemplates the subsidiarisation of the Bio Ethylene Oxide derivatives Business and the Ennature Bio-pharma Business to two separate wholly owned subsidiaries of the Company. Your Company believes that this option provides the Company with structural flexibility to induct one or more investor and / or strategic or financial partner (as and when any potential investor and / or strategic or financial partner approaches the Company), or to implement an alternative restructuring of the Company by combining the Bio Ethylene Oxide derivatives Business and/or the Ennature Bio-pharma Business with a suitable third party by means of restructuring, merger, de-merger, amalgamation or other combination.

To achieve this, the Board in its meeting held on 24<sup>th</sup> June, 2020 considered and approved, subject to the approval of the shareholders, the transfer of Bio Ethylene Oxide business of the Company comprising of [an alkoxylation plant, a multi-purpose plant (used to produce Speciality chemicals), quality assurance / quality control and research and development facilities, application development facilities and distribution of Ethanol based Ethylene Oxide derivatives by the Company] ["BioEO (Speciality Chemicals) Business"] and the Ennature Bio-pharma business of the Company engaged in the manufacture of nutraceuticals, phytochemicals and health supplement, comprising of solvent extraction facility and super critical fluid extraction plant ["Ennature Bio-pharma (Nutraceuticals) Business"], by way of slump sale as a 'going concern' or otherwise, to two separate wholly owned subsidiaries of the Company ("Restructuring"). The proposed transaction being with the wholly owned subsidiaries (to be incorporated), Audit Committee at its meeting held on 24<sup>th</sup> June, 2020 also considered and approved the proposed transaction.

The Board is of the view that the Restructuring should result in a viable and sustainable structure for the Company, the BioEO (Speciality Chemicals) Business and the Ennature Bio-pharma (Nutraceuticals) Business (having regard to the interests of all stakeholders including the Company's shareholders and employees) and should assist in creating a platform that will enable the Company to implement its long term strategy to achieve:

- accelerated brand / product premiumization comprising the BioEO (Speciality Chemicals) Business and the Ennature Bio-pharma (Nutraceuticals) Business;
- strengthening global reach and recognition of the products manufactured by the BioEO (Speciality Chemicals) Business and the Ennature Bio-pharma (Nutraceuticals) Business;
- strengthening of the financial position of the Company (including by deleveraging its balance sheet) to enable

it to compete with the global players present and which are entering the fast-growing Indian market; and

- enhanced operational efficiency for BioEO (Speciality Chemicals) Business and the Ennature Bio-pharma (Nutraceuticals) Business.

As Section 180(1)(a) of the Companies Act, 2013 ("the Act") provides that the Board of Directors of a Company shall not inter-alia, transfer, convey etc. except with the approval of the members by way of special resolution, the whole, or substantially the whole of the undertaking of the Company. Explanation (i) to Section 180(1)(a) of the Act provides that the expression "undertaking shall mean an undertaking in which the investment of the Company exceeds 20% of its networth as per the audited Balance Sheet of the preceding year or an undertaking which generates 20% of the total income of the Company during the previous financial year. The Company has evaluated the financial results for financial year 2019-20, and it has been concluded that the net worth of BioEO (Speciality Chemicals) Business exceeds 20% of the net worth of the Company, whereas the revenue generated by the Ennature Bio-pharma (Nutraceuticals) Business exceeds 20% of the revenue of the Company for financial year 2019-20.

Therefore, both BioEO (Speciality Chemicals) Business and the Ennature Bio-pharma (Nutraceuticals) Business will be considered as 'undertaking' in terms of Section 180(1)(a) of the Act. Accordingly, approval of the Members under the provisions of the said Section and other applicable provisions of the Act and the Rules framed thereunder and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 is sought by way of special resolution for the transfer, assign, restructure or convey the BioEO (Speciality Chemicals) Business and the Ennature Bio-pharma (Nutraceuticals) Business to two separate wholly owned subsidiaries of the Company (proposed to be incorporated). Item no. 8 of this notice relates to the transfer of the BioEO (Speciality Chemicals) Business and Item no. 9 of this notice relates to the transfer of the Ennature Bio-pharma (Nutraceuticals) Business. The purpose of these resolutions is to authorize the Board to transfer the undertakings as aforesaid subject to obtaining all other necessary statutory approvals.

None of the other Directors/Key Managerial Personnel of the Company/their relatives are, in any way, concerned or interested, financially or otherwise, in resolutions as set out at item Nos. 8 and 9 of the notice.

The Board recommends the resolutions set out at item Nos. 8 & 9 of this Notice for approval of the Members as Special Resolutions.

#### ITEM NO. 10

The growth plans of the Company envisage promotion of Green technology based Chemicals and expansion in other areas of operation. These projects will necessitate external infusion of funds at different points of time in the future.

With a view to raise long term finance as well as meeting Company's fund requirements for expansion, capital expenditure, general corporate purposes and for other expenditures as permitted under the prevailing guidelines in

this regard, the Company proposes to raise funds through issue of Equity Shares and/or instruments or securities convertible into equity shares of the Company such as Global Depository Receipts and/or American Depository Receipts and/ or convertible preference shares and/or convertible debentures or bonds (compulsorily and/or optionally, fully and/or partly), and/ or nonconvertible debentures with warrants and/or securities with or without detachable / non-detachable warrants and/ or warrants with a right exercisable by the warrant-holder to subscribe for equity shares and/or Foreign Currency Convertible Bonds (FCCBs) convertible into equity shares at the option of the Company or the holder(s) thereof, (the "Securities"), including by way of a Qualified Institutions Placement ("QIP") in accordance with Chapter VI of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirement) Regulations, 2018 ("SEBI ICDR Regulations") in one or more tranches, up to an aggregate amount of ₹ 250.00 Crores (Rupees Two Hundred Fifty Crores) or its equivalent in any other currency on the terms and conditions as stated in resolution at item No. 10 of this Notice.

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 Director ("the Board") including any Committee thereof to raise long term funds as well as meeting Company's fund requirements for expansion, capital expenditure, general corporate purposes and for other expenditures as the Board may decide and as permitted under the prevailing guidelines in this regard and shall be utilized for permitted business purpose as may be decided by the Board of Directors. This resolution also gives adequate flexibility in respect of working out the modalities of issue as also to issue including QIP or FCCBs in such tranches, at such times as the Board may in its absolute discretion deem fit to any eligible person, including Qualified Institutional Buyers ("QIBs") as defined under the SEBI ICDR Regulations in accordance with Chapter VI of the SEBI ICDR Regulations, or otherwise, foreign/resident investors (whether institutions, incorporated bodies, mutual funds, individuals or otherwise), venture capital funds (foreign or Indian), alternate investment funds, foreign institutional investors, foreign portfolio investors, qualified

foreign investors, Indian and/or multilateral financial institutions, insurance companies, non-resident Indians, pension funds and/or any other categories of investors, whether they be holders of equity shares of the Company or not as may be decided by the Board.

Further, if any issue of securities is made by way of QIP, the Board may also offer a discount of not more than 5% or such other percentage as permitted on the QIP Floor price calculated in accordance with the pricing formula provided under SEBI ICDR Regulations. The "Relevant Date" for this purpose will be the date of the meeting in which the Board decides to open the issue of Equity Shares and in case Eligible Securities are eligible convertible securities, then either the date of the meeting in which the Board decides to open the issue of same or the date on which holder of Eligible Securities become eligible to apply for Equity Shares, as may be determined by the Board.

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

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

The Directors or Key managerial Personnel of the Company and their relatives may be deemed to be concerned or interested in resolution at item No. 10 of the Notice to the extent of securities that may be subscribed by the entities in which they are directors or members.

The Board recommends the resolution set out at item No. 10 of this Notice for approval of the Members as a Special Resolution.

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

Place: Noida  
Date : 24<sup>th</sup> June, 2020

**Ankur Jain  
Company Secretary**

Registered Office:  
A-1, Industrial Area, Bazpur Road,  
Kashipur-244713, District Udham Singh Nagar,  
Uttarakhand  
CIN: L24111UR1983PLC009097  
Telephone no: +91-5947-269000, 269500  
Fax: +91-5947-275315, 269535  
Website: www.indiaglycols.com  
e-mail: compliance.officer@indiaglycols.com

**Annexure to the AGM Notice dated 24<sup>th</sup> June, 2020**

Details of Director(s) retiring by rotation/ seeking appointment at the 36<sup>th</sup> Annual General Meeting in pursuance to the Companies Act, 2013, Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard- 2 of ICSI.

Name of Director	Shri U. S. Bhartia (DIN: 00063091)	Shri Sudhir Agarwal (DIN: 08602216)	Smt. Shukla Wasson (DIN: 02770898)	Ms. Pragya Bhartia Barwale (DIN: 02109262)
Age (Date of Birth)	66 years (13/12/1953)	58 years (20/01/1962)	60 Years (18/12/1959)	38 years (05/05/1982)
Date of First Appointment on the board	29/11/1996	01/12/2019	01/04/2020	24/06/2020
Qualifications	Bachelor of Commerce with Honours from Calcutta University.	Chemical Engineer graduated from HBTI Kanpur.	Graduate in Commerce (Honors) & Law from Calcutta University, Fellow Member of Institute of Company Secretaries of India and Member of the Chartered Institute of Arbitrators, UK	Bachelor of Arts in Economics and International Relations from Brown University, USA and Master of Science in Development Economics from the University of Oxford, U.K.
Experience (Expertise in Specific functional Area)/ Brief Resume	Shri U. S. Bhartia is an industrialist having rich experience of over 4 decades in managing various types of Industries. Shri Bhartia is involved in the day to day managerial activities of the Company and takes keen interest in various on-going projects right from conception, planning and execution and has been guiding the activities of the Company. Shri Bhartia is associated with the Company for over 23 years as Managing Director and is the Chairman of the Company since March, 2008.	Shri Sudhir Agarwal is having an experience of about 34 years in the field of Plant Operations and Project Management.  Shri Sudhir Agarwal had joined the Company in the year 2014 as Vice President (Operations), before his elevation to the position of Site/plant Head of Kashipur plant in May, 2018. He has been involved in day to day management of Kashipur unit. During his tenure at the Company, he has played a key role in implementing various initiatives for Productivity improvement, Energy optimization, Water conservation and Environment preservation.  He is the Occupier of all 3 manufacturing facilities of the Company under the Factories Act, 1948. He has been also nominated as Person Responsible under the Legal Metrology Act, 2009 for the manufacturing facilities at Kashipur and Gorakhpur.  Shri Agarwal has also authored/co-authored papers on various topics such as Plant Case Studies, Quality Management & Environment Management etc.	Smt. Wasson is having rich and diverse career spanning over 3 decades. Her wide-ranging areas of expertise includes Joint Venture, Refranchising, Strategic Alliances, Fund Structuring, Intellectual Property, Indirect Taxation, Competition Law, Arbitration, Corporate Governance, POSH and Corporate Social Responsibilities.  She is a prominent speaker in seminars and international conferences. She is also Committee Member of various industry forums including CII and FICCI with leadership roles in community organization.  She is a recipient of the ICCA Excellence Award 2019 in the F&B Sector; 'Corporate Lawyer of the Year' by the Annual Women in Compliance Awards-2017 organized by C5 Communications Limited (formerly known as Euroform) a subsidiary of C5 Group Inc., UK. She has also been awarded the Jury award for 'Outstanding Achievement - In house - Female', 2013 and 'General Counsel of the Year (Female)' 2014 by Legal Era. Her team has been awarded 'Best In House Team of the Year - FMCG Category' for the three consecutive years from 2014-2016 by LegalEra & in 2018 'Best Legal Team of the Year' and 2019 'Initiative of the Year' by India Legal Awards. She has been enlisted in 'World's Leading General Counsel' published by LegalEra in London - November, 2017.	Ms. Pragya Bhartia Barwale is having an experience of about 12 years in the field of Strategic Planning and Project Management.  She has been associated with the Company as President- Business Development w.e.f. 1 <sup>st</sup> August 2008. She has been a part of the Ennature Biopharma Division since its inception in 2009 and has worked closely on all aspects of the division from operations to product development, strategic partnerships, marketing and overall strategy.
Terms and Conditions of appointment/ Re-appointment	As per the resolutions passed by the Shareholders at the Annual General Meeting ("AGM") held on 24 <sup>th</sup> September, 2016 and 22 <sup>nd</sup> August, 2019. Shri Bhartia is retiring by rotation and proposed to be reappointed.	As per the resolution at item no. 5 of Notice convening this Meeting read with explanatory statement thereto, Shri Sudhir Agarwal is proposed to be appointed as an Executive Director and Key Managerial Personnel for a period of three (3) years w.e.f. 1 <sup>st</sup> December, 2019.	As per the resolution at item no. 6 of this Notice read with explanatory statement, Smt. Shukla Wasson is proposed to be appointed as an Independent Director for a period of 5 consecutive years w.e.f. 1 <sup>st</sup> April, 2020.	As per the resolution at item no. 7 of Notice convening this Meeting read with explanatory statement thereto, Ms. Pragya Bhartia Barwale is proposed to be appointed as an Executive Director and Key Managerial Personnel for a Period of Five (5) years w.e.f. 24 <sup>th</sup> June, 2020.

Name of Director	Shri U.S. Bhartia (DIN: 00063091)	Shri Sudhir Agarwal (DIN: 08602216)	Smt. Shukla Wasson (DIN: 02770898)	Ms. Pragma Bhartia Barwale (DIN: 02109262)
<b>Directorships of other Companies</b>	<b>Listed Companies:</b> 1. Polylink Polymers (India) Ltd. <b>Unlisted Companies:</b> 2. Hindustan Wires Ltd. 3. IGL Finance Ltd. 4. Kashipur Holdings Ltd. 5. Ajay Commercial Co. Pvt. Ltd. 6. Facit Commosales Pvt. Ltd. 7. IGL Infrastructure Pvt. Ltd. 8. J. Boseck & Co. Pvt. Ltd. 9. JB Commercial Co. Pvt. Ltd. 10. JB Trustee Pvt. Ltd. 11. Lund & Blockley Pvt. Ltd. 12. PB Trustee Pvt. Ltd. 13. PJ Trustee Pvt. Ltd. 14. Supreet Vyapaar Pvt. Ltd. 15. USB Trustee Pvt. Ltd.	Nil	<b>Listed Companies:</b> 1. Gateway Distriparks Limited 2. Snowman Logistics Limited <b>Overseas Companies:</b> 1. Bottlers Nepal Limited 2. Bottlers Nepal Terai Limited	<b>Listed Companies:</b> 1. Polylink Polymers (India) Ltd. <b>Unlisted Companies:</b> 2. Kashipur Holdings Ltd. 3. Ajay Commercial Co. Pvt. Ltd. 4. IGL Infrastructure Pvt. Ltd. 5. JB Trustee Pvt. Ltd. 6. Lund & Blockley Pvt. Ltd. 7. PB Trustee Pvt. Ltd. 8. Mayur Barter Pvt. Limited
<b>Committee membership(s)/ Chairmanship(s) of other Companies</b>	<b>Listed Companies:</b> 1. Polylink Polymers (India) Limited- Audit Committee (Member), Nomination & Remuneration Committee (Member), Stakeholders' Relationship Committee (Member) <b>Unlisted Companies:</b> 2. Kashipur Holdings Limited- Audit Committee (Member), Nomination & Remuneration Committee (Member), Stakeholders' Relationship Committee (Chairman) 3. Hindustan Wires Limited- Audit Committee (Member), Nomination & Remuneration Committee (Member), Stakeholders' Relationship Committee (Member)	Nil	<b>Listed Companies:</b> 1. Gateway Distriparks Limited- Fund Raising Committee (Member)	Nil
<b>Shareholding in the Company as on 31<sup>st</sup> March, 2020</b>	4,48,722	Nil	Nil	300
<b>Details of Inter-se Relationship with Directors/ Key Managerial Personnel</b>	Smt. Jayshree Bhartia and Ms. Pragma Bhartia Barwale, Directors are related to him as spouse and daughter, respectively.	Nil	Nil	Shri U.S. Bhartia and Smt. Jayshree Bhartia, Directors, are related to her as father and mother, respectively.
<b>Number of Board Meetings Attended in FY 2019-20</b>	4	1*	Not applicable	Not applicable
<b>Remuneration last drawn (including sitting fees, if any)</b>	₹12,94,73,694/- (including commission) for FY 20.	₹ 27,62,213/- till 30 <sup>th</sup> November, 2019 as Site Head, Kashipur Plant.	Not applicable	₹ 28,01,160/- as President- Business Development during FY 20.
<b>Remuneration proposed to be paid</b>	As per resolution dated 22 <sup>nd</sup> August, 2019 passed by the Shareholders at their 35 <sup>th</sup> Annual General Meeting.	As set out in Item no. 5 of Notice convening this meeting.	Sitting fees and commission as per the policy of the Company shall be paid for attending Board and Committee Meetings.	As set out in Item no. 7 of Notice convening this meeting.

\* Post his appointment as a Director (Executive Director) w.e.f. 1<sup>st</sup> December, 2019, one meeting of Board of Directors was held, which he has attended.

# Board's Report

## To The Members

Your Directors are pleased to present the 36<sup>th</sup> Annual Report on the business and operations of the Company, together with the Audited Financial Statements of your Company for the financial year ended 31<sup>st</sup> March, 2020.

### FINANCIAL RESULTS

Particulars	(₹ in Crores) (except earnings per share)	
	Year ended 31.03.2020	Year ended 31.03.2019
Gross Sales and other income*	5,963	5,133
Earnings before interest, taxes, depreciation and amortization	403	436
Profit/(loss) before depreciation and amortization, exceptional item and tax	266	301
Depreciation and amortization	79	72
Profit/(loss) before tax	187	229
Provision for tax	59	81
Net profit/(loss)	128	148
Earnings per share (in ₹)	41.43	47.87
Dividend on Equity Shares	18.58 **	18.58
Tax on dividend	3.82	3.82

\*Includes State Excise Duty, as applicable. \*\* Interim Dividend declared during FY 20.

### DIVIDEND

During the year under review, your Board of Directors vide resolution dated 3<sup>rd</sup> March, 2020 declared an interim dividend of ₹ 6/- (Rupees Six only) per equity share of face value of ₹ 10/- each (i.e. 60%), to all those who were shareholders as on 12<sup>th</sup> March, 2020, being the record date fixed for this purpose. The total outgo on account of dividend was ₹ 22.40 Crores including dividend tax.

Due to prevailing economic conditions in view of Covid-19 Pandemic, your Board feels that preserving the cash flow and liquidity is foremost important, therefore, the Board has not recommended any final dividend and accordingly, the interim dividend of ₹ 6/- (Rupees Six only) per equity share declared on 3<sup>rd</sup> March, 2020 shall be considered as the final dividend payout for the Financial Year 2019-20. Hence, the total dividend for the Financial Year 2019-20 remains ₹ 6/-(Rupees Six only) per equity share of ₹10/- each.

### PERFORMANCE REVIEW

Despite the challenging economic conditions during the Financial Year 2019-20, the Company's overall performance remained good. During the FY 2019-20 on a standalone basis, your Company recorded total revenue of ₹ 5,963 Crores as compared to ₹ 5,133 Crores in FY 2018-19, an increase of about 16%. However, inspite

of increase in revenue, the profit after depreciation and tax for the FY 2019-20 was ₹128 Crores as compared to ₹ 148 Crores earned during the FY2018-19, a decrease of about 13% mainly due to decline in Bio MEG Prices globally.

The liquor business of the Company continued to perform well and supported the bottom line. The year gone by witnessed the prolonged US-China trade war, continued low crude prices and Covid-19 spread in China. All this led to low demand and prices of MEG internationally and impacted the revenue and profits of the Chemical business marginally. The nutraceutical business registered a growth of over 10% in revenue over the previous year and continued its trend of good profit margins. Towards the end of FY 2019-20, when Covid-19 started showing its presence in India, the Company converted the challenging time into a business opportunity by start producing Alcohol based Hand Sanitizer, post obtaining all the requisite approvals, a definitive booster to the revenue in the future time.

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

Under the current scenario, the outlook remain positive in the near future.

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

### Covid-19 Pandemic Impact

Due to nationwide lockdown declared by the Government during the last week of March, 2020 to combat Covid-19 Pandemic and in view of the advisories, orders & directions issued by Central/State/Local authorities, operations of the Company's Plants were disrupted for some time as all three Plants were shut down during the last week of March, 2020. The Company's Kashipur plant being a continuous process plant and Dehradun plant being Herbal and extraction (medicinal) plant, resumed operations (in phased manner) shortly after shutdown, post obtaining appropriate approvals from the government authorities. The Gorakhpur plant also started operations in phased manner, thereafter.

Post resumption of operations, the Company has taken all possible measures at its manufacturing facilities in pursuance to the directions issued by the Government and regulatory authorities in addition to voluntarily adoption of certain measures to avoid spread of Covid-19 Pandemic.

The Company enabled Work from Home for its employees across all its office locations and has provided necessary infrastructure along with systems to the employees so as they can perform their duties effectively. The offices

are being resumed as per the guidelines of the local administration maintaining all safe work practices.

The Company has taken initiatives towards financial and community support in fight against Covid-19 which included contribution to the State Government's relief funds, distribution of Handsanitizers etc.

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

#### **MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE COMPANY**

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

#### **AWARDS AND RECOGNITIONS**

During the year under review, your Company has consecutively been conferred with the award for 'Efficiency in Energy Usage' in petrochemicals at the event FICCI-India Chemicals and Petrochemical Awards 2019 by FICCI.

#### **CREDIT RATINGS**

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

Instrument Type	Rating/outlook	Rating Action
Term Loan	IND A- /Stable	Affirmed
Proposed Term Loan	Provisional IND A- / Stable	Assigned
Fund-based Limit	IND A- /Stable/IND A2+	Affirmed
Non Fund based Limit	IND A- /Stable/IND A2+	Assigned for Long Term; Affirmed for Short Term

#### **TRANSFER OF BUSINESS UNDERTAKINGS TO WHOLLY OWNED SUBSIDIARIES**

In order to remain ahead of the competition in business and enhance shareholders value in the Company, the

Board of Directors of the Company at their meeting held on 24<sup>th</sup> June, 2020, has approved, subject to the approval of shareholders and such other necessary statutory and regulatory approvals, to transfer, assign, restructure or convey the whole or substantially the whole of the business undertakings comprising of Company's BioEO (Speciality Chemicals) Business and Ennature Biopharma (Nutraceuticals) Business by way of slump sale as a 'going concern' or otherwise, to two separate wholly owned subsidiaries of the Company (to be incorporated). The requisite resolutions are being placed for the member's approvals in the ensuing Annual General Meeting.

#### **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, inter-alia, in making PET bottles, which is used for packaging of beverage products.

The global chemical trade was adversely affected by prolonged US-China trade war and low crude oil prices. The Bio-MEG sales grew in Far East markets but experienced a slowdown in US/European markets. Sales of Glycol Ethers showed a dip due to low petro based EO prices which led to decline in EOD prices in SE Asia and China.

Sales of Glycols [Monoethylene Glycol (MEG), Diethylene Glycol (DEG), Triethylene Glycol (TEG), Heavy Glycols and Glycols Ether] have decreased from 1,53,004 MT during the FY 2018-19 to 1,04,779 MT in FY 2019-20 and whereas, the sales value was at ₹ 1,448 Crores and ₹ 1,114 Crores, respectively.

Sales under Ethylene Oxide Derivatives (EODs / Speciality Chemicals & Ethoxylate) business increased to 74,037 MT in FY 2019-20 from 69,363 MT during previous year and the sales value was ₹ 752 Crores and ₹ 735 Crores, respectively.

During the year, your Company produced 1,03,558 MT of Glycols compared to 1,53,805 MT last year. Ethylene Oxide Derivatives (EODs) production has been 75,883 MT compared to 71,217 MT last year.

#### **EXPORTS**

Due to challenging global scenario in chemical trade, the export sales value remained at ₹ 747 Crores during the year under review as compared to ₹ 858 Crores during previous year.

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

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

During the year, your Company registered gross sales value of ₹ 3,014 Crores as compared to ₹ 2,125 Crores



last year in the Ethyl Alcohol (Potable) division. Due to persistent efforts for export of high quality Extra Neutral Alcohol (ENA), the Company continues to enjoy the position of premium quality ENA supplier in the international markets. Also, the existing tie-up with Bacardi for bottling of their products at the Kashipur bottling unit continues to grow in strength.

Your Company is having license for operations and sale of Country Liquor in the States of Uttar Pradesh and Uttarakhand. The Company also operates and sells Indian Made Foreign Liquor ("IMFL") from its Kashipur Unit and few tie-up units. Further, during the year under review, the Company launched IMFL brands namely, 'IGL Bunty Vodka Green Apple' and 'IGL Salute Premium Whisky' in Tetra Pack (180 ML), a Premium Vodka and Whisky in semi-premium segment in the State of Uttar Pradesh in addition to other existing brands which are available in States of Uttarakhand, Uttar Pradesh, Delhi and Himachal Pradesh. Also, in FY 21 the Company plans to produce IMFL brands from its Gorakhpur Unit.

The Company being a registered supplier to Indian Defense forces through CSD, under the brand premiumisation plan, will endeavor to introduce premium brands V2O Vodka and Soulmate Blu Whisky in addition to already introduced premium Rum under the brand name 'Beach House XXX Premium Rum.

#### **POWER ALCOHOL**

In our continued thrust towards manufacturing sustainable/renewable components, the Company had setup Power Alcohol plants at Kashipur and Gorakhpur units each with a capacity of 100 KL per day. During the year under review, consequent to receipt of necessary approvals, production and supplies of Power Alcohol to Oil Manufacturing companies ("OMC's") for blending in Petrol as per Govt. Policy were also started by the Company from its Gorakhpur Unit. Your Company's Kashipur Unit has already producing and supplying the same for some time now. During the year under review, the Company registered a revenue of ₹143 Crores from sale of Power Alcohol.

#### **ENATURE BIO-PHARMA DIVISION**

The Enature Bio-pharma division of the Company is operating in the space of Nutraceuticals, Phytochemicals & health supplement ingredients. The manufacturing facility is located at Dehradun and is accredited with EU written confirmation, WHO GMP, Current Good Manufacturing Practices (cGMP), ISO 9001, ISO 22000, Hazard Analysis and Critical Control Points (HACCP), Kosher and Halal. Additionally, the Company has also applied for EUGMP certification from the European agency-EDQM, which will help Company in further penetrating the regulated market of several European countries.

The unit has an advanced production facility, including organic certified super critical Fluid extraction &

ethanol (Solvent) extraction facility, for production of Standardized Botanical Extract, Phytochemicals, food supplements, Spice Extracts and Active Pharmaceuticals ingredients(API) of natural plant origin. During the year, additional capacity has been created to meet the surging demands of the products particularly in nicotine.

The APIs derived from plant sources have been doing exceedingly well with some of the molecules having gained significant growth and captured major market share in the burgeoning global pharmaceutical market.

Your Company is continuously working on many new APIs which will be launched in the coming years. One such new API is Hyoscine butyl bromide processed from *dubosia* leaves, used to treat crampy abdominal pain, esophageal spasms, renal colic, and bladder spasms.

The division has achieved sales of ₹ 178 Crores for FY 2019-20, as compared to ₹ 160 Crores over previous year. Some of the products developed successfully in the recent past include Liquid Nicotine & various salts, for the cigarette replacement therapy. Additionally, the Company has developed another good molecule Asiaticoside/Madecassosides apart from existing *Centella Asiatica* for skin repair and poised to do well. The Company has also launched maxicuma (a curcumin formulation) in nanotized form which is more bioavailable than curcumin itself, proven in the preclinical trials on animal models. The Company is growth & result oriented with an objective & concern for environment, transforming lives through green technology for isolation & purification of phytochemicals. This segment is expected to further improve the profitability in near future on account of improved efficiency in many areas and expanding market share and size.

#### **INDUSTRIAL GASES**

During the year under review, the Company from its Air separation unit produced 18,098 MT of Liquid Oxygen and 1,171 MT of Liquid Nitrogen. Both Liquid Oxygen and Liquid Nitrogen were sold in the market and also used for in house requirements. In addition, Argon of 2,441 MT was also produced and its sales were 2,451 MT.

Industrial Gas Division also produced Beverage and Industrial Grade Liquid Carbon Di-oxide (LCO<sub>2</sub>) at Kashipur. During the year, your Company has produced 35,907 MT of LCO<sub>2</sub> and its sale was 33,678 MT.

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

The Company has in house 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 under

review, the Company has sold 1,132 MT of Steri Gas as compared to 1,062 MT in the last year.

Further, the Industrial Gases segment registered total sales of all gases of ₹ 40 Crores during FY 2019-20 against a sale of ₹ 40 Crores during the last year.

### **BIOMASS**

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

This Technology is feedstock agnostic and can be used with various agricultural residues like Bagasse, Rice Straw, Wheat Straw, Bamboo, Cotton Stalk, Corn Stover, Wood chips etc. with optimum product yields.

So far, your Company has determined optimal plant performance and finally validated this technology for feed stocks like Bagasse, Rice Straw & Wheat Straw & cotton stalk. The Company has also generated detailed performance data sufficient to transform into full scale commercial plant. Altogether, this plant is capable of building a sugar platform which can further be transformed into various value added sugar based chemicals through biotech (green) route, other than Alcohol. During November 2019, your Company successfully demonstrated trials on Rice Straw and Cotton Stalk (procured from Punjab region) to HPCL and their various allied agencies. Consequently, IGL became globally the first ever Company who demonstrated this technology on Cotton Stalk.

### **FUTURE OUTLOOK OR EXPANSION / MODERNISATION / DIVERSIFICATION PLANS**

In your Company continuously thrusts towards manufacturing sustainable/renewable components, the focus during the year under review remained on New Product Development ("NPD") through collaborative R&D in association with multi-national companies as per requirements of customers of global leadership.

The notable areas in which your R&D worked during this period involves: a) designing products with novel and new chemistries for Oil Field Applications. This product will have uses across the world and for a unique purpose i.e. enhanced oil recovery, b) new product with innovation in terms of improved performance but with a low cost for applications such as cleaning: industrial and institutional, c) NPD using green approaches finding alternatives to conventional hydrophobes.

Your Company already has a well established position in the domestic specialty ethoxylates market segment and now is using its wide experience in this segment in the domestic market to give thrust to exports of similar products in the international market. The Company has leveraged its competitive advantage as one of the very

few companies worldwide in the space of bio-based ethoxylates/ surfactants.

Also, with an eye on the environment conscious green chemicals global market, for the past few years, your Company has been focusing on exports as one of its key segments for future growth. The Company has positioned itself as a 'Green Chemicals' Company in the international market and is today a well-known supplier of Bio-Glycols and Bio-Ethoxylates. This is being done as a planned strategy to cater to the global niche green market of multinationals & large corporates, who have a special concern for the environment and have their internal CSR objectives of moving towards green products. The Company has been able to find a stronghold in the Bio-MEG/Bio-PET segment where its products are being used by large corporates worldwide.

During the last quarter of FY 20, several new products were designed and introduced as per the sudden needs due to Covid-19 Pandemic. A whole range of Santol Products are finding favours with the users which is a great achievement in shortest possible time to report about. All these developments will lead to a sustained growth with NPD in focus. Your Company launched alcohol-based hand sanitizer under the brand names of IGSURF 5070 US and HandSantol™, which are 'Green' products, meeting the highest standards of quality and safety, while conforming to the WHO guidelines.

The Company has leveraged its competitive advantage as one of the very few companies worldwide in the space of bio-based ethoxylates/ surfactants and the focus for the future would continue in the area of marketing Bio-MEG, Bio-Ethoxylates and performance chemicals such as specialty surfactants and specialty chemicals to niche markets for achieving better contribution with a special focus on North American, European and Far East(Japanese/Korean) markets.

This will surely further add to the diversified portfolio of the Company and will give a competitive edge.

### **FINANCE**

During the year under review, your Company has raised term loan amounting to ₹ 86.56 Crores. The Company renewed the EPBG advance for USD 59.12 million (₹ 376.73 Crores) after meeting repayment obligations for FY 2019-20. The Company repaid an amount of USD 9.36 million (₹ 59.08 Crores) to the customers against the commitments reducing the total liability to USD 59.12 million (₹ 376.73 Crores) as on 31<sup>st</sup> March, 2020. Further, the Company has re-paid, upon maturity, term loan of ₹ 115.39 Crores during the year.

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 (“the Act”) are provided in the notes to the standalone financial statements which form part of the Annual Report. The Company had discontinued its fixed deposits scheme in the FY 2009-10 and has not accepted any fresh deposits covered under Chapter V of the Act during the year. There are no overdue deposits as on 31<sup>st</sup> March, 2020. During the year under review, no unclaimed deposit was required to be transferred to Investor Education and Protection Fund (IEPF).

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

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

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

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

#### **LISTING OF SECURITIES**

The shares of the Company are listed on BSE Limited (BSE) and the National Stock Exchange of India Limited (NSE). The respective stock code no. and symbol of the Company are 500201 and INDIAGLYCO. The annual listing fees for the year 2020-21 have been paid in advance to the Stock Exchanges.

#### **SUBSIDIARY COMPANIES AND JOINT VENTURE AND CONSOLIDATED FINANCIAL STATEMENTS**

As on 31<sup>st</sup> March, 2019, the Company had Four (4) subsidiaries and One (1) Joint Venture Company. During the year under review there were no changes in subsidiary and Joint Ventures of the Company. A brief of each of them is given below:

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

The Company has a sugar manufacturing plant in the state of Uttar Pradesh through its subsidiary Company

Shakumbari Sugar and Allied Industries Ltd. (SSAIL) with a crushing capacity of 5,500 tons crushed per day (TCD) along with a modern distillery of 65 KL per day (KLPD) producing high quality rectified spirit and an internal bagasse fired co-generation plant of 11 MW catering to the captive power needs of the sugar and distillery units.

With the abolition of BIFR, SSAIL continues to evaluate and explore options in consultation with expert(s) and stakeholders for restructuring/revival/disinvestment. SSAIL has already paid all the installments of One Time Settlement sanctioned by the Central Bank of India on due dates.

Further, during the year, no operations at the sugar manufacturing plant were carried out. During the year ended 31<sup>st</sup> March, 2020, SSAIL has incurred a loss of ₹ 1653.28 Lakhs.

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

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

NSEL has defaulted in settling the contracts on due dates, for which IGLFL has initiated legal and other action. IGLFL is confident of recovery of its dues from NSEL over a period of time in view of the measures which have so far been taken for and pending before the Government and other agencies. During the year ended 31<sup>st</sup> March, 2020, IGLFL has incurred a loss of ₹ 0.56 Lakhs.

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

IGL Chem International Pte. Ltd. is a 100% subsidiary of the Company in Singapore to augment its activities in South Eastern region and help the marketing of products from Chemical Plant, Natural Gums Plant and Supercritical Fluid Extraction facility to large buyers in US, Europe and South East Asia. During the year ended 31<sup>st</sup> March, 2020, IGL Chem International Pte. Ltd. incurred a loss of ₹ 15.50 Lakhs.

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

Your Company has also set up a 100% subsidiary Company in USA named as IGL Chem International USALLC with the main objective of marketing of the Company’s products and related activities in the American and Latin American regions. During the year ended 31<sup>st</sup> March, 2020, IGL Chem International USA LLC has earned profits of ₹ 285.04 Lakhs.

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

Kashipur Infrastructure and Freight Terminal Pvt. Ltd. (KIFTPL), a joint venture of your Company and Apollo Logisolutions Limited (“ALS”), engaged in the business of providing railway based logistic services and other facilities through its Private Freight Terminal and Inland Container Depot at Bazpur Road, Kashipur, Uttarakhand serves as

a multi-modal logistic facility for both EXIM and domestic cargo handling.

As on 31<sup>st</sup> March, 2020, your Company along with its affiliates hold 48.92% of the share Capital (42.31% by the Company and 6.61% by the affiliates) of KIFTPL while 51% of the share capital is held by ALS. ALS is engaged in the business of providing complete and comprehensive services relating to container freight station, transportation of containers, cargo handling and has the requisite technical expertise to operate and manage inland container depot.

During the year under review, KIFTPL has registered sales turnover of ₹ 1740 Lakhs as compared to ₹ 1921 Lakhs in previous year, a decline of about 9%. The reduction in sales revenue was mainly on account of reduction of transport revenue due to withdrawal of fleet on non-profitable areas. As a result, the amount of Transport expense has dropped more than the drop in revenue which helped KIFTPL to lower its losses. This JV company expects to improve its performance in the future time. During the year ended 31<sup>st</sup> March, 2020, KIFTPL has suffered a loss of ₹ 97.23 Lakhs.

The consolidated financial statements of the Company and its subsidiaries, joint venture for the FY 2019-20, prepared in accordance with the applicable provisions of the Act, SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 (“SEBI Listing Regulations”) and applicable accounting standards notified by Ministry of Corporate Affairs (“MCA”), Govt. of India, forms part of the Annual Report. Pursuant to the provisions of Section 136 of the Act, financial statements of the subsidiary companies are not required to be sent to the members of the Company. The Company will provide a copy of separate annual accounts in respect of each of its subsidiary/associate to any member of the Company if so desired and said annual accounts will also be kept open for inspection at the registered office of the Company.

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

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

#### **BOARD OF DIRECTORS AND KEY MANAGERIAL PERSONNEL (KMP)**

During the year under review, on the recommendation of Nomination and Remuneration Committee (“NRC”), the Board of Directors appointed Shri Sudhir Agarwal (DIN: 08602216) as an Additional Director and Executive Director and Key Managerial Personnel in the category of Whole time Director of the Company for a period of three (3) consecutive years w.e.f. 1<sup>st</sup> December, 2019

till 30<sup>th</sup> November, 2022 and Smt. Shukla Wassan (DIN: 02770898) as an Additional Director in the category of Independent Director for a period of five (5) consecutive years from 1<sup>st</sup> April, 2020 till 31<sup>st</sup> March, 2025. Further, subsequent to the year ended 31<sup>st</sup> March, 2020, on the recommendation of NRC, the Board of Directors appointed Ms. Pragya Bhartia Barwale (DIN: 02109262) as an Additional Director and Executive Director and Key Managerial Personnel in the category of Whole time Director of the Company for a period of Five (5) consecutive years w.e.f. 24<sup>th</sup> June, 2020 till 23<sup>rd</sup> June, 2025. All the above three (3) appointments are subject to the approval of the members of the Company at the ensuing Annual General Meeting (“AGM”) and they hold the office upto the date of ensuing AGM. The requisite notice(s) in pursuance to the provisions of Section 160(1) of the Act have been received by the Company. The Board of Directors recommends all these appointments for the members approval in the ensuing AGM as per the notice convening AGM.

Further, Shri U.S. Bhartia (DIN: 00063091), Director of the Company is retiring by rotation at the ensuing AGM and being eligible, offers himself for re-appointment. Your Directors also recommends the re-appointment of Shri U. S. Bhartia, the retiring Director, for your approval.

The Company has received requisite declarations as required under Section 152(4) of the Act from all the Directors being appointed/re-appointed along with the intimation that they are not disqualified under Section 164 of the Act to act as Directors. Also, the consent to act as an Independent Director from Smt. Shukla Wassan has been received.

Brief resume of the Director retire by rotation/seeking appointment along with the other details as stipulated under Regulation 26 and 36 of SEBI Listing Regulations and Secretarial Standard on General Meetings (SS-2), are provided in the Notice convening AGM.

Further, during the year under review, Shri Ashwini Kumar Sharma, Nominee Director of State Bank of India (SBI), Lead Lender of the Company, ceased to be the Director of the Company w.e.f. 31<sup>st</sup> August, 2019 (close of business hours) upon completion of his term. Thereafter, the competent authority of SBI also approved discontinuation of SBI’s Nominee Director on Company’s Board of Directors. The Board of Directors at their meeting held on 11<sup>th</sup> November, 2019 also accepted the request of Shri M.K. Rao, Executive Director for an early retirement from the services of the Company. Accordingly, Shri Rao also ceased to be Director and Executive Director and Key Managerial Personnel of the Company w.e.f. 30<sup>th</sup> November, 2019 (close of business hours). Your Board of Directors places on record its deep appreciation for their contribution and guidance during their tenure.

Further, subsequent to the closure of FY 20, Shri Rakesh Bhartia tendered his resignation and accordingly, ceased to be the Chief Executive Officer and Key Managerial Personnel of the Company w.e.f. 16<sup>th</sup> June, 2020 (close of business hours). The Board also places on record its deep appreciation for the valuable services rendered by him during his tenure.

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

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

During the Financial Year 2019-20, Four (4) Board Meetings were held. The details of the Board meetings and the attendance of the Directors thereat are provided in the Corporate Governance Report and forms part of this Report

#### **BOARD EVALUATION**

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

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

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

#### **NOMINATION AND REMUNERATION POLICY**

The Nomination and Remuneration Policy containing, inter-alia, guiding principles for payment of remuneration to Directors, Senior Management, Key Managerial

Personnel and other employees along with criteria for determining qualifications, positive attributes, independence of Directors and Board evaluation are provided in the Corporate Governance Report and forms part of the Annual Report. The said policy is available on the website of the Company i.e. [www.indiaglycols.com](http://www.indiaglycols.com) under link <http://www.indiaglycols.com/investors/downloads/NRE.pdf>

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

In accordance with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, the Company has constituted an Internal Complaints Committee where any grievance of sexual harassment at workplace can be reported. No complaint pertaining to sexual harassment at workplace has been reported to the Committee during the financial year ended 31<sup>st</sup> March, 2020.

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

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

In compliance to the circular issued by District Magistrate, Gautam Buddh Nagar, Uttar Pradesh, in respect of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, the Company registered itself at the designated website i.e. <https://www.shorapp.in>.

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

In terms of provisions of Section 177 of the Act read with Rules thereunder and SEBI Listing Regulations, the Company has established a Vigil Mechanism/Whistle Blower Policy to deal with the instances of fraud and mismanagement.

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

As on 31<sup>st</sup> March, 2020, the Audit Committee comprises Four Non-Executive Independent Directors, namely, Shri Pradip Kumar Khaitan (Chairman), Shri Ravi Jhunjhunwala, Shri Jagmohan N. Kejriwal, Shri Sajeve Deora and one Executive Director, Shri Sudhir Agarwal.

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

Report. During the year, all the recommendations made by Audit Committee were accepted by the Board.

#### **DIRECTORS' RESPONSIBILITY STATEMENT**

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

- (a) in the preparation of the annual accounts for the year ended 31<sup>st</sup> March, 2020, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- (b) they have selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31<sup>st</sup> March, 2020 and the profit and loss of the Company for that period;
- (c) they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (d) they have prepared the annual accounts on a going concern basis;
- (e) they have laid down the internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively; and
- (f) they have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

#### **MANAGEMENT DISCUSSION AND ANALYSIS**

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

#### **CORPORATE GOVERNANCE**

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

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

#### **BUSINESS RESPONSIBILITY REPORT**

In view of the amendment in Regulation 34 of SEBI Listing Regulations during the financial year 2019-20, top 1000 listed entities (based on market capitalization at BSE Limited and National Stock Exchange of India Limited) are required to include Business Responsibility Report describing the initiatives taken by the Company from an

environmental, social and governance perspective, as a part of its Annual Report.

The Company being one of the top 1000 listed entities has prepared this report based on the Business Responsibility Reporting (BRR) requirement of the SEBI Listing Regulations and the National Guidelines on Responsible Business Conduct ('NGRBC') issued by the Ministry of Corporate Affairs, Government of India, which forms part of the Annual Report for the FY 20.

#### **STATUTORY AUDITOR & AUDIT REPORT**

##### **Statutory Auditor**

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

Pursuant to the amendments made to Section 139 of the Act by the Companies (Amendment) Act, 2017 effective from 7<sup>th</sup> May, 2018, the requirement of ratification of Statutory Auditor's appointment by the shareholders, every year has been dispensed with. In view of the above, KNG shall continue as Statutory Auditors till the conclusion of 38<sup>th</sup> AGM to be held in the year 2022. Hence, approval of the Members for the ratification of Auditor's appointment is not being sought at the 36<sup>th</sup> AGM.

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

##### **Audit Report**

The Report given by M/s K.N. Gutgutia & Co., Chartered Accountants (Registration No. 304153E), Statutory Auditors on the financial statements of the Company for the Financial year 2019-20 is part of the Annual Report.

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

There has been no qualification, reservation or adverse remark or disclaimer in their Report on standalone and consolidated financial statements for FY 2019-20.

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

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

The Board appointed M/s Mukesh Agarwal & Co., Company Secretaries (CP No.- 3851) as Secretarial

Auditor for the Financial Year 2019-20 in terms of provisions of Section 204 of the Act. The Secretarial Audit Report for the financial year ended 31<sup>st</sup> March, 2020 was considered by the Board in its meeting held on 24<sup>th</sup> June, 2020 and is enclosed as “Annexure A” to this report. The Secretarial Audit Report does not contain any qualification, reservation or adverse remark which needs any explanation or comment of the Board.

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

#### **COST RECORDS AND COST AUDITORS**

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

The Company has appointed M/s R.J. Goel & Co., Cost Accountants (FRN 000026) as Cost Auditors of the Company for the financial year 2020-21 under section 148 of the Act read with the Companies (Cost Records and Audit) Rules, 2014 including amendments, if any. The Cost Auditors have confirmed that they are eligible under Section 141 (3) of the Act for re-appointment.

The Cost Auditor's Report for the year 2018-19 was filed with Central Government within the prescribed time.

#### **RELATED PARTY TRANSACTIONS**

During the FY 2019-20, Related Party transactions (RPTs) as defined under Section 188 of the Act read with rules made thereunder and the SEBI Listing Regulations, were at arm's length and in ordinary course of business.

Pursuant to the provisions of Section 177 of the Act read with Regulation 23 of SEBI Listing Regulations, all transaction with related parties were reviewed and approved by the Audit Committee and were in accordance with the policy on RPTs as formulated by the Company. The said policy has been uploaded on the Company's website at the following link- <http://www.indiaglycols.com/investors/downloads/Related-party-transactions-Policy.pdf>

Pursuant to Regulation 23(9) of SEBI Listing Regulations, disclosures of related party transactions on a consolidated basis for the half year ended 31<sup>st</sup> March, 2019 and 30<sup>th</sup> September, 2019 were submitted to the Stock Exchanges and also hosted on the website of the Company.

During the year under review, your Company did not enter into any RPT which may be considered material in terms of Section 188 of the Act read with rules made there under and thus disclosure in Form AOC-2 is not required to be made by the Company. The disclosures pertaining to RPTs including with entity belonging to the promoter group which hold(s) 10% or more shareholding in compliance with the applicable Accounting Standards

have been given in Note no. 54 of the Standalone financial statements forming part of the Annual Report.

#### **CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS & OUTGO**

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

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

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<sup>th</sup> December, 2010 to 15<sup>th</sup> December, 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 Act read with the Rule 8 of the Companies (Accounts) Rules, 2014 is given at “Annexure B” to this report.

#### **CORPORATE SOCIAL RESPONSIBILITY**

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

The Company had an average profit of ₹ 531.85 lakhs in terms of Section 198 of the Act during the last 3 financial years. Therefore, in pursuance to the provisions of Section 135 of the Act, the Company was required to spend ₹ 10.64 lakhs towards CSR activities during

the financial year 2019-20. However, keeping in view its social responsibility commitments, the Company has voluntarily contributed an amount of ₹ 34.81 lakhs on the CSR activities during the financial year ended 31<sup>st</sup> March, 2020. The CSR policy of the Company is available on the website of the Company at <http://www.indiaglycols.com/investors/downloads/csr-policy.pdf>.

The Company's CSR policy statement and the annual report on CSR activities undertaken during the financial year ended 31<sup>st</sup> March, 2020, in accordance with the provisions of Section 135 of the Act read with the Companies (Corporate Social Responsibility Policy) Rules, 2014, is given at "**Annexure C**" to this Report.

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

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

#### **RISK MANAGEMENT POLICY**

The Company has constituted a Risk Management Committee 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 and forms part of this 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 the Company from harm; and have a contingency plan to manage risks having high probability and high impact.

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

This framework provides a stable foundation for the risk management work, orient the organizational arrangements

properly in order to have a clear risk strategy across the organization & share information, experiences amongst different sites of the Company.

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

#### **EXTRACT OF ANNUAL RETURN**

The extract of the Annual Return in form MGT-9 for the year ended 31<sup>st</sup> March, 2020 is enclosed at "**Annexure D**" to this Report and is also available on the website of the Company <https://www.indiaglycols.com/investors/downloads/Annual-ReturnExtract20.pdf>

#### **COURT/TRIBUNAL ORDERS**

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

#### **PARTICULARS OF EMPLOYEES**

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

#### **ACKNOWLEDGEMENT**

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

Your Director also wish to convey their appreciation to all the employees for their sincere and dedicated services and unstinting efforts at all levels. The Company look forward for their continued support in the future.

**For and on behalf of the Board**

Place : Noida  
Dated : 24<sup>th</sup> June, 2020

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



## Annexure A

### FORM NO. MR-3

#### SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED MARCH 31, 2020  
[Pursuant to Section 204(1) of the Companies Act, 2013  
and Rule No. 9 of the Companies (Appointment and  
Remuneration of Managerial Personnel) Rules, 2014]

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

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

Based on our verification of Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended March 31, 2020, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2020 according to the provisions of:

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

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

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

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

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

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

#### We further report that:

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

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

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

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

We further report that based on the information received and

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

**For Mukesh Agarwal & Co.**

**Mukesh Kumar Agarwal**

Proprietor

FCS No.: 5991

C. P. NO.: 3851

UDIN: F005991B000338070

**Place :** Delhi

**Date :** 12<sup>th</sup> June, 2020

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

#### Annexure A

To,

The Members,

**India Glycols Limited,**

CIN : L24111UR1983PLC009097

A-1, Industrial Area, Bazpur Road,

Kashipur, Udham Singh Nagar, Uttrakhand-244713

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

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

**For Mukesh Agarwal & Co.**

**Mukesh Kumar Agarwal**

Proprietor

FCS.: 5991

C. P. NO.: 3851

UDIN: F005991B000338070

**Place :** Delhi

**Date :** 12<sup>th</sup> June, 2020

**Annexure B**
**PARTICULARS AS REQUIRED UNDER SECTION 134(3)(m) OF THE COMPANIES ACT, 2013 AND THE COMPANIES (ACCOUNTS) RULES, 2014**
**(A) CONSERVATION OF ENERGY**
**(a) Steps taken or impact on Energy Conservation:**

1. Replacement of Steam Turbine 4.0 MW with a higher efficiency Steam turbine resulting in increased power generation.
2. Alternate Heat source for EOP column trim Reboiler E 1413 resulting in Steam savings.
3. EOP column Optimization resulting in steam savings.
4. Replacement of PHE-901 of Distillery with a new upgraded PHE for increased heat recovery.
5. Installation of 50 TR chiller in Formulation unit for increased production and power savings.
6. VFD provided in Slop Boiler-1 SH FD fan resulting in power savings.
7. Installation of EO product cooler of increased Capacity at EO storage resulting in lower chiller load.
8. Automation of steam supply to Steam ejectors by installing automatic control valves resulting in steam savings.
9. Replacement of GE-2 plant pump P-2202 B existing electric motor with a low wattage motor of 22.0 kW as per operating load resulting in power savings.
10. LED lights installed in place of conventional tube lights.
11. Installation of VFD in Fermentation and Distillation cooling tower fan and pump to save the power.

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

Utilization of Slops (concentrated Spent wash), Herbal waste in the boilers as alternate source of energy.

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

During the year, the Company invested ₹ 16.70 lakhs in energy conservation equipments.

**(B) TECHNOLOGY ABSORPTION-**
**(a) The efforts made towards technology absorption:**

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

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

- 1 Development of a 100% Biodegradable Industrial Chemicals and Surfactants derived from renewable feedstock's – Eco-friendly green product.
- 2 Development of Enzyme base Products for Desizing/Scouring & Peroxide bleaching process.
- 3 Development of Bio- polishing and New generation silicon base finishing agent.
- 4 Crop Protection:- Biodegradable dispersing agents for the broad range of the Fungicide and Insecticides. A unique molecule for multiple application.
- 5 Eco-friendly adjuvants for micronutrients to stabilized in aqueous medium.
- 6 Development of surfactants for capsule suspension- an eco-friendly, user friendly and Controlled Release Application for Agrochemicals.
- 7 Development of surfactants for Combo formulation for multiple toxicants.
- 8 Oil & Gas:- New generation Low temperature & low dose de-emulsifier for crude oil and Specialty amines for Refineries. An innovative molecule with high performance.
- 9 Development of Eco-friendly surfactant based on renewable resources (Vegetable oil based) for pigment dispersion for paints.
- 10 Development of eco-friendly and biodegradable surfactant (APEO free) for Emulsion Polymerization/paints.
- 11 Universal cooking aid & Eco-friendly deinking chemicals.
- 12 New generation high performance Borate-Ester -Brake fluid oil component and Bio –brake fluid oil for automotive sector. An innovative product for high end vehicles.
- 13 Development of eco-friendly and biodegradable amphoteric surfactant for personal care products.
- 14 Development of biodegradable surfactant for hard surface cleaning application.
- 15 Construction chemicals:- Specialty green Ethoxylate for Poly carboxylate as water reducing agent & strength improver and Green surfactant for Bitumen emulsification for Road Construction.
- 16 Development of Gaur based innovative green surfactant for Oil-Gas, Personal care application and effluent treatment.
- 17 Process developed for Extraction of Punica granatum seeds and purification of same to increase the content of Punicic acid 70% and above by SCF-CO2 for improved yield and quality improvement.
- 18 Process development for isolation of Omega fatty acid from microalgae Nanochloropsis and chlorella.

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

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

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

Sl. No.	Division/Place/Plant for which incurred	Nature of expenses (₹ In lakhs)	
		Capital	Recurring
1.	Chemical, Kashipur	27.67	405.25
2	Ennature Bio Pharma, Dehradun	210.68	259.64
	<b>Total</b>	238.35	664.89

**(e) Foreign Exchange Earning and Outgo:**
**(₹ In lakhs)**

Sl. No.	Particulars	2019-20	2018-19
1.	Foreign Exchange earnings	73,283.30	81,154.17
2.	Foreign Exchange outgo	1,66,005.88	1,68,583.27

Place : Noida  
Dated : 24<sup>th</sup> June, 2020

**For and on behalf of the Board**  
**U.S. Bhartia**  
Chairman and Managing Director  
DIN: 00063091

**ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES**  
*for the financial year ended 31<sup>st</sup> March, 2020*

**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.

The CSR Policy of the Company is posted on the website of the Company ([www.indiaglycols.com](http://www.indiaglycols.com)).

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

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

The CSR Committee of the Company comprises the following members:

- Shri U.S. Bhartia, Chairman.
- Shri Pradip Kumar Khaitan, Member, Independent Director.
- Shri M. K. Rao, Member, Executive Director (till 30<sup>th</sup> November, 2019).
- Shri Sudhir Agarwal, Member, Executive Director (w.e.f. 1<sup>st</sup> December, 2019).
- Shri Jitender Balakrishnan, Member, Independent Director.

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

The average net profit of the Company for the preceding three financial years was ₹531.85 Lakhs.

**4. Prescribed CSR expenditure (2% of the amount as in item no.3 above): ₹10.64 Lakhs**

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

(a) Total amount to be spent for the financial year: ₹10.64 Lakhs

(b) Amount unspent, if any: NIL

(c) Manner in which the amount spent during the financial year is detailed below:

S. No.	CSR project or activity identified	Sector in which the project is covered	Projects or Program (a) local area or other (b) specify the state and district where projects or program was undertaken	Amount outlay (budget) project or programs wise (in ₹ Lakhs)	Amount spent on the projects or programs sub – head: (1)Direct expenditure on projects or programs (2)Overheads (in ₹ Lakhs)	Cumulative Expenditure up to the reporting Period (in ₹ Lakhs)	Amount spent: Direct or through implementing agency (in ₹ Lakhs)
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
1.	Installation of Hand Pumps	Sanitation and safe drinking water	Kashipur (Uttarakhand)	N.A.	2.81	2.81	Direct
2.	Medical camps including distribution of medicines	Health care & Sanitation	Kashipur (Uttarakhand)	N.A.	0.57	0.57	Direct
			Gorakhpur (Uttar Pradesh)	N.A.	2.21	2.21	

S. No.	CSR project or activity identified	Sector in which the project is covered	Projects or Program (a) local area or other (b) specify the state and district where projects or program was undertaken	Amount outlay (budget) project or programs wise (in ₹ Lakhs)	Amount spent on the projects or programs sub – head: (1)Direct expenditure on projects or programs (2)Overheads (in ₹ Lakhs)	Cumulative Expenditure up to the reporting Period (in ₹ Lakhs)	Amount spent: Direct or through implementing agency (in ₹ Lakhs)
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
3.	Scholarships/ Prize distribution to poor students School Renovation/Building Development	Promoting education	Kashipur (Uttarakhand)	N.A.	17.86	17.86	Direct
			Gorakhpur (Uttar Pradesh)	N.A.	11.36	11.36	
<b>TOTAL</b>					<b>34.81</b>	<b>34.81</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:  
**Not Applicable**

7. Responsibility statement

We hereby confirm that the implementation and monitoring of CSR Policy is in compliance with the CSR objectives and policy of the Company.

**For and on behalf of the Board**

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

Dated : 24<sup>th</sup> June, 2020  
Place : Noida

**FORM NO. MGT-9  
EXTRACT OF ANNUAL RETURN**

**As on the financial year ended on 31<sup>st</sup> March, 2020**

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

**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	Public 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. 05947-269000 E-mail: compliance.officer@indiaglycols.com
Whether listed company	Yes
Name, Address and Contact details of Registrar and Transfer Agent, if any	MCS Share Transfer Agent Limited F-65, 1 <sup>st</sup> Floor, Okhla Industrial Area, Phase-I, New Delhi-110020 Tel No. 011-41406149 E-mail: admin@mcsregistrars.com

**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
Glycols [MEG, DEG, TEG and others]	20119	15%
Ethylene Oxide Derivatives [Speciality Chemicals and Ethoxylate]	20229	13%
Ethyl Alcohol (Potable)	1101	51%

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

SL. NO.	NAME AND ADDRESS OF THE COMPANY	CIN/GLN	HOLDING/ SUBSIDIARY/ ASSOCIATE	% of shares held	Applicable Section
<b>A.</b>	<b>HOLDING COMPANY - NIL</b>				
<b>B.</b>	<b>SUBSIDIARY AND ASSOCIATE COMPANIES:-</b>				
i)	Shakumbari Sugar and Allied Industries Limited Village & P.O. Todarpur, Saharanpur – 247231, Uttar Pradesh	U15429UP1994PLC016271	Subsidiary	98.89%	2(87)
ii)	IGL Finance Limited A-1, Industrial Area, Bazpur Road, Kashipur – 244713, Distt. Udham Singh Nagar, Uttarakhand	U65922UR1997PLC022992	Subsidiary	100%	2(87)
iii)	IGL Chem International Pte Ltd. 101 Cecil Street, # 07-02 Tong Eng Building, Singapore	Foreign Company	Subsidiary	100%	2(87)
iv)	IGL Chem International USA LLC 10701, Corporate Drive Stunford, Texas, U.S.A.-77477	Foreign Company	Subsidiary	100%	2(87)
v)	Kashipur Infrastructure and Freight Terminal Private Limited 408, Akashdeep Building, 26A, Barakhamba Road, New Delhi-110001	U60200DL2011PTC227307	Associate Company	42.31%	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 (As on 01-04-2019)				No. of Shares held at the end of the year (As on 31-03-2020)				% 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	28,75,866	0	28,75,866	9.29	28,75,866	0	28,75,866	9.29	0.00
b) Central Govt.	0	0	0	0.00	0	0	0	0.00	0.00
c) State Govt s)	0	0	0	0.00	0	0	0	0.00	0.00
d) Bodies Corp.	1,60,15,166	0	1,60,15,166	51.73	1,60,15,166	0	1,60,15,166	51.73	0.00
e) Banks / FI	0	0	0	0.00	0	0	0	0.00	0.00
f) Any Other	0	0	0	0.00	0	0	0	0.00	0.00
<b>Sub-total (A) (1):-</b>	<b>1,88,91,032</b>	<b>0</b>	<b>1,88,91,032</b>	<b>61.01</b>	<b>1,88,91,032</b>	<b>0</b>	<b>1,88,91,032</b>	<b>61.01</b>	<b>0.00</b>
<b>(2) Foreign</b>									
a) NRIs - Individuals	0	0	0	0.00	0	0	0	0.00	0.00
b) Other-Individuals	0	0	0	0.00	0	0	0	0.00	0.00
c) Bodies Corporate	0	0	0	0.00	0	0	0	0.00	0.00
d) Banks / FI	0	0	0	0.00	0	0	0	0.00	0.00
e) Any Other	0	0	0	0.00	0	0	0	0.00	0.00
<b>Sub-total (A) (2):-</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>	<b>0.00</b>
<b>Total shareholding of Promoter (A) = (A)(1)+(A)(2)</b>	<b>1,88,91,032</b>	<b>0</b>	<b>1,88,91,032</b>	<b>61.01</b>	<b>1,88,91,032</b>	<b>0</b>	<b>1,88,91,032</b>	<b>61.01</b>	<b>0.00</b>
<b>B. Public Shareholding</b>									
<b>1. Institutions</b>									
a) Mutual Funds/UTI	19,652	9,500	29,152	0.09	27,922	9,500	37,422	0.12	0.03
b) Banks / FI	15,397	2,600	17,997	0.06	10	2,500	2,510	0.01	-0.05
c) Central Govt	100	0	100	0.00	100	0	100	0.00	0.00
d) State Govt(s)	0	0	0	0.00	0	0	0	0.00	0.00
e) Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
f) Insurance Companies	1,30,381	0	1,30,381	0.42	0	0	0	0.00	-0.42
g) FII's / FPI's	9,29,328	0	9,29,328	3.00	5,72,830	0	5,72,830	1.85	-1.15
h) Foreign Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
i) Others (specify)	0	0	0	0.00	0	0	0	0.00	0.00
<b>Sub-total (B)(1):-</b>	<b>10,94,858</b>	<b>12,100</b>	<b>11,06,958</b>	<b>3.57</b>	<b>6,00,862</b>	<b>12,000</b>	<b>6,12,862</b>	<b>1.98</b>	<b>-1.59</b>
<b>2. Non- Institutions</b>									
a)Bodies Corporate									
i) Indian	14,47,220	14,600	14,61,820	4.72	12,70,673	14,200	12,84,873	4.15	-0.57
ii) Overseas	0	0	0	0.00	0	0	0	0.00	0.00
b) Individuals									
i)Individual shareholders holding nominal share capital upto ₹ 1 lakh	63,11,714	5,40,887	68,52,601	22.13	60,27,638	4,88,287	65,15,925	21.05	-1.08
ii)Individual shareholders holding nominal share capital in excess of Rs 1 lakh	19,69,552	14,500	19,84,052	6.41	27,80,997	14,500	27,95,497	9.03	2.62
c) Others(specify)									
i)Trust & Foundations	2,690	0	2,690	0.01	5,102	0	5,102	0.02	0.01
ii)Non Resident Individual	2,69,510	1,13,300	3,82,810	1.24	2,43,256	1,08,500	3,51,756	1.14	-0.10

Category of Shareholders	No. of Shares held at the beginning of the year (As on 01-04-2019)				No. of Shares held at the end of the year (As on 31-03-2020)				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
iii) NBFCs registered with RBI	6,400	0	6,400	0.02	2,12,410	0	2,12,410	0.69	0.67
iv) Investor Education and Protection Fund (IEPF)*	2,73,137	0	2,73,137	0.88	2,92,043	0	2,92,043	0.94	0.06
<b>Sub-total (B)(2):-</b>	<b>1,02,80,223</b>	<b>6,83,287</b>	<b>1,09,63,510</b>	<b>35.41</b>	<b>108,32,119</b>	<b>6,25,487</b>	<b>114,57,606</b>	<b>37.01</b>	<b>1.60</b>
<b>Total Public Shareholding (B)=(B)(1)+(B)(2)</b>	<b>1,13,75,081</b>	<b>6,95,387</b>	<b>1,20,70,468</b>	<b>38.99</b>	<b>114,32,981</b>	<b>6,37,487</b>	<b>120,70,468</b>	<b>38.99</b>	<b>0.00</b>
C. Shares held by Custodian for GDRs & ADRs	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	0.00
<b>Grand Total (A+B+C)</b>	<b>3,02,66,113</b>	<b>6,95,387</b>	<b>3,09,61,500</b>	<b>100.00</b>	<b>3,03,24,013</b>	<b>6,37,487</b>	<b>3,09,61,500</b>	<b>100.00</b>	<b>0.00</b>

\*The voting rights on these shares shall remain frozen till the rightful owner claims the shares. (Refer Section 124 of the Companies Act, 2013)

#### (ii) Shareholding of Promoters (Including Promoter Group)

Sl No.	Shareholder's Name	Shareholding at the beginning of the year (As on 01-04-2019)			Shareholding at the end of the year (As on 31-03-2020)			% 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.	1,03,52,406	33.44	-	1,03,52,406	33.44	96.29*	0.00
2.	Mayur Barter Pvt. Ltd.	14,56,066	4.70	-	14,56,066	4.70	96.29*	0.00
3.	J B Commercial Company Pvt. Ltd.	9,77,915	3.16	-	9,77,915	3.16	96.29*	0.00
4.	Facit Commosales Pvt. Ltd.	10,57,853	3.42	-	10,57,853	3.42	96.29*	0.00
5.	J Boseck & Co. Pvt. Ltd.	8,64,401	2.79	-	8,64,401	2.79	96.29*	0.00
6.	Sukhvarsha Distributors Pvt. Ltd.	3,61,875	1.17	-	3,61,875	1.17	96.29*	0.00
7.	Ajay Commercial Company Pvt. Ltd.	6,11,255	1.97	-	6,11,255	1.97	96.29*	0.00
8.	Jayshree Bhartia	2,29,003	0.74	-	2,29,003	0.74	-	0.00
9.	Uma Shankar Bhartia	4,48,722	1.45	-	4,48,722	1.45	96.29*	0.00
10.	Pooja Jhaver	97,592	0.32	-	97,592	0.32	-	0.00
11.	Supreet Vyapaar Pvt. Ltd.	2,67,895	0.86	-	2,67,895	0.86	96.29*	0.00
12.	Pragya Bhartia Barwale	300	0.00	-	300	0.00	-	0.00
13.	Lund & Blockley Pvt. Ltd.	500	0.00	-	500	0.00	-	0.00
14.	Hindustan Wires Limited	65,000	0.21	-	65,000	0.21	-	0.00
15.	Executors to the Estate of Late Sajani Devi Bhartia	21,00,249	6.78	-	21,00,249	6.78	-	0.00
	<b>Total</b>	<b>1,88,91,032</b>	<b>61.01</b>	<b>-</b>	<b>1,88,91,032</b>	<b>61.01</b>	<b>83.59</b>	<b>0.00</b>

\* In each of the above instances of creation of encumbrance, the mentioned Promoters/ Promoter Group entities of the Company have given Non-Disposal Undertaking(s) ("NDUs") to the lenders of the Company undertaking to continue to hold 51.00% shareholding (with voting rights) in the Company, directly or indirectly, at all times during the tenure of credit facilities provided by lenders to the Company. The NDUs are not in the nature of a pledge and therefore, no pledge has been created on any equity shares of the Company held by the Promoters/ Promoter Group entities in anybody's favour. During the FY 20, due to change in the definition of encumbrances by SEBI vide notification no. SEBI/LAD-NRO/GN/2019/27 dated 29<sup>th</sup> July, 2019, thereby including NDU's as encumbrance, the requisite declarations were filed with the Stock Exchanges by the Promoter/ Promoter Group.



**(iii) Change in Promoters' Shareholding (Including Promotor group)**

S. No.	Name	Shareholding at the beginning of the year (As on 01-04-2019)		Date of Change	Increase/ Decrease in shareholding	Reason	Cumulative shareholding during the year (01-04-2019 to 31-03-2020)	
		No. of shares	% of total shares of the Company				No. of shares	% of total shares of the Company
1.								
NIL								

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

S. No.	Name	Shareholding at the beginning of the year (As on 01-04-2019)		Date of Change	Increase/ Decrease in shareholding	Reason	Cumulative shareholding during the year (01-04-2019 to 31-03-2020)	
		No. of shares	% of total shares of the Company				No. of shares	% of total shares of the Company
1	Puneet Bhatia	4,55,579	1.47	-	-	-	4,55,579	1.47
				31-03-2020			4,55,579	1.47
2.	Anirudh Damani*	0	0.00	24-01-2020	3,10,206	Purchase	3,10,206	1.00
				31-01-2020	15,310	Purchase	3,25,516	1.05
				07-02-2020	16,679	Purchase	3,42,195	1.11
				14-02-2020	1,00,000	Purchase	4,42,195	1.43
				21-02-2020	37,207	Purchase	4,79,402	1.55
				28-02-2020	-1,37,681	Sale	3,41,721	1.10
				06-03-2020	30,357	Purchase	3,72,078	1.20
				13-03-2020	10,025	Purchase	3,82,103	1.23
				31-03-2020			3,82,103	1.23
3.	Srikanth Dhulipala	2,40,000	0.78	17-01-2020	-10,000	Sale	2,30,000	0.74
				31-03-2020			2,30,000	0.74
4.	Ram Mohan J Rao	57,700	0.19	05-04-2019	400	Purchase	58,100	0.19
				12-04-2019	2,000	Purchase	60,100	0.19
				26-04-2019	2,000	Purchase	62,100	0.20
				03-05-2019	4,900	Purchase	67,000	0.22
				10-05-2019	6,500	Purchase	73,500	0.24
				17-05-2019	8,600	Purchase	82,100	0.27
				24-05-2019	4,635	Purchase	86,735	0.28
				31-05-2019	1,865	Purchase	88,600	0.29
				07-06-2019	1,750	Purchase	90,350	0.29
				14-06-2019	5,650	Purchase	96,000	0.31
				21-06-2019	8,800	Purchase	1,04,800	0.34
				28-06-2019	6,100	Purchase	1,10,900	0.36
				05-07-2019	8,100	Purchase	1,19,000	0.38
				12-07-2019	10,350	Purchase	1,29,350	0.42
				19-07-2019	6,325	Purchase	1,35,675	0.44
				26-07-2019	18,525	Purchase	1,54,200	0.50
				02-08-2019	10,825	Purchase	1,65,025	0.53
				09-08-2019	8,973	Purchase	1,73,998	0.56
				16-08-2019	3,502	Purchase	1,77,500	0.57
				23-08-2019	5,250	Purchase	1,82,750	0.59
				30-08-2019	8,450	Purchase	1,91,200	0.62
				06-09-2019	2,500	Purchase	1,93,700	0.63
				13-09-2019	800	Purchase	1,94,500	0.63
				20-09-2019	450	Purchase	1,94,950	0.63
				27-09-2019	50	Purchase	1,95,000	0.63

S. No.	Name	Shareholding at the beginning of the year (As on 01-04-2019)		Date of Change	Increase/ Decrease in shareholding	Reason	Cumulative shareholding during the year (01-04-2019 to 31-03-2020)	
		No. of shares	% of total shares of the Company				No. of shares	% of total shares of the Company
				11-10-2019	200	Purchase	1,95,200	0.63
				18-10-2019	700	Purchase	1,95,900	0.63
				25-10-2019	300	Purchase	1,96,200	0.63
				01-11-2019	200	Purchase	1,96,400	0.63
				15-11-2019	350	Purchase	1,96,750	0.64
				22-11-2019	500	Purchase	1,97,250	0.64
				29-11-2019	3,750	Purchase	2,01,000	0.65
				06-12-2019	6,300	Purchase	2,07,300	0.67
				13-12-2019	3,900	Purchase	2,11,200	0.68
				20-12-2019	1,650	Purchase	2,12,850	0.69
				27-12-2019	250	Purchase	2,13,100	0.69
				31-12-2019	200	Purchase	2,13,300	0.69
				10-01-2020	250	Purchase	2,13,550	0.69
				20-03-2020	3,200	Purchase	2,16,750	0.70
				27-03-2020	3,001	Purchase	2,19,751	0.71
				31-03-2020	250	Purchase	2,20,001	0.71
5.	Monet Securities Pvt. Ltd.	5,000	0.02	27-03-2020	1,94,008	Purchase	1,99,008	0.64
				31-03-2020			1,99,008	0.64
6.	Gladiator Vyapaar Pvt. Ltd.	0	0.00	28-02-2020	1,40,015	Purchase	1,40,015	0.45
				06-03-2020	19,066	Purchase	1,59,081	0.51
				13-03-2020	24,000	Purchase	1,83,081	0.59
				20-03-2020	5,000	Purchase	1,88,081	0.61
				31-03-2020			1,88,081	0.61
7.	Anirudh Damani*	0	0	28-02-2020	1,50,000	Purchase	1,50,000	0.48
				06-03-2020	-1,209	Sale	1,48,791	0.48
				31-03-2020			1,48,791	0.48
8.	Emerging Markets Core Equity Portfolio (The Portfolio) of DF	1,30,172	0.42		-	-	1,30,172	0.42
				31-03-2020			1,30,172	0.42
9.	Polus Global Fund	0	0.00	28-02-2020	1,18,000	Purchase	1,18,000	0.38
				31-03-2020			1,18,000	0.38
10.	Dimensional Emerging Markets Value Fund	1,18,892	0.38	15-11-2019	-6,569	Sale	1,12,323	0.36
				31-03-2020			1,12,323	0.36
11.	Bodepudi Jeevan Kishore	78,075	0.25	09-08-2019	10,000	Purchase	88,075	0.28
				31-03-2020			88,075	0.28
12.	Acadian Emerging Markets Small Cap Equity Fund LLC	1,96,600	0.64	12-04-2019	-6,110	Sale	1,90,490	0.62
				26-04-2019	-8,056	Sale	1,82,434	0.59
				17-05-2019	-7,803	Sale	1,74,631	0.56
				14-06-2019	-5,601	Sale	1,69,030	0.55
				28-06-2019	-9,658	Sale	1,59,372	0.51
				19-07-2019	-7,832	Sale	1,51,540	0.49
				26-07-2019	-12,330	Sale	1,39,210	0.45
				02-08-2019	-13,186	Sale	1,26,024	0.41
				09-08-2019	-7,320	Sale	1,18,704	0.38
				16-08-2019	-18,011	Sale	1,00,693	0.33
				23-08-2019	-15,037	Sale	85,656	0.28
				30-08-2019	-21,488	Sale	64,168	0.21
				06-09-2019	-20,906	Sale	43,262	0.14
				13-09-2019	-43,262	Sale	-	-
				31-03-2020			-	-

S. No.	Name	Shareholding at the beginning of the year (As on 01-04-2019)		Date of Change	Increase/ Decrease in shareholding	Reason	Cumulative shareholding during the year (01-04-2019 to 31-03-2020)	
		No. of shares	% of total shares of the Company				No. of shares	% of total shares of the Company
13.	General Insurance Corporation of India	1,30,381	0.42	07-02-2020	-14,573	Sale	1,15,808	0.37
				14-02-2020	-52,968	Sale	62,840	0.20
				21-02-2020	-62,840	Sale	-	-
				31-03-2020			-	-
14.	Habrok India Master LP	93,827	0.30	05-04-2019	-81,613	Sale	12,214	0.04
				12-04-2019	-12,214	Sale	-	-
				31-03-2020			-	-
15.	Globe Capital Market Limited	75,150	0.24	05-04-2019	1,410	Purchase	76,560	0.25
				12-04-2019	2,000	Purchase	78,560	0.25
				19-04-2019	3,495	Purchase	82,055	0.27
				26-04-2019	-16,503	Sale	65,552	0.21
				03-05-2019	-6,450	Sale	59,102	0.19
				10-05-2019	-4,150	Sale	54,952	0.18
				17-05-2019	2,500	Purchase	57,452	0.19
				24-05-2019	375	Purchase	57,827	0.19
				31-05-2019	-775	Sale	57,052	0.18
				14-06-2019	430	Purchase	57,482	0.19
				21-06-2019	-550	Sale	56,932	0.18
				28-06-2019	-1,200	Sale	55,732	0.18
				05-07-2019	-300	Sale	55,432	0.18
				19-07-2019	-286	Sale	55,146	0.18
26-07-2019	-55,146	Sale	-	-				
31-03-2020			-	-				
16.	The Board of Regents of the University of Texas System-Acadi	71,989	0.23	05-04-2019	-7,353	Sale	64,636	0.21
				19-04-2019	-20,660	Sale	43,976	0.14
				03-05-2019	-6,416	Sale	37,560	0.12
				24-05-2019	-8,882	Sale	28,678	0.09
				07-06-2019	-11,648	Sale	17,030	0.06
				21-06-2019	-2,554	Sale	14,476	0.05
				02-08-2019	-756	Sale	13,720	0.04
				09-08-2019	-1,880	Sale	11,840	0.04
				16-08-2019	-910	Sale	10,930	0.04
				23-08-2019	-2,471	Sale	8,459	0.03
				30-08-2019	-8,459	Sale	-	-
				31-03-2020			-	-
17.	Buma-Universal-Fonds I	89,724	0.29	05-04-2019	-2,095	Sale	87,629	0.28
				12-04-2019	-7,524	Sale	80,105	0.26
				19-04-2019	-3,641	Sale	76,464	0.25
				26-04-2019	-11,162	Sale	65,302	0.21
				17-05-2019	-11,509	Sale	53,793	0.17
				31-05-2019	-12,399	Sale	41,394	0.13
				21-06-2019	-4,925	Sale	36,469	0.12
				05-07-2019	-8,910	Sale	27,559	0.09
				19-07-2019	-3,775	Sale	23,784	0.08
				26-07-2019	-1,934	Sale	21,850	0.07
				02-08-2019	-1,143	Sale	20,707	0.07
				09-08-2019	-2,837	Sale	17,870	0.06
				16-08-2019	-1,373	Sale	16,497	0.05
				23-08-2019	-3,732	Sale	12,765	0.04
30-08-2019	-12,765	Sale	-	-				
31-03-2020			-	-				

\* Holds shares in 2 separate Demat Accounts, hence shown separately at S. No. 2&7.

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

S. No.	Name of Director/ Key Managerial Personnel	Shareholding at the beginning of the year (As on 01-04-2019)		Date of Change	Increase/ Decrease in shareholding	Reason	Cumulative share-holding during the year (01-04-2019 to 31-03-2020)	
		No. of shares	% of total shares of the Company				No. of shares	% of total shares of the Company
<b>Directors</b>								
1.	Shri Uma Shankar Bhartia	4,48,722	1.45	No Change during the year	-	-	4,48,722	1.45
2.	Smt. Jayshree Bhartia	2,29,003	0.74	No Change during the year	-	-	2,29,003	0.74
<b>Key Managerial Personnel</b>								
3.	Shri Anand Singhal	1,000	0.00	24-05-2019	-1,000	Sale	-	-

Shareholding of other directors & KMPs - NIL

**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	819.87	109.74	-	929.61
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	1.44	-	-	1.44
<b>Total (i+ ii+ iii)</b>	<b>821.31</b>	<b>109.74</b>	<b>-</b>	<b>931.05</b>
Change in Indebtedness during the financial year				
• Addition	157.36	-	-	157.36
• Reduction	111.57	62.24	-	173.81
• Exchange Difference	-	-	-	-
Net Change	45.79	(62.24)	-	(16.45)
Indebtedness at the end of the financial year				
i) Principal Amount	861.84	47.50	-	909.34
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	5.26	-	-	5.26
<b>Total (i+ii+iii)</b>	<b>867.10</b>	<b>47.50</b>	<b>-</b>	<b>914.60</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			Total Amount
		Shri U. S. Bhartia, CMD	Shri M. K. Rao, WTD (till 30.11.2019)	Shri Sudhir Agarwal, WTD (w.e.f. 01.12.2019)	
1.	Gross salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	4,80,00,000	10,292,301*	20,77,766	6,03,70,067

	(b) Value of perquisites u/s 17(2) of the Income-tax Act, 1961	8,64,694	2,66,735	10,800	11,42,229
	(c) Profits in lieu of salary under section 17(3) of the Income-tax Act, 1961	-	-	-	-
2.	Stock Option	-	-	-	-
3.	Sweat Equity	-	-	-	-
4.	Commission [relates to FY 20] - as % of profit - others, specify	7,48,49,000	-	-	7,48,49,000
5.	Others-Provident Fund Contribution	57,60,000	4,61,048	1,69,584	63,90,632
	<b>Total (A)</b>	<b>12,94,73,694</b>	<b>1,10,20,084</b>	<b>22,58,150</b>	<b>14,27,51,928</b>
	<b>Ceiling as per the Act</b>	Within the limits as prescribed under the Companies Act, 2013.			

\*includes gratuity of ₹ 53,11,731 and leave encashment of ₹ 8,33,885 paid as retiral benefits.

#### B. Remuneration to other directors:-

(Amount in ₹)

Sl. No.	Name(s)	Sitting Fees	Commission [relates to FY 20]	Others	Total Amount
<b>A.</b>	<b>Independent Directors</b>				
1.	Shri Pradip Kumar Khaitan	5,00,000	25,00,000	-	<b>30,00,000</b>
2.	Shri Jitender Balakrishnan	2,80,000	15,00,000	-	<b>17,80,000</b>
3.	Shri Ravi Jhunjhunwala	5,30,000	15,00,000	-	<b>20,30,000</b>
4.	Shri Jagmohan N. Kejriwal	2,60,000	15,00,000	-	<b>17,60,000</b>
5.	Shri Sajeve Deora	4,30,000	15,00,000	-	<b>19,30,000</b>
<b>B.</b>	<b>Non-Executive Director</b>				
1.	Shri Ashwini Kumar Sharma, Nominee Director*	1,00,000	-	-	<b>1,00,000</b>
2.	Smt. Jayshree Bhartia	2,30,000	15,00,000	-	<b>17,30,000</b>
	<b>Total</b>	<b>23,30,000</b>	<b>1,00,00,000</b>	<b>-</b>	<b>1,23,30,000</b>
	<b>Ceiling as per the Act</b>	Within the limits as prescribed under the Companies Act, 2013.			

\*till 31<sup>st</sup> August, 2019.

#### 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 Anand Singhal, Chief Financial Officer	Shri Ankur Jain, Company Secretary	
1.	Gross salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	1,84,15,405	65,92,016	39,91,452	2,89,98,873
	(b) Value of perquisites u/s 17(2) of the Income-tax Act, 1961	39,600	2,03,884	39,600	2,83,084
	(c) Profits in lieu of salary under section 17(3) of the Income-tax Act, 1961	-	-	-	-
2.	Stock Option	-	-	-	-
3.	Sweat Equity	-	-	-	-
4.	Commission - as % of profit - others, specify	-	-	-	-
5.	Others-Provident Fund Contribution	18,87,684	5,21,628	2,85,216	26,94,528
	<b>Total</b>	<b>2,03,42,689</b>	<b>73,17,528</b>	<b>43,16,268</b>	<b>3,19,76,485</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>					
<b>NIL</b>					
Penalty					
Punishment					
Compounding					
<b>C. OTHER OFFICERS IN DEFAULT</b>					
Penalty					
Punishment					
Compounding					

## Annexure E

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

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

- (i) The percentage increase in remuneration of each Director, Chief Executive officer, Chief Financial Officer, Company Secretary in the financial year 2019-20 in comparison to the financial year 2018-19 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 2018-19 (in ₹)	Remuneration 2019-20 (in ₹)	% increase in Remuneration in the financial year 2019-20	Ratio of Remuneration to MRE* for the financial year 2019-20
Shri U. S. Bhartia, Chairman & Managing Director	3,46,69,155	12,94,73,694	273.46	289.97
Shri M. K. Rao, Whole-time Director (till 30.11.2019)	68,78,869	1,10,20,084**	#	NA
Shri Sudhir Agarwal, Whole-time Director (w.e.f. 01.12.2019)	##	22,58,150	##	NA
Smt. Jayshree Bhartia, Promoter Director	4,15,000	17,30,000	316.87	3.87
Shri Pradip Kumar Khaitan, Independent Director	9,40,000	30,00,000	219.15	6.72
Shri Jagmohan N. Kejriwal, Independent Director	3,30,000	17,60,000	433.33	3.94
Shri Ravi Jhunjhunwala, Independent Director	6,70,000	20,30,000	202.99	4.55
Shri Jitender Balakrishnan, Independent Director	4,20,000	17,80,000	323.81	3.99
Shri Ashwini Kumar Sharma, Nominee Director (till 31.08.2019)	4,00,000	1,00,000	#	NA
Shri Sajeve Deora, Independent Director	5,20,000	19,30,000	271.15	4.32
Shri Rakesh Bhartia, Chief Executive Officer	1,95,13,379	2,03,42,689	4.25	45.56
Shri Anand Singhal, Chief Financial Officer	70,54,937	73,17,528	3.72	16.39
Shri Ankur Jain, Company Secretary	34,34,779	43,16,268***	25.66	9.67

\*Median Remuneration of Employees

Notes:

- (a) The remuneration is within the limits as prescribed under the Companies Act, 2013.  
 (b) # Percentage increase/decrease is not reported as directorship was not held during entire FY 2019-20.  
 (c) ## Appointed as Executive Director w.e.f. 1<sup>st</sup> December, 2019, hence, past year remuneration and percentage increase/decrease is not reported.  
 (d) \*\* Includes amount of gratuity of ₹ 53,11,731 and leave encashment of ₹ 8,33,885.  
 (e) \*\*\* Includes allowances pertaining to earlier years, paid in FY 2019-20 in accordance with the Company's Policy.
- (ii) There was an increase of 7.75 % in the median remuneration of employees in the financial year 2019-20.  
 (iii) Number of permanent employees on the rolls of the Company as on 31<sup>st</sup> March, 2020 were 1312.  
 (iv) Average percentile increase made in the salaries of the employees other than managerial personnel in the last financial year was 10.38 % whereas percentile increase in the managerial remuneration was 185.91 % for the same financial year. The managerial remuneration paid was within the permissible limit as mentioned in Section 197.  
 (v) It is affirmed that the remuneration paid to the Directors, Key Managerial personnel and other Employees is as per the Nomination and Remuneration Policy of the Company.

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

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

SR. NO.	NAME	AGE IN YEARS	DESIGNATION	NATURE OF EMPLOYMENT	#GROSS REMUNERATION (IN ₹)	QUALIFICATIONS	TOTAL EXPERIENCE (YEARS)	DATE OF COMMENCEMENT OF EMPLOYMENT WITH THE COMPANY	PREVIOUS EMPLOYMENT
1	Shri U.S. Bhartia	66	Chairman and Managing Director	Contractual	12,94,73,694	B.Com (Hons.)	41	29.11.1996	Managing Director, India Glycols Ltd.
2	Shri Rakesh Bhartia	51	Chief Executive Officer	Permanent	2,03,42,689	CA, CS, ICWA	28	31.07.2009	CEO, Bajaj Hindustan Ltd.
3	Shri M.K. Rao (till 30.11.2019)	62	Executive Director	Contractual	1,10,20,084*	M. Tech (Chemical Plant Design)	38	15.12.1988	Indian Petrochemical Corporation Ltd, Senior Engineer
4	Shri Sudhir Agarwal	58	- Site Head (till 30.11.2019) - Executive Director (w.e.f. 01.12.2019)	Contractual	50,20,363**	B.Tech (Chem.)	35	10.07.2014 (Executive Director w.e.f. 01.12.2019)	National Fertilizers Ltd, Chief Production Manager
5	Shri Anand Singhal	53	CFO	Permanent	73,17,528	CA	30	02.01.2008	Chief Financial Officer, Abhishek Industries Ltd.
6	Shri Rakesh Kumar Khandal	62	President-R&D and Business Development	Permanent	67,84,415	M.Sc (Chemistry), PHD (Applied Chemistry)	39	12.05.2015	Vice-Chancellor, Uttar Pradesh Technical University
7	Shri Manoj Pahwa (deceased on 29.09.2019)	57	President-Ennatura Biophara	Permanent	67,60,217*	B.Sc (ZBC), MBA (Marketing)	36	01.06.2010	Director, Sanat Products
8	Shri Sanjeev Gurwara	59	President-Marketing	Permanent	66,17,750	M.Sc (Organic Chemistry), MBA (Marketing)	36	22.08.1994	Branch Manager Marketing, S.M. Dyechem Ltd.
9	Shri Shashi Kant Shukla	55	Business Head - Gorakhpr	Permanent	54,30,148	MBA	31	20.12.2004	Saraya Distillery, Gorakhpur
10	Shri Madhup Misra	57	Head – Account and Admin	Permanent	44,61,866	CA	33	26.12.2001	AGM, S.M. Dyechem Ltd.

\* includes amount of gratuity and leaves encashment.

\*\* includes ₹ 27,62,213 paid as Site Head from 01.04.2019 to 30.11.2019 and ₹ 22,58,150 paid as Executive Director from 01.12.2019 to 31.03.2020.

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

Already covered in Point (A) above

**C. Employed for part of the year and in receipt of Remuneration not less than ₹ 8,50,000/- per month: Nil**

**NOTES:**

- #Gross Remuneration shown above includes salary, house rent allowance, Company's contribution to Provident Fund and other perquisites. Value of Perquisites have been calculated on the basis of Income Tax Act, 1961.
- The remuneration to Chairman and Managing Director is inclusive of commission for FY 2020.
- None of the employee mentioned above is related to any Director of the Company other than Shri U.S. Bhartia who is related to Smt. Jayshree Bhartia as spouse.
- There is no employee who was in receipt of remuneration in excess of that drawn by the Managing Director or Whole-time Director and holds not less than two percent of the equity shares of the Company by himself or alongwith his spouse and dependent children, falling under the provisions of Section 197 read with Rule 5(2)(iii) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

**For and on behalf of the Board**

Place : Noida  
Dated : 24<sup>th</sup> June, 2020

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



# Management Discussion & Analysis Report

## ECONOMIC/INDUSTRIAL OVERVIEW

Globally, FY 2019-20 remained a year of slowdown economic activities, mainly caused by extended US-China trade war and Brexit concerns. From last quarter of FY 20 onwards, the Covid-19 pandemic and the resultant economic shutdown in most part of the globe has disrupted billions of lives and are jeopardizing decades of development progress. As per World Economic Outlook Report of International Monetary Fund (IMF), as a result of the pandemic, the global economy is projected to contract by negative 3 percent in 2020. Further, as per IMF's report, the global economy is predicted to grow by 5.8 percent in 2021 as economic activity normalizes. This estimate is based on the premise that this pandemic fades in the later part of 2020 and containment efforts can be gradually unwound.

Indian economy too faced the slow growth trend and liquidity challenges with the start of FY 20. In response, the Government reduced corporate tax rates, taken steps towards bank consolidation, to add robustness to the banking system and improve flow of credit to private sector. Additionally, the Reserve Bank of India cut its benchmark rates by 0.85% to stimulate private investment. To jack up the economy further and in order to convert the Covid-19 crisis as an opportunity to achieve economic self-reliance, recently Indian Government announced the Atmanirbhar Bharat Abhiyan (or Self-reliant India Mission)- an economic package -worth Rs. 20 lakh crore or about 10% of India's GDP.

Amid the Covid-19 pandemic, India's GDP growth forecast for the fiscal year 2020 is estimated at 1.9% by the IMF who also have projected India's GDP growth forecast to 7.4 percent for fiscal year 2021.

India's further improved its ranking in the World Bank's Ease of Doing Business Index by 14 places in the 2019 edition to reach 63<sup>rd</sup> position. This is despite the fact that in 2019, private consumption, private investments and exports slowed down.

As per report published by McKinsey & Company in February, 2020 titled "The Indian chemical industry: Unleashing the next wave of growth", India's chemicals story is one of outperformance and promise. A consistent value creator with positive outlook, the chemical industry remains an attractive hub of opportunities even in an environment of global uncertainties. Worldwide trends affecting the global chemical industry could lead to near-term opportunities for chemical companies in India. As per FICCI report, India's chemical industry is one of the fastest growing in the world. Chemicals industry in India is highly diversified, covering more than 80,000 commercial products. It is broadly classified into Bulk chemicals, Specialty chemicals and Agrochemicals, Petrochemicals, Polymers and Fertilizers. Between 2006 and 2019, the compound annual growth rate (CAGR) in total returns to shareholders (TRS) for India's chemical companies was 15 percent, much higher than the global chemical-industry return, with a CAGR of 8 percent, and the overall global equity market, with a CAGR of 6 percent. The Indian chemicals industry is projected to reach \$ 304 billion by 2025. Indian chemical industry (excluding pharmaceutical products) rank 14<sup>th</sup> in exports globally. More than 2 million people are employed with this Industry in India.

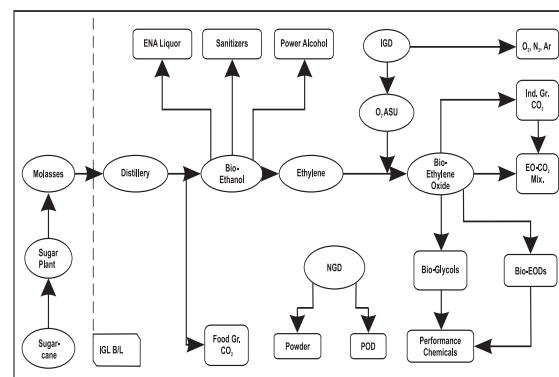
India Glycols Limited being the only green petrochemical Company of its kind, figures in the list of leading chemical manufacturers in the country.

## PRODUCTS

INDIA GLYCOLS LIMITED is one of the leading manufacturers of Glycols, Ethylene Oxide Derivatives viz., surfactants and speciality chemicals, Ethyl Alcohol (Potable), Natural Gum & Derivatives, Herbals/ Nutraceuticals 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 as presented below:

### Manufacturing Building Blocks



The Company has organised its business into:

A. Chemicals having following segments:-

- Glycols (MEG, DEG, TEG and Heavy Glycols).
- Ethylene Oxide Derivatives (EODs) viz. Speciality Chemicals and Ethoxylate.
- Power Alcohol, Industrial Gases, Natural Gum etc.

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

C. Nutraceuticals (previously termed as Herbal).

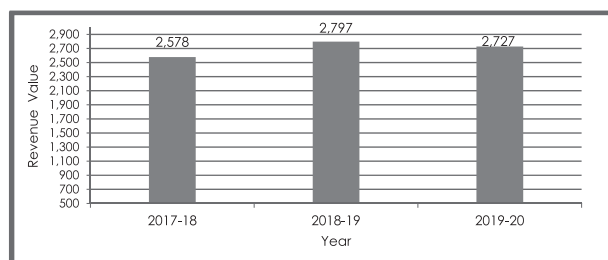
The segment wise business share is indicated as below:-

Segment	Gross Revenue 2019-20 (₹ In Crores) (Domestic + Exports)	% Share
A. CHEMICALS	2,727	45.82
B. ETHYL ALCOHOL (POTABLE)	3,041	51.10
C. NUTRACEUTICALS	183	3.08
<b>TOTAL</b>	<b>5,951</b>	<b>100.00</b>

## CHEMICAL SEGMENT

Gross revenue in chemical segment has decreased from ₹ 2,797 Crores in FY 2018-19 to ₹ 2,727 Crores in FY 2019-20. This segment has contributed about 45.82% of the gross revenue of the Company.

FY	2017-18	2018-19	2019-20
Chemical Gross Revenue (₹ in Crores)	2,578	2,797	2,727



### GLYCOLS

Sales of Glycols [Monoethylene Glycol (MEG), Diethylene Glycol (DEG), Triethylene Glycol (TEG), Heavy Glycols and Glycols Ether] has decreased from 1,53,004 MT in FY 18-19 to 1,04,779 MT in FY 19-20 and resultantly, the sales value also decreased from ₹1,448 Crores to ₹1,114 Crores, respectively. In domestic market, the sales of MEG was restricted due to low prevailing MEG prices and realization. Also there was some reduction in exports sales volume, due to low offtake by our Bio-MEG customers. The sales was affected primarily in Glycol Ethers & Acetates segment due to surplus availability of low priced Butyl Glycol & PMA, in the International market.

The Company always believes in innovations and, therefore, under the crisis time of Covid-19 pandemic, the Company introduced range of sanitization/disinfectants products under the Brand HandSantol™ to contain the spread of the Covid-19 pandemic and thus, successfully converted this crisis into an opportunity even before the same was envisaged by the Atma-nirbhar Bharat Abhiyan.

With this, the Company is not only serving its social responsibility through making available these social hygiene products to the society but also will be in the position to strengthen its business as these products will obviously garner more revenue in times to come.

### Ethylene Oxide Derivatives (EODs)

Sales under Ethylene Oxide Derivatives (EOD/Specialty Chemicals & Ethoxylate) business was increased from 69,363 MT in FY 18-19 to 74,037 MT during FY 19-20 and whereas the sales value was registered as ₹ 735 Crores and ₹ 752 Crores, respectively.

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

The Company aims to further increase its business by developing new products and applications especially in areas of Home Care, Personal Care, Hygiene & Disinfectant applications, as also in areas of textile

chemicals, oil field chemicals, paper chemicals etc. The thrust would be in line with the strategy to maximise EODs business in view of increasing the usage of EO for EO Derivatives for improved margins.

### Surfactants And Speciality Chemicals

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

### Bio-Ethoxylates

Bio-Ethoxylates in the international market are gaining acceptability and can be a good opportunity for better realisation in the niche market segments, where customers are looking for eco-friendly products. The Company has been successful in inducting large corporates into its customer base which is gradually growing globally.

### OPPORTUNITIES & CHALLENGES

MEG consumption for polyester industry for 2019-20 has been around 2.90 million tonnes. The limiting factor in the growth was the lower demand in the market resulting in overall growth of about 6-7% in Polyester Industry. Also, there was addition of new capacities and expansion in Polyester Film & POY segment leading to increased price competition in India. Globally, the trade restrictions imposed by China & US on each other and addition of around 2 Million capacity of MEG has further led to intense competition in price and easy availability of MEG stocks world over.

Domestic production of MEG was around 1.80 million tonnes primarily from Reliance & IOC and balance demand has been met through imports. Overall demand supply balance has not been favourable for MEG producers in the world market in 2019-20 with prices averaging around US\$ 550 during the financial year ended 31<sup>st</sup> March, 2020.

In order to ensure that the new products are delivered in time as per the needs of the customers, we have identified new growth areas and introduced new products such as Hand Sanitizers and Disinfectants in our product portfolio. Also, improvements in cost of many of our large-volume products were done through process validation to improve yield, production efficiency and usage of alternative Raw Materials. In addition, multiple initiatives have been taken to develop more Green products to meet the rising demand of environment-friendly surfactants and specialty chemicals based on renewable resources.

We are promoting our Glycols as Bio/ Green MEG to potential customers interested in meeting their objective of using environment friendly chemicals made from natural renewable resources. We have converted this concept into a good business opportunity which will enable higher capacity utilisation with better realisation. The Company is also embarking upon manufacturing Amine based

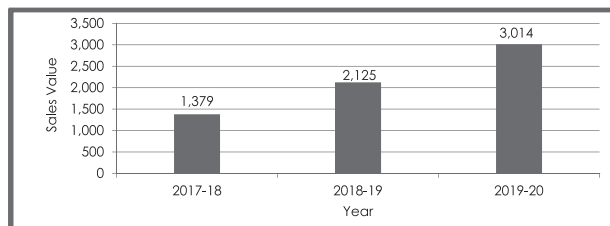
EO derivatives in near future. This will further add to the diversified portfolio of the Company and will give a competitive edge.

### ETHYL ALCOHOL (POTABLE), EXTRA NEUTRAL ALCOHOL (ENA)

During the year, your Company registered total sales value of ₹ 3,014 Crores as compared to ₹ 2,125 Crores last year in the Ethyl Alcohol (Potable) division. Due to persistent efforts for export of high quality Extra Neutral Alcohol (ENA), the Company has gained the position of a premium supplier of quality ENA in the international markets. The Company has been certified by CONTROLUNION, an International certifying agency, for “Bonsucro MB ‘Chain of Custody’ Standard” for ENA- Special Sprit.

During the year under review, the Company launched Indian Made Foreign Liquor (IMFL) brands namely ‘IGL Bunty Vodka Green Apple’ and ‘IGL Salute Premium Whisky’ in Tetra Pack – 180 ML, a Premium Vodka & Whisky in semi-premium segment in the State of Uttar Pradesh in addition to existing Brands which are available in the States of Uttarakhand, Uttar Pradesh, Delhi and Himachal Pradesh. The Company plans to produce IMFL brands soon from its Gorakhpur Unit.

FY	2017-18	2018-19	2019-20
ENA Sales Value (₹ In Crores)	1,379	2,125	3,014



### POWER ALCOHOL

In our continued thrust towards manufacturing sustainable/ renewable components, the Company has set-up Power Alcohol plants at Kashipur and Gorakhpur units each with a capacity of 100 KL per day. During the year under review, consequent to receipt of necessary approvals, production and supplies of Power Alcohol to Oil Manufacturing companies (“OMC’s”) for blending in Petrol as per Govt. Policy were also started by the Company from its Gorakhpur Unit. Kashipur Unit has already producing and supplying the same for some time now. The Company registered a revenue of ₹ 143 Crores from sale of Power Alcohol during the financial year 2019-20.

### INDUSTRIAL GASES

During the year under review, the Company, from its Air separation unit, produced 18,098 MT of Liquid Oxygen and 1,171 MT of Liquid Nitrogen. Both Liquid Oxygen and Liquid Nitrogen were sold in the market and also used for in-house requirements. In addition, Argon of 2,441 MT

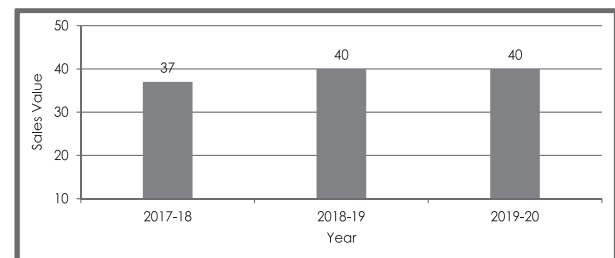
was also produced and its sales were 2,451 MT.

Industrial Gas Division also produced Beverage and Industrial Grade Liquid Carbon Di-oxide (LCO<sub>2</sub>) at Kashipur. During the year, your Company has produced 35,907 MT of LCO<sub>2</sub> and its sale was 33,678 MT.

Your Company also produced ETO (Ethylene Oxide & Carbon Dioxide Gas Mixtures) under the trade name IGL-STERI GAS at its Kashipur Plant. It is suitable for sterilization of Disposable Surgical & Medical Devices, spices and packing substances like rubber, plastic etc. The Company has in-house facilities for production of EO and LCO<sub>2</sub> which are used in production of ETO and as such it is the only plant in India to have such manufacturing facility, which gives us a distinct edge over other suppliers in the market. During the year under review, the Company has sold 1,132 MT of STERI Gas as compared to 1,062 MT in the last year.

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

FY	2017-18	2018-19	2019-20
Sales Value (₹ In Crores)	37	40	40



### NUTRACEUTICALS (PREVIOUSLY TERMED AS HERBALS)

During the year, your Company registered sale value of ₹ 178 Crores as compared to ₹ 160 Crores last year in the Ennature Bio-pharma (Nutraceuticals) division.

Some of the products developed successfully in the recent past include Liquid Nicotine & various salts, for the cigarette replacement therapy. Additionally, the Company has developed another good molecule Asiaticoside/ Madecassosides apart from existing Centella Asiatica for skin repair and poised to do well. The Company has also launched maxicura (a curcumin formulation) in nanotized form which is more bioavailable than curcumin itself, proven in the preclinical trials on animal models. This segment is growth & result oriented with an objective & concern for environment, transforming lives through green technology for isolation & purification of phytochemicals.

## EXPORTS

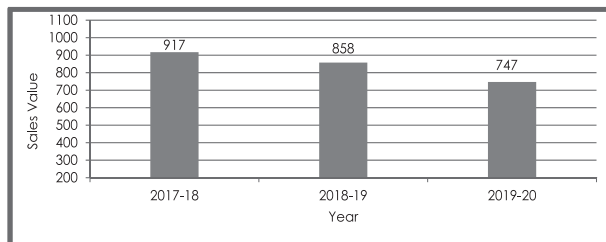
With an eye on the environment conscious green chemicals global market, for the past few years the Company has been focusing on exports as one of its key segments for future growth. The Company has positioned itself as a 'Green Chemicals' Company in the international market and is today a well-known supplier of bio-glycols and bio-ethoxylates. This is being done as a planned strategy to cater to the global niche green market of Multinationals & Large Corporates, who have a special concern for the environment and have their internal CSR objectives of moving towards green products. The Company has been able to find a stronghold in the Bio-MEG/Bio-PET segment where its products are being used by large corporates worldwide.

The Company already has a well established position in the domestic speciality ethoxylates market segment. The Company intends to use its wide experience in this segment in the domestic market to give thrust to exports of similar products in the international market. The Company has leveraged its competitive advantage as one of the very few companies worldwide in the space of bio-based ethoxylates/ surfactants.

The global chemical trade remained adversely affected by US-China trade war and low crude oil prices leading to surplus availability in SE Asia, China and Far East. The Bio-MEG sales grew in Far East markets but experienced a slowdown in US/European markets. Sales of Glycol Ethers also showed a dip due to low petro based EO prices which led to decline in EOD prices in SE Asia and China. Bio-Ethoxylate segment did show a good growth and this market is expected to grow further in coming years.

During the year under review, your Company has recorded export sales value of ₹ 747 Crores as compared to ₹858 Crores during last year. The Company continues to hold the 'Three Star Export House' status as granted by Government of India.

FY	2017-18	2018-19	2019-20
Exports Sales Value (₹ In Crores)	917	858	747



## FINANCIAL REVIEW

Despite the challenging economic conditions during the Financial Year 2019-20, the Company's overall performance remained good. During the FY 2019-20 on a standalone basis, your Company recorded total revenue of

₹ 5,963 Crores as compared to ₹ 5,133 Crores in FY 2018-19, an increase of about 16%. Whereas, the profits after depreciation and tax for the FY 2019-20 were ₹128 Crores as compared to ₹ 148 Crores during the FY 2018-19.

The liquor business of the Company continued to perform well and supported the bottom line. The year gone by witnessed the prolonged US-China trade war, continued low crude prices and Covid-19 spread in China. All this, led to low demand and prices of MEG internationally and impacted the revenue and profits of the Chemical business marginally. The nutraceutical business registered a growth of over 10% in revenue over the previous year and continued its trend of good profit margins.

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

During the year under review, the Gross Fixed Assets has increased to ₹ 2,453 Crores in FY 2019-20 from ₹ 2,340 Crores in FY 2018-19.

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

### Details of significant changes in key financial ratios:

- Net profit margin ratio was reduced to 2.16 % as compared to last year of 2.90 % due to decline in Bio MEG prices globally and resultantly lower sales value.
- Debtors turnover ratio was 10.36 % in comparison of 15.52 % during last year. The increase in debtors was largely due to impact of lockdown as imposed by the Government of India/State Governments.

Except the above, there is no significant changes in the key financial ratios of the Company during FY 20.

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

### COVID- 19 PANDEMIC IMPACT

The Company's operations were disrupted for short duration as a consequence of the outbreak of Covid-19 Pandemic followed by the imposition of nationwide lockdown by the Government of India. All Plants resumed operations in phased manner after shutdown with all safety measures in place and are operational presently. The Company enabled work from Home for its employees and offices are being resumed with full safety measures and as per government directions.

On the basis of evaluation and current indicators of future economic conditions, the Company does not anticipate

any major challenge in respect of liquidity position in the year 20-21, to meet its commitments.

A definitive assessment of the future impact on our operations at this stage would be premature. Also, the impact assessment of Covid-19 is a continuing process, given the uncertainties associated with its nature and duration. The Company will continue to monitor any material changes to future economic conditions and is confident about adapting to the changing business environment and respond suitably to fulfil the needs of its customers.

#### **OUTLOOK**

India ranks 14<sup>th</sup> in export and 8<sup>th</sup> in import of chemicals (excluding pharmaceutical products) globally and the demand for chemical products is expected to grow at approximately 9% p.a. over the next 5 years. The Company has leveraged its competitive advantage as one of the very few companies worldwide in the space of bio-based ethoxylates/ surfactants. The lower carbon footprint and the use of green feedstock for production by the Company finds a mass appeal with many major global companies. The focus for the future would remain in the area of marketing Bio-MEG, Bio Ethoxylates and performance chemicals such as specialty surfactants and specialty chemicals to niche markets.

During Q4/FY 20, when Covid-19 Pandemic started showing its presence in India, the Company converted the challenging time into a business opportunity by start producing Alcohol based Hand Sanitizer, post obtaining all the requisite approvals, a definitive booster to the revenue in the future time.

Also, with increasing environment related concerns across globe in recent times and rising demand for green and environment friendly products, IGL, being the only green petrochemical Company of its kind, would have better business opportunities in different industry sectors in the time to come.

#### **SUSTAINABILITY: HEALTH, SAFETY, ENVIRONMENT & MANAGEMENT SYSTEMS**

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

#### **HEALTH**

Your Company accords very high priority to provide healthy and safe working environment. Company has a medical centre at factory site with basic amenities; two qualified and experienced doctors with trained and experienced para-medical personnel are available round the clock to meet any contingency. The Company also has a qualified Occupational Health Physician. Company

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

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

#### **SAFETY**

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

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

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

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

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

#### **ENVIRONMENTAL STEWARDSHIP**

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

Your Company uses molasses, residue product of sugar mills generated in the process of manufacturing of sugar. The molasses converted into alcohol in the captive distillery and thereafter used in the process to make ethylene oxide

and its products. Company has set up elaborate systems by making substantial capital investments for proper treatment of the effluent generated and meets all the requirements in this regard. Company has also installed Rain Water Harvesting systems and keeps on working for reduction of water footprint (WFP).

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

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

The liquid effluent from Distillery is concentrated in the evaporator system to generate concentrated spent wash (slop). The Slop (concentrated spent wash) from the evaporator is used as fuel for the generation of steam and electricity. This is a novel boiler that has been developed for utilization of concentrated spent wash and generation of steam there from.

## **SUSTAINABLE ENVIRONMENT AND CLIMATE CHANGE INITIATIVES**

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

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

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

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

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

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

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

## **MANAGEMENT SYSTEMS**

### **• INTEGRATED MANAGEMENT SYSTEM**

Your Company is having Integrated Management System (IMS) comprising of Quality Management System, Environmental Management System, Occupational Health & Safety Management System, Food Safety Management System, Food Safety System Certificate, Energy Management System and Social Accountability. Your Company is successfully certified against the new revised High Level Structure (HLS) of Quality Management System (ISO 9001:2015) and Environmental Management System (ISO 14001:2015) and other standards as Occupational Health & Safety Management System (OHSAS 18001:2007) is replaces with new HLS standard (ISO 45001:2018), Food Safety Management System (ISO 22000:2005), Food Safety System Certificate (FSSC 22000). Energy Management System is upgraded to new HLS standard (ISO 50001:2018) comprised under Integrated Management System by M/s DNVGL, a renowned certification agency. Your Company has upgraded Social Accountability certification to new revised SA 8000:2014 standard and gets certified by M/s DNV-GL.

Special emphasis on risk-based thinking has been the new focus of Quality Management System & Environmental Management System. This risk based thinking enables to determine the factors that could cause deviation in processes and thereby in management systems, which may pose business risk in turn. This risk-based thinking offers opportunity to put necessary controls, to mitigate and minimize the premature risks, in place. Furthermore, preventive actions can be implemented to avoid any potential business risk. Value addition to Environmental Management System is its new focus and emphasis on Life Cycle Perspective to achieve sustainable development by balancing three pillars Environment, Society and Economy which is essential to meet the present day need of sustainable business without compromising ability of future

generation and rendering them impaired. Integrated Management System has been upgraded to cover RC 14001:2015 standard. Responsible Care helps companies to not only improve their environmental, health, safety and security performance, but also to improve their business operations. As per requirement of the standard, emphasis on risk-based thinking is given. Focus for security is also considered in addition to Quality, Health, Safety & Environment system. The Company also has HALAL and KOSHER certificates for the defined products. The Company has worked for “Bonsucro MB ‘Chain of Custody’ Standard” for the Extra Neutral Alcohol (ENA)- Special Sprit and successfully certified by CONTROLUNION. Your Company received consecutively for second time, the prestigious Award for ‘Efficiency in Energy Usage’ from FICCI at ‘India Chemical & Petrochemical Awards 2019’, based on Energy Management System, Energy Conservation Projects and Carbon Foot Print reduction analysis. The Company uses an established ERP system of SAP S/4 HANA which is built on a robust IBM hardware platform and has helped the Company to achieve inter-alia, faster performance, improved user experience through simplified data structure, smaller data footprint & embedded analytics. The Company has 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**

India Glycols is working towards implementation of Process Safety Management (PSM) along with RC in the organization to ensure systematic and high level Process Safety by elaborating its specific elements and ensuring the safety of employees, environment and physical plant assets in the event of any unexpected process excursion. Company has digitized one of the key pillars of PSM as Management of Change in SAP system and now it is successfully operational. It helps to compile process safety information and changes as another key pillar of PSM.

#### **LEAN MANAGEMENT**

Your Company 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 cycle time reduction, customer demand-based manufacturing, point of use storage, quick changeover, cellular manufacturing, process improvements, Kaizen, world class manufacturing, synchronous manufacturing and inventory management. We are committed to work towards continual improvement of Quality, Environment, Health & Safety, Food Safety, Energy Performance and Social accountability and we discourage discrimination of any kind in any form.

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

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

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

#### **1. Development of Surfactants from alternative feedstock’s**

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

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

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

#### **3. Crop-Protection Business**

- Environment friendly surfactants for “ZC” formulations
- Biodegradable dispersing agents for the broad range of the Fungicide and Insecticides.
- Eco-friendly adjuvants for micronutrients to stabilised in aqueous medium.
- Surfactants for capsule suspension-Controlled Release Applications.
- Surfactant for special Combo formulation.

#### **4. Oil & Gas Industry**

- New generation Low temperature & low dose demulsifier for crude oil.

- Unique and innovative, New Generation Surfactant for Enhance oil recovery.
- Specialty amines for Refineries.

#### 5. Emulsion Polymerization & Paint Industries

- Eco-friendly surfactant (Vegetable oil based) for pigment dispersion.
- Universal colorant for water & oil based paint
- APEO free surfactant for Emulsion Polymerization/ paints.

#### 6. Paper Industry / Leather

- Universal cooking aid.
- Eco-friendly deinking chemicals.

#### 7. Automobile industry / Metal Working chemicals

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

#### 8. Detergent / Personal care Industries

- Sodium Isethionate for skin care.
- Eco-friendly and biodegradable amphoteric surfactant for personal care products.
- Bio- Ester for personal care products.
- Surfactant for hard surface cleaning agent
- Unique and Skin friendly Green Surfactant for Bath soap formulations.

#### 9. Construction Chemicals

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

#### 10. Guar based specialty Chemicals

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

During the last quarter of the year-2019-20, the major focus of R & D has been own products related to Covid -19. To deal with Covid -19, R & D Centre of India Glycols Limited has come up with a series of products for the Sanitization. The impact of Covid -19 has created lock down of the industries globally and Pharmaceutical industries are not exception of this. R & D centre of India Glycols Limited not only help the Human Race by launching these Sanitization products within a very short period of time but also helps to continue its manufacturing in this critical time.

The Company intends to launch various products to deal with Covid 19 Pandemic, in the category of Handsanitizer, Floorsanitizer, fumigation and multipurposes cleaning among others.

#### INTERNAL FINANCIAL CONTROLS AND THEIR ADEQUACY, RISK MANAGEMENT

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

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

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

The Company has constituted a Risk Management Committee consisting of Directors and the senior management personnel of the Company to monitor the Risk Management Plan, to identify and mitigate the risks attached to the business of the Company.

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

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

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

#### HUMAN RESOURCE/INDUSTRIAL RELATIONS

Company continues to focus on training its employees on a continuous basis both on the job and through training program to face challenges in the business/industry. During the year, industrial relations have been cordial. Total Number of Employees on Company's role has been around 1,370 (including 58 apprentice).

#### CAUTIONARY STATEMENT

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



# Report on Corporate Governance

The Directors present the Company's Report on Corporate Governance for the year ended 31<sup>st</sup> March, 2020 in compliance with the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

## I. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

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

## II. BOARD OF DIRECTORS

### a) Composition of the Board

As on 31<sup>st</sup> March, 2020, the Board of Directors of the Company ("the Board") comprised of eight Directors 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.

During the year under review, based on the recommendation of the Nomination and Remuneration Committee ("NRC"), the Board at its meeting held on 11<sup>th</sup> November, 2019 had appointed Shri Sudhir Agarwal as an Additional Director in the category of

Executive Director and Key Managerial Personnel of the Company for a period of 3 years w.e.f. 1<sup>st</sup> December, 2019 subject to approval of the Members in the ensuing general meeting. Also, in pursuance to the provisions of SEBI Listing Regulations and based on the recommendation of the NRC, the Board through circular resolution passed on 3<sup>rd</sup> March, 2020 had appointed Smt. Shukla Wassan as an Additional Director in the category of Independent Director for a period of 5 consecutive years w.e.f. 1<sup>st</sup> April, 2020 subject to the approval of the Members in the ensuing general meeting. Further, subsequent to the closure of financial year 2019-20, the Board of Directors, based on the recommendation of NRC, at its meeting held on 24<sup>th</sup> June, 2020, appointed Ms. Pragya Bhartia Barwale, as an Additional Director in the category of Executive Director and Key Managerial Personnel of the Company for a period of 5 years w.e.f. 24<sup>th</sup> June, 2020 subject to approval of the Members in the ensuing general meeting.

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

### b) Number of Board Meetings

During the year ended 31<sup>st</sup> March, 2020, four board meetings were held. The dates of the meetings and attendance of directors thereat are as under:

Date	Board Strength	No. of Directors Present
21 <sup>st</sup> May, 2019	9	9
9 <sup>th</sup> August, 2019	9	8
11 <sup>th</sup> November, 2019	8	7
10 <sup>th</sup> February, 2020	8	7

The maximum gap between two board meetings was less than one hundred and twenty days.

### c) Names and category of the Directors, their attendance at Board Meetings, last Annual General Meeting and the number of Directorships and Chairman/ membership(s) held in other Companies as on 31<sup>st</sup> March, 2020:

Name of the Director	Category	Number of board meetings during the FY 2019-20		Attendance at last AGM	Number of Directorships in other Companies*		No. of Committees in which Chairmanship/ membership held**		Directorship held in other listed entities and category of Directorship
		Held	Attended		Chairmanship	Directorship	Chairmanship	Member	
Shri U.S. Bhartia (Chairman and Managing Director) DIN: 00063091	Executive (Promoter)	4	4	Yes	2	13	1	6	1. Polylink Polymers (India) Limited (Non-Executive Non-Independent Director)
Smt. Jayshree Bhartia DIN: 00063018	Non-Executive (Promoter)	4	3	No	-	13	-	1	-
Shri M.K. Rao (Executive Director) DIN: 02168280#	Executive	3	3 <sup>#</sup>	Yes	-	-	-	1	-

Name of the Director	Category	Number of board meetings during the FY 2019-20		Attendance at last AGM	Number of Directorships in other Companies*		No. of Committees in which Chairmanship/ membership held**		Directorship held in other listed entities and category of Directorship
		Held	Attended		Chairmanship	Directorship	Chairmanship	Member	
Shri Sudhir Agarwal (Executive Director) DIN: 08602216##	Executive	1	1##	NA	-	-	-	1	-
Shri Pradip Kumar Khaitan DIN: 00004821	Non-Executive & Independent	4	4	No	-	7	2	4	1. CESC Limited (Non-Executive Non-Independent Director) 2. Electro Steel Castings Limited (Independent Director) 3. Emami Limited (Independent Director) 4. Firstsource Solutions Limited (Non-Executive Non-Independent Director) 5. Graphite India Limited (Independent Director) 6. Dalmia Bharat Limited (Independent Director)
Shri Jitender Balakrishnan DIN: 00028320	Non-Executive & Independent	4	4	No	-	9	2	5	1. Polyplex Corporation Limited (Independent Director) 2. Sarda Energy & Minerals Limited (Independent Director) 3. Bharti Infratel Limited (Independent Director) 4. CG Power and Industrial Solutions Limited (Independent Director)
Shri Ravi Jhunjhunwala DIN: 00060972	Non-Executive & Independent	4	4	No	2	11	2	4	1. HEG Limited (Executive Director) 2. RSWM Limited (Non-Executive Non-Independent Director) 3. Maral Overseas Limited (Non-Executive Non-Independent Director) 4. BSL Limited (Non-Executive Non-Independent Director) 5. JK Lakshmi Cement Limited (Independent Director)
Shri Jagmohan N. Kejriwal DIN: 00074012	Non-Executive & Independent	4	2	No	-	2	-	2	-
Shri Sajeve Deora DIN: 00003305	Non-Executive & Independent	4	4	No	-	4	-	2	1. Integrated Capital Services Limited (Non-Executive Non-Independent Director)
Shri Ashwini Kumar Sharma DIN: 00157371###	Non-Executive & Nominee	2	2###	No	-	-	-	-	-

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

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

# ceased to be Director and Executive Director of the Company upon acceptance of his request for early retirement by the Board of Directors w.e.f. 30<sup>th</sup> November, 2019 (close of business hours). During his tenure, three meetings of Board of Directors were held, which he has attended.

## Appointed as an Additional Director in the category of Executive Director w.e.f. 1<sup>st</sup> December, 2019. Post his appointment, one meeting of Board of Directors was held, which he has attended.

### ceased to be the Nominee Director of State Bank of India (SBI), Lead Lender of the Company, w.e.f. 31<sup>st</sup> August, 2019 (close of business hours) upon completion of his term. During his tenure, two meetings of Board of Directors were held, which he has attended.

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

Details of individuals ceased to be director during FY 20 have been considered as on their last day of directorship with the Company.

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

1. **Manufacturing business/ sector:** Relevant Experience and knowledge related to manufacturing, Health, Safety and Environment issues including Research and Development, Logistics and operational issues.
2. **Leadership:** Experience in managing companies including general management.
3. **Marketing:** Strategic thinker to analyse and identify opportunities to stimulate business growth and enhance enterprise reputation.
4. **Financial:** Financially literate with basic financial and accounting knowledge. Experience of handling financial management.
5. **Compliance Management and Corporate Governance:** Knowledge and understanding of legal and regulatory aspects including risk management, maintaining board and management accountability, protecting and enhancing interest of stakeholders.

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

Name of Director	Knowledge of Manufacturing Business/ Sector	Leadership	Marketing	Financial	Compliance Management and Corporate Governance
Shri U. S. Bhartia	√	√	√	√	√
Smt. Jayshree Bhartia	√	√	-	√	√
Shri M. K. Rao (till 30 <sup>th</sup> November, 2019)	√	√	-	√	√
Shri Sudhir Agarwal (w.e.f. 1 <sup>st</sup> December, 2019)	√	√	-	√	√
Shri Pradip Kumar Khaitan	-	√	-	√	√
Shri Jitender Balakrishnan	-	√	-	√	√
Shri Ravi Jhunjhunwala	√	√	√	√	√
Shri Jagmohan N Kejriwal	√	√	√	√	√
Shri Sajeve Deora	-	√	√	√	√
Shri Ashwini Kumar Sharma (till 31 <sup>st</sup> August, 2019)	-	√	-	√	√

e) The number of directorship, Committee membership/ chairmanship(s) of all directors is within respective limits as prescribed under the Act and SEBI Listing Regulations.

f) The Board periodically reviews the compliance reports of all laws applicable to the Company.

g) The Board of Directors has adopted and laid down a Code of Conduct for all directors and senior management personnel. The Code of Conduct is posted on Company's website at the link- [http://www.indiaglycols.com/investors/downloads/code\\_of\\_conduct.pdf](http://www.indiaglycols.com/investors/downloads/code_of_conduct.pdf)

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

All Board members and senior management personnel have affirmed compliance with the Code of Conduct for the FY 2019-20. A declaration by Chairman and Managing Director to this effect is enclosed with this report.

h) As on 31<sup>st</sup> March, 2020, 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.

- i) The number of shares held by Non-Executive Directors of the Company is as under:

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

The Company has not issued any convertible instruments.

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

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

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

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

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

During the FY 2019-20, one separate meeting of the IDs was held on 21<sup>st</sup> May, 2019, without the presence of Non-Independent Directors and the members of the management. The IDs, inter-alia, reviewed the performance of Non-Independent Directors, Chairman of the Company and the Board as a whole.

During the year under review, no Independent Director resigned.

### III. COMMITTEES OF THE BOARD

The Board has constituted various Committees with specific terms of reference as mandated by the applicable laws. As on 31<sup>st</sup> March 2020, the Board has 8 (Eight) Committees namely, Audit Committee, Nomination and Remuneration Committee, Stakeholders' Relationship Committee, Share Transfer Committee, Finance Committee, Risk Management Committee, Corporate Social Responsibility Committee and Ethics Committee.

- a) **Audit Committee:**

The Audit Committee is constituted in terms of the provisions of Section 177 of the Act and Regulation 18 of the SEBI Listing Regulations and performs all the functions specified therein.

**Terms of Reference:**

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

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

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

crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments.

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

#### **Composition**

As on 31<sup>st</sup> March, 2020, the Committee comprises of four Non-Executive Independent Directors, namely, Shri Pradip Kumar Khaitan, Shri Ravi Jhunjunwala, Shri Jagmohan N. Kejriwal, Shri Sajeve Deora and One Executive Director, Shri Sudhir Agarwal [Appointed as a Member w.e.f. 1<sup>st</sup> December, 2019 in place of Shri M.K. Rao, whose request for early retirement was accepted by the Board of Directors at their meeting held on 11<sup>th</sup> November, 2019 w.e.f. 30<sup>th</sup> November, 2019 (close of business hours)]. Shri Pradip Kumar Khaitan is the Chairman of the Committee. The Company Secretary acts as the Secretary to the Audit Committee.

#### **Meetings and Attendance**

The Committee met four times during the year on 21<sup>st</sup> May, 2019, 9<sup>th</sup> August, 2019, 11<sup>th</sup> November, 2019 and 10<sup>th</sup> February, 2020. The necessary quorum was present for all the meetings. The attendance of the members at the meetings is as follows:

Name of Members	Category	No. of Meetings	
		Held	Attended
Shri Pradip Kumar Khaitan	Chairman	4	4

Shri Jagmohan N. Kejriwal	Member	4	2
Shri Ravi Jhunjunwala	Member	4	4
Shri Sajeve Deora	Member	4	4
Shri M.K. Rao*	Member	3	3*
Shri Sudhir Agarwal**	Member	1	1**

\*ceased to be a member w.e.f. 30<sup>th</sup> November, 2019 (close of business hours). During his tenure, three meetings of the committee were held, which he has attended.

\*\*co-opted as a member w.e.f. 1<sup>st</sup> December, 2019. Post his co-option, one meeting of committee was held, which he has attended.

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

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

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

#### b) Nomination and Remuneration Committee

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

##### Terms of Reference:

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

- To formulate the criterion for determining qualifications, positive attributes and independence of a Director and recommend to the Board of Directors a policy relating to the remuneration for the Directors, Key Managerial Personnel (KMPs), Senior Management Personnel and other employees;
- To identify the persons who are qualified to become directors and who may be appointed as the KMPs or in senior management of the Company in accordance with the criteria laid down and recommend to the Board of Directors their appointment and removal;
- To review the structure, size and composition (including the skills, knowledge and experience) of the Board and making recommendations on any proposed changes to the Board to complement the Company’s corporate strategy, with the objective to diversify the Board;
- To make recommendations to the Board on the remuneration payable to the Directors/ KMPs/ Senior Management Personnel;
- To formulate the criteria/ manner for evaluation of performance of Board of Directors, its Committees, individual directors including independent directors;

- To assess the independence of Independent Directors;
- To make recommendations to the Board concerning any matters relating to the continuation in office of any Director at any time including the suspension or termination of service of an Executive Director as an employee of the Company subject to the provision of the applicable laws and their service contract;
- To ensure that level and composition of remuneration is reasonable and sufficient, relationship of remuneration to performance is clear and meets appropriate performance benchmarks;
- To devise a policy on Board diversity;
- To develop a succession plan for the Board and to regularly review the plan;
- Such other key issues / matters as may be referred /delegated by the Board or as may be necessary in view of the SEBI Listing Regulations and provisions of the Act and Rules thereunder and any subsequent amendments thereto.

##### Composition

As on 31<sup>st</sup> March, 2020, the Committee comprises of four Non-Executive Independent Directors namely, Shri Pradip Kumar Khaitan, Shri Jagmohan N. Kejriwal, Shri Ravi Jhunjunwala and Shri Sajeve Deora. Shri Pradip Kumar Khaitan is Chairman of the Committee. The Company Secretary acts as the Secretary to the NRC.

##### Meetings and Attendance

The Committee met twice during the year on 21<sup>st</sup> May, 2019 and 11<sup>th</sup> November, 2019. The necessary quorum was present for all the meetings. The attendance of the members at the meetings is as follows:

Name of Members	Category	No. of Meetings	
		Held	Attended
Shri Pradip Kumar Khaitan	Chairman	2	2
Shri Jagmohan N. Kejriwal	Member	2	1
Shri Ravi Jhunjunwala	Member	2	2
Shri Sajeve Deora	Member	2	2

##### Nomination, Remuneration and Evaluation Policy

The Nomination, Remuneration and Evaluation Policy (“Policy”) is formulated and adopted in line with Section 178 of the Act and the SEBI Listing Regulations (including any statutory modification(s) or re-enactments thereof) to provide a framework and set standards for the nomination and remuneration of the Directors, KMPs, Senior Management Personnel

and Other Employees and evaluation of Directors. The Company aims to achieve a balance of merit, experience and skills amongst its Directors, KMPs and Senior Management Personnel.

#### **Board Membership Criteria**

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

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

#### **Remuneration Policy**

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

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

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

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

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

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

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

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

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

#### **Performance Evaluation Criteria**

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

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

- Leadership & stewardship abilities.
- Contributing to clearly define corporate objectives & plans.
- Communication of expectations & concerns clearly with subordinates.
- Obtain adequate, relevant & timely information from external sources.
- Review achievement of strategic and operational plans, objectives, budgets.
- Regular monitoring of corporate results against projections.
- Identify, monitor & mitigate significant corporate risks.

- Assess policies, structures & procedures.
- Review management's succession plan.
- Effective meetings.
- Assuring appropriate board size, composition, independence, structure.
- Clearly defining roles & monitoring activities of Committees.
- Review of corporation's ethical conduct.

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

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

#### c) Stakeholders' Relationship Committee

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

##### Terms of Reference

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

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

#### Composition

As on 31<sup>st</sup> March, 2020, the Committee comprises of three Non-Executive Independent Directors, namely, Shri Pradip Kumar Khaitan, Shri Jagmohan N. Kejriwal, Shri Jitender Balakrishnan and one Executive Director, Shri U.S. Bhartia. Shri Pradip Kumar Khaitan is the Chairman of the Committee. The Company Secretary acts as the Secretary to the Committee. Shri Ankur Jain, Company Secretary is the Compliance officer of the Company.

#### Meetings and Attendance

The Committee met four times during the year on 21<sup>st</sup> May, 2019, 9<sup>th</sup> August, 2019, 11<sup>th</sup> November, 2019 and 10<sup>th</sup> February, 2020. The necessary quorum was present for all the meetings. The attendance of the members at the meetings is as follows:

Name of Members	Category	No. of Meetings	
		Held	Attended
Shri Pradip Kumar Khaitan	Chairman	4	4
Shri U.S. Bhartia	Member	4	4
Shri Jagmohan N. Kejriwal	Member	4	2
Shri Jitender Balakrishnan	Member	4	4

#### Investors' complaints received and resolved during the year

During the year under review, the Company had received 26 Investors' Complaints. All the complaints received were duly redressed by the Company. As on 31<sup>st</sup> March, 2020, no complaint was outstanding.

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

#### d) Share Transfer Committee

##### Terms of Reference

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

#### Composition

As on 31<sup>st</sup> March, 2020, the Committee comprises of three Non-Executive Directors, namely, Smt. Jayshree Bhartia, Shri Ravi Jhunhunwala, Shri Jagmohan N. Kejriwal, and one Executive Director Shri U.S. Bhartia. Shri U.S. Bhartia is the Chairman of the Committee. The Company Secretary acts as the Secretary to the Share Transfer Committee.



### Meetings and Attendance

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

Name of Members	Category	No. of Meetings	
		Held	Attended
Shri U.S. Bhartia	Chairman	11	11
Smt. Jayshree Bhartia	Member	11	8
Shri Jagmohan N. Kejriwal	Member	11	2
Shri Ravi Jhunjunwala	Member	11	9

#### e) Finance Committee

##### Terms of Reference

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

##### Composition

As on 31<sup>st</sup> March, 2020, the Committee comprises of two Directors, namely, Shri U.S. Bhartia, Chairman and Managing Director and Shri Sudhir Agarwal, Executive Director [Appointed as a Member w.e.f. 1<sup>st</sup> December, 2019 in place of Shri M.K. Rao, whose request for early retirement was accepted by the Board of Directors at their meeting held on 11<sup>th</sup> November, 2019 w.e.f. 30<sup>th</sup> November, 2019 (close of business hours)]. Senior officials of the Company, namely, Shri Rakesh Bhartia, Chief Executive Officer [consequent to year ended 31<sup>st</sup> March, 2020, resigned from the services of the Company w.e.f. 16<sup>th</sup> June, 2020] and Shri Anand Singhal, Chief Financial Officer are the permanent invitees of the Committee. Shri U.S. Bhartia is the Chairman of the Committee. The Company Secretary acts as the Secretary to the Finance Committee.

##### Meetings and Attendance

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

#### f) Risk Management Committee

##### Terms of Reference

The Board has constituted a Risk management Committee in line with the SEBI Listing Regulations 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 also review and reassess the adequacy

of the plan periodically and recommend proposed changes.

##### Composition

As on 31<sup>st</sup> March, 2020, the Committee comprises of eight members including three Non-Executive Independent Directors namely, Shri Ravi Jhunjunwala, Shri Pradip Kumar Khaitan, Shri Jitender Balakrishnan; Shri U. S. Bhartia, Chairman and Managing Director, Shri Sudhir Agarwal, Executive Director [Appointed as a Member w.e.f. 1<sup>st</sup> December, 2019 in place of Shri M.K. Rao, whose request for early retirement was accepted by the Board of Directors at their meeting held on 11<sup>th</sup> November, 2019 w.e.f. 30<sup>th</sup> November, 2019 (close of business hours)] and three Senior executives of the Company namely, Shri Rakesh Bhartia, Chief Executive Officer [Consequent to year ended 31<sup>st</sup> March, 2020, resigned from the services of the Company w.e.f. 16<sup>th</sup> June 2020], Shri Anand Singhal, Chief Financial Officer and Shri Atul Govil, IT Head as its members.

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

##### Meetings and Attendance

The Committee met once during the year on 10<sup>th</sup> February, 2020. The necessary quorum was present during the meeting.

#### g) Corporate Social Responsibility Committee

##### Terms of reference

The Corporate Social Responsibility Committee has been constituted by the Board 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 Act; 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.

##### Composition

As on 31<sup>st</sup> March, 2020, the Committee comprises of four members including two Executive Directors namely Shri U.S. Bhartia, Chairman and Managing Director and Shri Sudhir Agarwal, Executive Director [Appointed as a Member w.e.f. 1<sup>st</sup> December, 2019 in place of Shri M.K. Rao, whose request for early retirement was accepted by the Board of Directors at their meeting held on 11<sup>th</sup> November, 2019 w.e.f. 30<sup>th</sup> November, 2019 (close of business hours)] and two Non-Executive Independent Director namely, Shri Pradip Kumar Khaitan and Shri Jitender Balakrishnan. Shri U.S. Bhartia is Chairman of the Committee. The Company Secretary acts as the Secretary to the Corporate Social Responsibility Committee.

##### Meetings and Attendance

The Committee met twice during the year on 21<sup>st</sup> May,

2019 and 9<sup>th</sup> August, 2019. The necessary quorum was present for both the meetings.

#### h) Ethics Committee Terms of Reference

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

#### Composition

As on 31<sup>st</sup> March, 2020, the Committee comprises of three Non-Executive Independent Directors namely, Shri Pradip Kumar Khaitan, Shri Jitender Balakrishnan and Shri Jagmohan N. Kejriwal. Shri Pradip Khaitan is the Chairman of the Committee. The Company Secretary acts as the Secretary to the Ethics Committee.

#### Meetings and Attendance

The Directors and the senior management confirmed compliance with the Code of Conduct for the FY 2019-20. No breach of the said code was observed. During the year, no meeting of the Ethics Committee was held.

### IV. REMUNERATION OF DIRECTORS FOR FY 2019-20:

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

Name of Director	Salary (Basic)	Perquisites/allowances	Retiral benefits	Provident Fund Contribution	Com- mission [relates to FY20]	Total
Shri U.S. Bhartia	4,80,00,000	8,64,694	-	57,60,000	7,48,49,000	12,94,73,694
Shri M. K. Rao#	41,46,685	2,66,735	61,45,616	4,61,048	-	1,10,20,084
Shri Sudhir Agarwal##	20,77,766	10,800	-	1,69,584	-	22,58,150

# till 30<sup>th</sup> November, 2019 and total remuneration includes ₹53,11,731/- towards gratuity and ₹8,33,885/- towards leave encashment aggregating to ₹61,45,616/- paid as retiral benefits.

## w.e.f. 1<sup>st</sup> December, 2019.

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

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

Name of Director	Sitting Fee	Com- mission [relates to FY 20]	Total
Smt. Jayshree Bhartia	2,30,000	15,00,000	17,30,000
Shri Pradip Kumar Khaitan	5,00,000	25,00,000	30,00,000
Shri Jagmohan N. Kejriwal	2,60,000	15,00,000	17,60,000
Shri Ravi Jhunjunwala	5,30,000	15,00,000	20,30,000

Shri Jitender Balakrishnan	2,80,000	15,00,000	17,80,000
Shri Sajeve Deora	4,30,000	15,00,000	19,30,000
*Shri Ashwini Kumar Sharma	1,00,000	-	1,00,000

\*ceased to be a nominee director w.e.f. 31<sup>st</sup> August, 2019 (close of business hours)

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

During the FY 2019-20, an amount ₹52,18,524/- (excluding taxes) was paid by the Company to M/s Khaitan & Co. LLP, related party towards the legal and professional services provided by them, in which Shri Pradip Kumar Khaitan, Director of the Company is a partner.

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

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

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

### V. OTHER DISCLOSURES

#### (a) Related Party Transaction Disclosures

All transactions entered into with related parties by the Company during the FY 2019-20 were on Arm's Length Basis and in Ordinary course of Business and were in compliance with the applicable provisions of the Act and SEBI Listing Regulations and approved by the Audit Committee. The Audit Committee reviews at least on a quarterly basis, the details of related party transactions entered into by the Company pursuant to each of the omnibus approval granted. There were no materially significant transaction made by the Company with the related parties viz. Promoters, Directors or the management or relatives and their subsidiaries etc. that may have a potential conflict with the interest of the Company at large. No material related party transaction was entered into during the FY 2019-20.

Pursuant to Regulation 23(9) of SEBI Listing Regulations, disclosures of related party transactions on a consolidated basis for the half year ended 31<sup>st</sup> March, 2019 and 30<sup>th</sup> September, 2019 were submitted to the Stock Exchanges and also hosted on the website of the Company. The details of related party transactions with the Company as required by

Indian Accounting Standards (Ind AS) on Related Party Transactions have been given in Note no. 54 of the Standalone Financial Statements forming part of Annual Report. The Related Party Transactions Policy of the Company as approved by the Board has been uploaded on the Company's website at the following link-

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

- (b) The Company has complied with all the applicable requirements as specified under the SEBI Listing Regulations. There were no penalties or strictures imposed or passed on the Company by the Stock Exchanges or SEBI or any Statutory Authorities on any matter related to Capital Markets for non-compliance by the Company during last three years.
- (c) As a conscious and vigilant organization, 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 ("the Policy"). Whistle Blower/Vigil Mechanism provides a channel to the employees to report to the management concerns about the suspected or confirmed malpractices and events. The policy provide for the adequate safeguard of the person availing the mechanism by maintaining confidentiality of all the matters under the policy and also provide for direct access to the Chairman of the Audit Committee in exceptional cases in the manner laid down therein. During the year under review, no person has been denied access to the Audit Committee. It is affirmed that, the Policy allows reporting of instances related to leakage of Unpublished Price Sensitive Information. The Whistle Blower/Vigil Mechanism Policy is hosted on the Company's website at the following link-  
<http://www.indiaglycols.com/investors/downloads/vigil-mechanism-policy.pdf>
- (d) The Company has also adopted Policy on determination of materiality of event/information as required by SEBI Listing Regulations the same is available at <http://www.indiaglycols.com/investors/downloads/Policy-on-Determination-of-Materiality-of-Event-Information.pdf>. Also, the Policy on Preservation of Records/Archival, as adopted by the Company is available at <https://www.indiaglycols.com/investors/downloads/Policy-on-preservation-of-records-IGL-updated-11-02-2016a.pdf>
- (e) In Compliance with the SEBI (Prohibition of Insider Trading) Regulations, 2015, as amended, the Company has adopted a Code of Conduct for Regulating, Monitoring, Reporting Trading in

Securities and Code of Practices & Procedures for Fair Disclosure of Unpublished Price Sensitive Information. The codes lay down guidelines for procedures to be followed and disclosures to be made while trading in securities of the Company. The Code of Practices & Procedures For Fair Disclosure of Unpublished Price Sensitive Information is available on the website of the Company at the following link:

<https://www.indiaglycols.com/investors/downloads/code-practices-Procedures-Fair-Disclosure-Unpublished-Price-Information.pdf>

- (f) The Company is in compliance with all the Mandatory requirements stipulated in SEBI Listing Regulations.
- (g) The Company has obtained a certificate from M/s Mukesh Agarwal & Co., Company Secretaries, confirming that none of the directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as directors of the companies by the Securities and Exchange Board of India and Ministry of Corporate Affairs or any such authority.
- (h) During the year under review, all recommendation of the Committees of the Board which were mandatorily required have been accepted by the Board.
- (i) During FY 2019-20, an amount of ₹43.13 Lakhs was paid by the Company and its subsidiaries on consolidated basis, for all the services to M/s K.N. Gutgutia & Co., the Statutory Auditors. Out of which, ₹42.33 Lakhs paid by the Company (₹20 Lakhs towards Statutory Audit fee) and ₹0.80 Lakhs paid by subsidiaries towards Statutory Audit fee. The Statutory Auditor has no networking/ partner in the networking entity.
- (j) In accordance with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, the Company has constituted an Internal Complaints Committee where any grievance of sexual harassment at workplace can be reported. No complaint pertaining to sexual harassment at workplace has been reported to the Committee during the financial year ended 31<sup>st</sup> March, 2020. In compliance to the circular issued by District Magistrate, Gautam Buddh Nagar, Uttar Pradesh, in respect of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, the Company registered itself at designated website i.e. <https://www.shorapp.in>.
- (k) **Disclosure w.r.t. Commodity, Foreign Exchange Risk and Hedging activities.**

The Company being the manufacturer of Green Chemicals procures variety of commodities as its raw material and, therefore, the commodity prices risk is one of the important business risk for the Company. The Company has in place an adequate risk management policy, inter-alia, for risk assessment and mitigation system including for the commodities.

Details of exposure of the Company to commodity and commodity risk faced by the entity during the year, in pursuance to the Materiality Policy of the Company are as under:

a. Total exposure of the Company to commodities: ₹ 1,15,750 lakhs (approx.)

b. Exposure of the Company to various commodities:

Commodity name	Exposure (₹ in lakhs) (approx.)	Exposure in Quantity terms (MT) (approx.)	% of such exposure hedged through commodity derivatives				
			Domestic Market		International Market		Total
			OTC	Exchange	OTC	Exchange	
Alcohol (Raw Material)	65,300	19,40,84,665	Nil	Nil	Nil	Nil	Nil
Mono Ethylene Glycol (Finished Product)	50,450	77,781	Nil	Nil	Nil	Nil	Nil

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

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

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

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

### Subsidiary Companies

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

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

### CEO/CFO Certification

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

### Non-Mandatory Requirements:

- The quarterly/ half yearly and yearly results are displayed on the website of the Company viz [www.indiaglycols.com](http://www.indiaglycols.com) and also published in widely circulated English and Regional language newspapers.
- During the FY 2019-20, there is no audit qualification on the Company's financial statements.
- The Internal Auditor reports directly to the Audit Committee. The Internal Auditor has regular meetings with the Head of Finance prior to placing of the reports of Internal Auditors before the Audit Committee.

## VI. SHAREHOLDERS

### a) General Body Meetings

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

Financial Year	Date & Time	Location	Details of Special Resolution passed
2018-19	22 <sup>nd</sup> August, 2019 at 11.00 A.M	A-1, Industrial Area, Bazpur Road, Kashipur-244713, Distt Udham Singh Nagar, Uttarakhand	<ol style="list-style-type: none"> <li>Approval of the Remuneration of Shri U. S. Bhartia (DIN: 00063091), Chairman &amp; Managing Director</li> <li>Approval for the payment of Commission to Non- Executive Directors.</li> <li>Re-appointment of Shri Pradip Kumar Khaitan (DIN: 00004821) as Independent Director for second term of five years.</li> <li>Re-appointment of Shri Jagmohan N. Kejriwal (DIN: 00074012) as Independent Director for second term of five years.</li> <li>Re-appointment of Shri Ravi Jhunjhunwala (DIN: 00060972) as Independent Director for second term of five years.</li> <li>Re-appointment of Shri Jitender Balakrishnan (DIN: 00028320) as Independent Director for second term of five years.</li> <li>Raising of additional long term funds through further issuance of securities/shares.</li> </ol>

2017-18	4 <sup>th</sup> August, 2018 at 11.00 A.M.	A-1, Industrial Area, Bazpur Road, Kashipur-244713, Distt Udham Singh Nagar, Uttarakhand	<p>a. Re-appointment of Shri M.K. Rao (DIN: 02168280), as an Executive Director.</p> <p>b. Continuation of Directorship of Shri Pradip Kumar Khaitan (DIN: 00004821) as an Independent Director (Non- executive).</p> <p>c. Continuation of Directorship of Shri Jagmohan N. Kejriwal (DIN: 00074012) as an Independent Director (Non- executive).</p> <p>d. Raising of additional long term funds through further issuance of securities/shares.</p>
2016-17	1 <sup>st</sup> September, 2017 at 11:00 A.M.		a. Raising of additional long term funds through further issuance of securities/shares.

### Postal Ballot

During the FY 2019-20, no special resolution was passed through the exercise of postal ballot. As on date, no resolution is proposed to be passed through postal ballot.

### b) Means of Communication

The quarterly, half-yearly, annual financial results and other vital official News release/documents of the Company under SEBI Listing Regulations are filed with the Stock Exchanges. The results are also displayed on the website of BSE Limited (BSE) and National Stock Exchange of India Limited (NSE) and are also published in leading English and Hindi Newspapers in India which includes the Financial Express, Business Standard and Uttar Ujala.

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

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

### c) General shareholder information

#### i) Annual General Meeting

**Date: Thursday, 24<sup>th</sup> September, 2020**

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

**Time : 11.00 A.M.**

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

For the financial year 2020-21, the tentative dates for approval and adoption of unaudited quarterly financial results will be by 14<sup>th</sup> August, 2020 for the first quarter, by 14<sup>th</sup> November, 2020 for half yearly, by 14<sup>th</sup> February, 2021 for third quarter and by 15<sup>th</sup> May/30<sup>th</sup> May, 2021 for the fourth quarter and annual audited financial results.

#### iii) Book Closure

The Register of Members and Share Transfer Books of the Company shall remain closed from Friday, 18<sup>th</sup> September, 2020 till Thursday, 24<sup>th</sup> September, 2020 (Both days inclusive).

#### iv) Dividend:

During FY 20, the Company paid an interim dividend of ₹6/- per equity share of ₹10/- each (i.e. 60%), to all those who were shareholders as on 12<sup>th</sup> March, 2020, being the Record date fixed for the purpose.

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

The Stock Exchanges at which the equity shares of the Company are listed as on 31<sup>st</sup> March, 2020 and the respective stock codes are as under:

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

The Annual Listing fees for the financial year 2020-21 has been paid by the Company to BSE and NSE.

The ISIN number allotted to the Company's shares under the depository system is INE 560A01015.

- vi) **Market Price Data** High/Low of market price of the Company's equity shares traded on BSE and NSE during each month of FY 2019-20 is as under:-

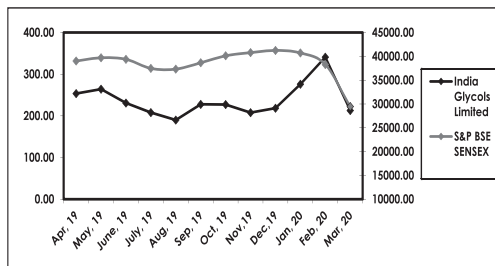
Month	High		Low	
	BSE	NSE	BSE	NSE
Apr-19	287.00	286.00	249.35	248.50
May-19	285.00	285.40	220.80	220.40
Jun-19	272.70	272.00	221.00	220.60
Jul-19	240.00	240.90	202.55	202.40
Aug-19	224.90	225.00	178.95	178.30
Sep-19	263.85	263.90	188.00	187.20
Oct-19	233.00	232.40	199.00	200.80
Nov-19	249.55	249.95	205.60	205.00
Dec-19	224.60	224.40	198.00	198.05
Jan-20	321.00	320.85	213.00	213.10
Feb-20	396.80	396.40	257.90	258.00
Mar-20	368.60	376.75	176.15	175.30

Source: BSE and NSE Website.

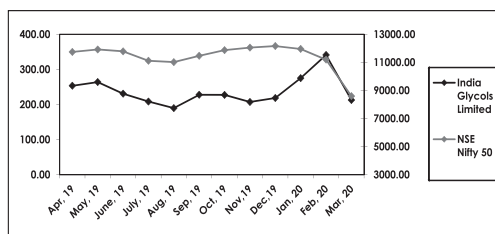
- vii) **Performance of Company's equity shares in comparison to S&P BSE Sensex and NSE NIFTY 50**

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

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



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



- viii) **Registrar and Share Transfer Agents**

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

- ix) **Share Transfer System**

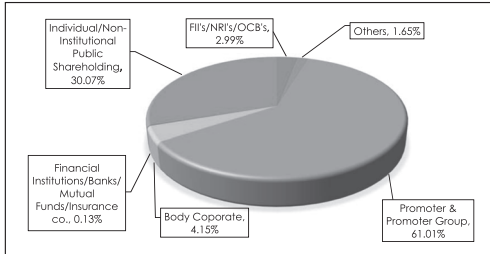
All share transfers are handled by Company's Registrar and Share Transfer Agent. Transfer of shares in physical form is processed within 15 days from the date of receipt of documents complete in all respect. Transfer of shares through depositories is processed within 21 days of receipt of request. A summary of share transfer, transmission etc. of securities of the Company as approved is placed quarterly before the Stakeholders' Relationship Committee and the Board. A half-yearly certificate from Company Secretary in practice certifying that all certificates have been issued within thirty days of the date of lodgment of the transfer, sub-division, consolidation, renewal etc. as required under Regulation 40 of the SEBI Listing Regulations is obtained by the Company and a copy of the said certificate is filed with the Stock Exchange.

Further, pursuant to Regulations 7(3) of the SEBI Listing Regulations, Compliance Certificate certifying compliance regarding maintenance of securities transfer facilities have been submitted to stock exchanges within stipulated time. Further, in pursuance to the circular issued by SEBI on 20<sup>th</sup> April, 2018, the Company sent letters and reminders to shareholders holding shares in physical form for updation of PAN and Bank account details with the Company/its RTA. Also, as mandated by SEBI, the transfer of company's shares (except in case of transmission or transposition of shares) shall not be processed unless the securities are held in dematerialized form w.e.f. 1<sup>st</sup> April 2019. In view of the above and to avail various benefits of dematerialization, members are advised to dematerialize shares held by them in physical form.

- x) **Category & Distribution of shareholding as on 31<sup>st</sup> March, 2020**

Category (Shares)	Shares	%age of Total Shares	Holders	%age of Total Shares
Up to 500	36,31,004	11.72	32,995	93.08
501-1000	10,24,209	3.31	1268	3.58
1001-2000	9,40,734	3.04	625	1.76
2001-3000	5,25,267	1.70	207	0.58
3001-4000	2,85,651	0.92	80	0.23
4001-5000	2,61,870	0.85	55	0.16
5001-10000	7,55,003	2.44	103	0.29
10001-50000	17,05,574	5.51	83	0.23
50001-100000	6,47,140	2.09	9	0.02
100001 and above	2,11,85,048	68.42	24	0.07
<b>Total</b>	<b>3,09,61,500</b>	<b>100.00</b>	<b>35,449</b>	<b>100.00</b>

### Category of Shareholders as at 31<sup>st</sup> March, 2020



### Shares held in physical and dematerialized form

Mode of Holding	%age
NSDL	23.75
CDSL	74.19
Physical	2.06

- xi) Dematerialization of shares and liquidity**  
The shares of the Company are compulsorily traded in dematerialized form. As on 31<sup>st</sup> March, 2020, 97.94% shares were held in dematerialized form and 2.06% in physical form. Entire Promoters shareholding is in dematerialized form. The Company's shares are actively traded on BSE and NSE.
- xii) Outstanding GDR's/ADR's/Warrants/convertible instruments, conversion date and their impact on equity –Nil**
- xiii) Plant Locations**
- 1) A-1, Industrial Area, Bazpur Road, Kashipur-244713, Distt. Udham Singh Nagar, Uttarakhand.
  - 2) E-1, Sector-15, Gorakhpur Industrial Development Area, Gorakhpur, Uttar Pradesh.
  - 3) Plot No. 2, 3, 4 & 5 Pharma City, Selaqui, Dehradun, Uttarakhand.
- xiv) Address for correspondence**  
India Glycols Limited, Plot No. 2-B, Sector-126, Noida-201304, Gautam Budh Nagar, Uttar Pradesh  
Telephone : 0120-3090100,  
Fax : 0120-3090111  
Website : www.indiaglycols.com  
E-Mail : compliance.officer@indiaglycols.com
- xv) Management**
- a) Management discussion and analysis -** Management discussion and analysis report forms separate part of the Annual Report.
- b) Disclosure on Risk Management -** The Company has further strengthened the Risk Management System in the Company. The Board of Directors periodically reviews the Risk Assessment and minimizing procedure thereof.

### xvi) Reconciliation of Share Capital

The certificate of Reconciliation of Share capital Audit confirming that the total issued capital of the Company is in agreement with the total number of shares in physical form and the total number of dematerialized shares held with NSDL and CDSL is placed before the Board on quarterly basis and also submitted to the Stock Exchanges.

### xvii) Compliance Certificate from the Statutory Auditors

Certificate from the Statutory Auditors of the Company, M/s K. N. Gutgutia and Co., Chartered Accountants, confirming compliance with the provisions of Corporate Governance as stipulated in SEBI Listing Regulations is annexed to this Report and forms part of the Annual Report.

### xviii) Equity shares in the suspense account - N.A.

### xix) Transfer of unpaid/unclaimed amounts to Investor Education and Protection Fund

During the financial year 2019-20 and in the current financial year, the Company transferred ₹17,19,363/- and ₹25,93,928/-, being final dividend 2011-12 and interim dividend during 2012-13, respectively, to Investor Education and Protection Fund pursuant to Section 125 of the Act.

Further, pursuant to the provisions of Section 124(6) of the Act read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ('IEPF Rules'), as amended, during the financial year 2019-20 and in the current financial year, 21,406 equity shares and 16,421 equity shares of ₹10/- each on which the dividend remained unpaid/unclaimed for seven consecutive years, were transferred to the demat account of the IEPF Authority ("IEPF Account"), after completing all the procedural formalities in this regard.

Members may note that the due date of transfer of unclaimed/unpaid final dividend for the FY 2012-13 and the concerned shares is 16<sup>th</sup> October, 2020. Therefore, Members who have not encashed the dividend warrants so far in respect of the aforesaid period(s), are requested to claim the same before the above due date to avoid transferring the unpaid/unclaimed dividend and respective shares to the IEPF Authority and IEPF Account, respectively.

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

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

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

(xx) During the year under review, India Ratings & Research (Ind-Ra), a credit rating Agency

affirmed the Company's Long-term Issuer Rating as 'IND A-' and Outlook is stable. The instrument-wise ratings are as follows:

Instrument Type	Rating/outlook	Rating Action
Term Loan	IND A- /Stable	Affirmed
Proposed Term Loan	Provisional IND A- /Stable	Assigned
Fund-based Limit	IND A- /Stable/ IND A2+	Affirmed
Non Fund based Limit	IND A- /Stable/ IND A2+	Assigned for Long Term; Affirmed for Short Term



**INDEPENDENT AUDITORS' CERTIFICATE ON  
CORPORATE GOVERNANCE**

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

1. We, **K.N. GUTGUTIA & COMPANY, CHARTERED ACCOUNTANTS**, the Statutory Auditors of **INDIA GLYCOLS LIMITED** (the "Company"), have examined the compliance of conditions of Corporate Governance by the Company, for the year ended on 31<sup>st</sup> March, 2020, as stipulated in Regulations 17 to 27 and clauses (b) to (i) of Regulation 46(2) and para C and D of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the Listing Regulations).

**Management's Responsibility**

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

**Auditor's Responsibility**

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

**Opinion**

6. Based on our examination of the relevant records and according to the information and explanations provided to us and the representations provided by the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in Regulations 17 to 27 and clauses (b) to (i) of Regulation 46(2) and para C and D of Schedule V of the Listing Regulations during the year ended 31<sup>st</sup> March, 2020.
7. We state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

**PLACE : NEW DELHI  
DATE : 24<sup>th</sup> June, 2020**

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

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

### CEO/CFO CERTIFICATE

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

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

We, the undersigned do hereby certify as under in the capacity of Chairman and Managing Director and Chief Financial Officer of India Glycols Limited in respect of the year ended on 31<sup>st</sup> March, 2020:

- a. We have reviewed the financial statements and cash flow statements for the financial year ended 31<sup>st</sup> March, 2020 and to the best of our knowledge and belief, we state that:
  - i) these statements do not contain any misleading untrue statements or omit any material fact or contain any statements that might be misleading;
  - ii) these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- b. We further state that to the best of our knowledge and belief, there are no transactions entered into by the Company during the year, which are fraudulent, illegal or violative of the Company's code of conduct.
- c. We are responsible for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- d. We have indicated, wherever applicable, to the Auditors and the Audit Committee:
  - i) that there were no significant changes in internal control over financial reporting during the year;
  - ii) significant changes in the accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
  - iii) that there were no instances of significant fraud of which we have become aware and the involvement therein of the management or an employee having a significant role in the Company's internal control system over financial reporting.

**For India Glycols Limited**

**For India Glycols Limited**

Place: Noida  
Date : 24<sup>th</sup> June, 2020

**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 2019-20 pursuant to the requirement of the Regulation 26 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

**For India Glycols Limited**

Place : Noida  
Date : 7<sup>th</sup> May, 2020

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

# BUSINESS RESPONSIBILITY REPORT

## Introduction

The Securities and Exchange Board of India (“SEBI”) as per its SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 [“SEBI Listing Regulations”] (amended during the financial year 2019-20) requires top 1000 listed entities (based on market capitalization at BSE Limited and National Stock Exchange of India Limited) to include Business Responsibility Report (“BRR”) describing the initiatives taken by the Company from an environmental, social and governance perspective, as a part of its Annual Report.

India Glycols Limited, being one of the top 1000 listed entities has prepared its first BRR in pursuance to the reporting framework of SEBI Listing Regulations and the National Guidelines on Responsible Business Conduct (“NGRBC”) issued by the Ministry of Corporate Affairs, Government of India.

## ANNEXURE I

[See Regulation 34(2)(f)]

### SECTION A: GENERAL INFORMATION ABOUT THE COMPANY

1. **Corporate Identity Number (CIN) of the Company:** L24111UR1983PLC009097
2. **Name of the Company:** India Glycols Limited
3. **Registered address:** A-1, Industrial Area, Bazpur Road, Kashipur- 244713, Uttarakhand
4. **Website:** www.indiaglycols.com
5. **E-mail id:** compliance.officer@indiaglycols.com
6. **Financial Year reported:** 2019-20
7. **Sector(s) that the Company is engaged in (industrial activity code-wise):**
  - a. Glycols (NIC code 20119)
  - b. Ethylene Oxide Derivatives (NIC code 20229)
  - c. Ethyl Alcohol (Potable) (NIC code 1101)
  - d. Nutraceuticals (NIC code 21001)
8. **List three key products/services that the Company manufactures/provides (as in balance sheet)**
  - a. Mono Ethylene Glycol
  - b. Ethylene Oxide Derivatives
  - c. Ethyl Alcohol (Potable)
  - d. Nutraceuticals
9. **Total number of locations where business activity is undertaken by the Company**
  - (a) **Number of International Locations (Provide details of major 5):** We undertake business activities in USA and South East Asia [through subsidiary companies]
  - (b) **Number of National Locations:** The Company has manufacturing activities at 3 locations namely Kashipur, Gorakhpur, Dehradun. The Company also has its Head office at Noida, Corporate Office at Kolkata and Registered office at Kashipur. Additionally, the Company has marketing offices and depots.

10. **Markets served by the Company – Local/State/ National/International:** All

### SECTION B: FINANCIAL DETAILS OF THE COMPANY

1. **Paid up Capital (₹):** 30,96,15,000
2. **Total Turnover (₹):** 5,87,977 Lakhs
3. **Total profit after taxes (₹):** 12,826 lakhs
4. **Total Spending on Corporate Social Responsibility (CSR) as percentage of profit after tax (%):** ₹ 34.81 Lakhs [about 6.55% of the average net profits of previous three financial years i.e. ₹ 531.85 Lakhs]
5. **List of activities in which expenditure in 4 above has been incurred:-**
  - (a) Promoting Education.
  - (b) Health Care.
  - (c) Sanitation and Safe Drinking Water.

### SECTION C: OTHER DETAILS

1. **Does the Company have any Subsidiary Company/ Companies?**  
Yes, the Company has 4 (Four) subsidiary companies as on 31<sup>st</sup> March, 2020.
2. **Do the Subsidiary Company/Companies participate in the BR Initiatives of the parent company? If yes, then indicate the number of such subsidiary company(s).**  
No, but India Glycols Limited encourages its subsidiaries for the same.
3. **Do any other entity/entities (e.g. suppliers, distributors etc.) that the Company does business with, participate in the BR initiatives of the Company? If yes, then indicate the percentage of such entity/entities? [Less than 30%, 30-60%, More than 60%]**  
The Company does not mandatorily require its suppliers and distributors to participate in BR initiatives of the Company. [Less than 30%]

### SECTION D: BR INFORMATION

1. **Details of Director/Directors responsible for BR**
  - a) **Details of the Director/Director responsible for implementation of the BR policy/policies**

S.No.	Particulars	Details
1	DIN	: 00063091
2	Name	: Shri U. S. Bhartia
3	Designation:	Chairman and Managing Director
  - b) **Details of the BR head:**

S.No.	Particulars	Details
1	DIN Number	: 08602216 (if applicable)
2	Name	: Shri Sudhir Agarwal
3	Designation	: Executive Director
4	Telephone number	: 05947-269000/269500
5	E-mail id	: s.agarwal@indiaglycols.com

**2. Principle-wise (as per NGRBC) BR Policy/policies**  
**The nine Principles are as under:**

- P1** Businesses should conduct and govern themselves with integrity, and in a manner that is ethical, transparent, and accountable.
- P2** Businesses should provide goods and services in a manner that is sustainable and safe.
- P3** Businesses should respect and promote the well-being of all employees, including those in their value chains.
- P4** Businesses should respect the interests of and be responsive to all its stakeholders.

**P5** Businesses should respect and promote human rights.

**P6** Businesses should respect and make efforts to protect and restore the environment.

**P7** Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent.

**P8** Businesses should promote inclusive growth and equitable development.

**P9** Businesses should engage with and provide value to their consumers in a responsible manner.

**a) Details of compliance (Reply in Y/N)**

No.	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
1	Do you have a policy/ policies for	Y	Y	Y	Y	Y	Y	Y	Y	Y
2	Has the policy being formulated in consultation with the relevant stakeholders?	Y	Y	Y	Y	Y	Y	Y	Y	Y
3	Does the policy conform to any national / international standards?	The policies are based on the National Guidelines on responsible Business conduct ("NGRBC") in addition to the desires of ISO on Social, Environment, Safety, Energy Conservation & Business Stewardship.								
4	Has the policy being approved by the Board? Is yes, has it been signed by MD/ owner/ CEO/ appropriate Board Director?	Y	Y	Y	Y	Y	Y	Y	Y	Y
5	Does the company have a specified committee of the Board/ Director/ Official to oversee the implementation of the policy?	Y	Y	Y	Y	Y	Y	Y	Y	Y
6	Indicate the link for the policy to be viewed online?	<a href="https://www.indiaglycols.com/investors/downloads/BR-Policy.pdf">https://www.indiaglycols.com/investors/downloads/BR-Policy.pdf</a>								
7	Has the policy been formally communicated to all relevant internal and external stakeholders?	Y	Y	Y	Y	Y	Y	Y	Y	Y
8	Does the Company have in-house structure to implement the policy/ policies?	Y	Y	Y	Y	Y	Y	Y	Y	Y
9	Does the Company have a grievance redressal mechanism related to the policy/ policies to address stakeholders' grievances related to the policy/ policies?	Y	Y	Y	Y	Y	Y	Y	Y	Y
10	Has the Company carried out independent audit/ evaluation of the working of this policy by an internal or external agency?	BR Policies shall be reviewed/evaluated at routine interval internally. Policies pertaining to Health, Safety, Environment, Quality, Social Accountability and Energy conservation are being audited by External Agency(ies), as applicable under the concerned ISO certification.								

**b) If answer to the question at serial number 1 against any principle, is 'No', please explain why: (Tick up to 2 options)**

No.	Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
1	The Company has not understood the Principles	Not Applicable								
2	The Company is not at a stage where it finds itself in a position to formulate and implement the policies on specified principles									
3	The Company does not have financial or manpower resources available for the task									
4	It is planned to be done within next 6 Months									
5	It is planned to be done within the next 1 year									
6	Any other reason (please specify)									

### 3. Governance related to BR

- a) **Indicate the frequency with which the Board of Directors, Committee of the Board or CEO to assess the BR performance of the Company. Within 3 months, 3-6 months, Annually, More than 1 year**

The Board of Directors have adopted BR Policy in February 2020 and the performance thereof shall be assessed/reviewed annually by the Board/Committee.

- b) **Does the Company publish a BR or a Sustainability Report? What is the hyperlink for viewing this report? How frequently it is published?**

This is the first Business Responsibility Report of Company and is published as a part of its Annual Report and can be viewed on Company's website at the following link:

<https://www.indiaglycols.com/investors/downloads/annual-report-2019-20.pdf>

#### SECTION E: PRINCIPLE-WISE PERFORMANCE

**Principle 1: Business should conduct and govern themselves with integrity in a manner that is Ethical, Transparent and Accountable.**

1. **Does the policy relating to ethics, bribery and corruption cover only the Company? Yes/ No. Does it extend to the Group/Joint Ventures/ Suppliers/ Contractors/NGOs /Others?**

The Company's Anti-bribery and Anti-corruption Policy is applicable to all its affiliates, subsidiaries, their Directors and employees at all level, Consultants, Contractors, Trainees, casual workers, or any other persons associated with the Company. The Company also has Code of Conduct and Ethics Policy which covers employees and Board members of the Company.

In addition, the Company also has in place a Policy on Vigil Mechanism (Whistle Blower Policy) which covers Directors and Employees of the Company to report their grievances/concerns related to actual/suspected fraud or breach of SEBI Insider Trading Regulations.

2. **How many stakeholder complaints have been received in the past financial year and what percentage was satisfactorily resolved by the management? If so, provide details thereof, in about 50 words or so.**

The Company has not received any complaint under the above Codes /Policies during FY 20. However, during FY 20, the Company received 26 investors' complaints, which were resolved satisfactorily with in time.

**Principle 2: Business should provide goods and services in a manner that is sustainable and safe**

1. **List up to 3 of your products or services whose design has incorporated social or environmental concerns, risks and/or opportunities.**

India Glycols is a leading Company that manufactures green technology based bulk, speciality and performance chemicals and natural gums, spirits, industrial gases and nutraceuticals. Based on the disclosure requirements under this Principle, following are the key products:

- I. **Bio based Glycols** i.e. Mono Ethylene Glycol (MEG), Diethylene Glycol (DEG) and Triethylene Glycol (TEG), which are made out of renewable feedstock i.e. Molasses and Ethanol.
- II. **Ethylene Oxide Derivatives viz. Ethoxylates, Surfactants and Specialty Chemicals** which has been integrated with its captive feedstock as Bio Ethylene Oxide.
- III. **Natural Active Pharmaceutical ingredients (APIs), Standardized botanical extracts and spice extracts** derived from plant based herbal raw material & extracted through renewable feedstock & green solvents such as ethanol & liquid carbon dioxide, recycled in the process. These solvents are non-polluting & environment friendly.
- IV. **Others** includes Power Alcohol which is used for blending in Petrol as per Govt. policy by Oil Manufacturing companies, Alcohol-based Hand Sanitizer that has been conceptualized, considering support to society as shortage of hand sanitizer during this COVID-19 pandemic, Natural Gums covering Guar gum and others hydrocolloids products with specialty PO derivatized guar, Liquid Oxygen including medical oxygen, liquid nitrogen, liquid argon, liquid CO<sub>2</sub> and EO-CO<sub>2</sub> Gas Mixtures.

2. **For each such product, provide the following details in respect of resource use (energy, water, raw material etc.) per unit of product(optional):**

- (a) **Reduction during sourcing/production/ distribution achieved since the previous year throughout the value chain?**
- (b) **Reduction during usage by consumers (energy, water) has been achieved since the previous year?**

India Glycols at its Kashipur Plant have Energy Management System (ISO 50001:2018) in place and energy consumption, energy performance monitoring is being done. Distilleries effluent i.e. spent wash is

concentrated in evaporator and the concentrated spent wash (SLOP) is used as renewable fuel in boilers at Kashipur and Gorakhpur Units.

At Dehradun unit, herbal biomass extraction is utilized for the preparation of briquettes which are used as boiler fuel. Hence, the plant is self-sustainable for fuel need for thermal energy and saves 100% fossil fuel.

The Company has Zero Liquid Discharge (“ZLD”) from its Dehradun, Gorakhpur and ethanol unit of Kashipur. The condensate generated during concentration of spent wash is recycled in the process to reduce the fresh water consumption at Kashipur and Gorakhpur.

The Company is focused on recharging maximum rain water in to the ground and various water recharge measures have also been adopted. Rain water harvesting system has been installed to recharge ground water and surface water. Gabion Structures have been constructed at natural seasonal drains to recharge the same basin.

The Company focus on optimizing the resource use in order to minimize environmental impact and contributing to long term sustainability. For details of the steps undertaken towards conservation of energy etc., please refer to Annexure B of the Board’s Report.

**3. Does the Company have procedures in place for sustainable sourcing (including transportation)? If yes, what percentage of your inputs was sourced sustainably? Also, provide details thereof, in about 50 words or so.**

Yes. The Company believes in and follows Integrated Management System Policy with utmost focus on environmental and social aspects. The Company ensures the sustainability of resources by reducing, reusing, recycling and managing waste.

The Company uses molasses-a sugar plant by-product cum waste as major raw material which is 100% bio-based material for operating its distilleries. The Company uses Bio based raw materials and Ethanol is one such key raw material, whereas in conventional process fossil fuel is used as raw material for production of Ethylene Oxide (EO)/ Mono Ethylene Glycol (MEG) and others, throughout the globe.

The responsible sourcing of raw material, their properties, performance and content of these materials make a significant contribution to reduced environmental impacts such as lowering carbon emissions and minimize use of the earth’s limited resources.

Sustainable solutions are based on number of defined action plans and standards based on Life Cycle Assessment (“LCA”) methodologies. India Glycols sustainable solutions for responsible sourcing of raw materials enables customers to confidently choose high-performance materials that advance their environmental and business goals.

**4. Has the Company taken any steps to procure goods and services from local & small producers, including communities surrounding their place of work? If yes, what steps have been taken to improve their capacity and capability of local and small vendors?**

The Company promotes and provides opportunities to the local contractors and vendors and undertakes special initiatives to support them as and when required. The Company also provides training to many apprentice of local areas through skill development programmes. The Company also procures raw material and packaging material from nearby areas thereby creating employment opportunities and hence boosting local Economy.

The Company initiates training program for local farmers to make them capable of using latest techniques of cultivation, farming and polyhouse nurseries.

**5. Does the Company have a mechanism to recycle products and waste? If yes what is the percentage of recycling of products and waste (separately as <5%, 5-10%, >10%). Also, provide details thereof, in about 50 words or so.**

The Company believes in waste minimization and increasing waste utilization as a part of drive for process efficiency and product stewardship. One of the Key raw material molasses itself is a sugar plant waste cum by product and is used for ethanol production.

Distillery effluent i.e. spent wash is concentrated in evaporator and the concentrated spent wash (“SLOP”) is used as renewable fuel in boilers. Overall 100% spent wash from Distilleries is processed for renewable energy production. Condensate generated during concentration of spent wash is being recycled in the process to reduce the fresh water consumption at Kashipur and Gorakhpur.

The Herbal biomass extraction is utilized for the preparation of briquettes which are used as boiler fuel. Hence, the Dehradun plant is self-sustainable for fuel need for thermal energy and saves 100% fossil fuel.

We have Zero Liquid Discharge (“ZLD”) System Installation at our Distilleries at Kashipur and Gorakhpur as well as herbal extraction plant of Dehradun.

Most of the Hazardous waste (spent catalysts & used/waste oil) is recyclable and is being sent to Ministry of Environment and Forests ('MoEF') approved recyclers.

**Principle 3: Business should respect and promote the well-being of all employees including those in their value chains.**

1. **Please indicate the Total number of employees:** 1,370 [includes 58 Apprentice]
2. **Please indicate the Total number of employees hired on temporary/contractual/casual basis.** 1,679
3. **Please indicate the Number of permanent women employees:** 18
4. **Please indicate the Number of permanent employees with disabilities:** 2
5. **Do you have an employee association that is recognized by management.:** No
6. **What percentage of your permanent employees is members of this recognized employee association:** Not applicable
7. **Please indicate the Number of complaints relating to child labour, forced labour, involuntary labour, sexual harassment in the last financial year and pending, as on the end of the financial year.**

Sr. No.	Category	No of complaints filed during the financial year (2019-20)	No of complaints pending as on end of the financial year (2019-20)
1	Child labour / forced Labour /involuntary Labour	NIL	NIL
2	Sexual harassment	NIL	NIL
3	Discriminatory employment	NIL	NIL

**8. What percentage of your under mentioned employees were given safety & skill up-gradation training in the last year?**

- (a) Permanent Employees
  - (b) Permanent Women Employees
  - (c) Casual/Temporary/Contractual Employees
  - (d) Employees with Disabilities
- 100 % employees covering permanent, contractual, women and disabled have gone through Fire & Safety, process specific and skill up-gradation training based on competence and job profile.

Also, every year employees go through fire and safety refresher training and other process specific and skill up-gradation training as per

defined plan. Refresher and other specific trainings covered 95% employee in training calendar for 2019-20.

**Principle 4: Business should respect the interests of and be responsive to all their stakeholders.**

**1. Has the company mapped its internal and external stakeholders? Yes/No**

Yes, the Company has identified employees and their family(ies) as key internal stakeholders and customers, neighbouring society as key external stakeholders.

**2. Out of the above, has the company identified the disadvantaged, vulnerable & marginalized stakeholders.**

The Company has mapped its stakeholders as a part of its stakeholder engagement strategy development process. The Company also follow High Level Structure ISO 9001: 2015, ISO 14001:2015, ISO 45001:2018, ISO 50001:2018 and SA 8000:2014 standard procedure for stakeholder identification as interested parties.

The Company regularly undertakes initiatives to serve the interested issue of those stakeholders identified as disadvantaged, vulnerable and marginalized for its sustainability.

**3. Are there any special initiatives taken by the company to engage with the disadvantaged, vulnerable and marginalized stakeholders. If so, provide details thereof, in about 50 words or so.**

**Employees:** India Glycol's policies safeguard its employees against any kind of discrimination based on caste, creed, religion, geography, educational or social background, gender, age, family status, citizenship, disability etc. The Company believes in the continuous people development through investment in the training & development of employees even in adverse business times. The Company provides medical support and facilities across location as well as provision of medical insurance policy of employee(s) and their family(ies), which provides the employees much needed emotional and financial security.

**Local Communities:** Development of need based community programs in the areas of health, education, skill development, sanitation, livelihood etc. are undertaken as part of Corporate Social Responsibility (CSR) initiatives. The Company has Identified the disadvantaged students from primary schools & help them by providing amenities e.g. fans, study material, furniture etc. Also, take up some civil repair jobs of school buildings. The Company also

organizes medical camps at nearby villages and assist in National health related programs as part of community welfare activities.

**Customers:** The Company houses a marketing team to ensure pre to post services to customers. Adequate system have been established for handling customers' concerns, which operated through SAP. Post sale service ensures smooth usage of our products and in case of any assistance technical team support to customer for long lasting relationships

**Principle 5: Business should respect and promote human rights.**

**1. Does the policy of the company on human rights cover only the company or extend to the Group / Joint Ventures / Suppliers / Contractors / NGOs / Others?**

Social performance team (SPT), Works Committee, Canteen Committee and Safety Committee are framed as forum for dialogue between workers and management and to take-up basic eminent of employees to appropriate forum. Grievance handing policy and Social Accountability system are in place to address these issues. We adhere to the human rights principles of dignity of workforce regardless of the religion, language, location, ethnic origin or any other status of any person. Therefore, we follow a policy of no discrimination of any kind with employees.

**2. How many stakeholder complaints have been received in the past financial year and what percent was satisfactorily resolved by the management?**

The Company has not received any complaint related to human rights during FY 2019-20.

**Principle 6: Business should respect and make effort to protect and restore the environment.**

**1. Does the policy related to Principle 6 cover only the company or extends to the Group/Joint Ventures/Suppliers/Contractors/NGOs/others.**

The Company policy covers environment stewardship and energy conservation approach. Requisite processes are in place to reach the supplier and service providers for environment and energy conservation. Environmental impacts in lifecycle of key products are carried out with the scope of cradle to gate to identify environment hotspots. Integrated Management System Policy is also communicated with supplier, contractors and customer to influence sustainable aspects.

The Company is a global exemplar in environmental sustainability and takes pride in being green production since beginning. The Company has contributed to environmental stewardship by not only

ensuring efficient use of resources but also conserve precious natural resources.

**2. Does the company have strategies/ initiatives to address global environmental issues such as climate change, global warming, etc? Y/N. If yes, please give hyperlink for webpage etc.**

Yes, the Company believes in life cycle approach which directs business to consider responsibility on environmental protection from raw material procurement to product use. We are promoting our Glycols and other products as Bio based to potential customers interested in meeting their objective of using environment friendly chemicals made from natural renewable resources which has reduction in CO<sub>2</sub>eq emission compared to petro route similar products and have comparative lesser climate change impact.

The Company has conducted comparative Life Cycle Assessment (LCA) study of Bio-Mono Ethylene Glycol (Bio-MEG) based on ISO 14044-2006 standard and determining GHG emission as well as product specific carbon footprint as well as global warming impacts with the scope of cradle to gate.

The Company has developed a green belt all around its factory by growing trees of different species some of which are fruit bearing in addition to providing green cover.

For further details "Management discussion and Analysis Report" forming part of the Annual Report be referred.

**3. Does the company identify and assess potential environmental risks? Y/N**

Yes. The Company is an ISO 14001:2015 certified and follows all the standard conditions accordingly. Environmental risk and opportunity assessment study conducted and various steps and objectives taken to overcome the risk and conserve environment with carbon footprint reduction, energy saving, water conservation and waste minimization processes and projects.

Since our major key raw materials are renewable and the plant at Dehradun is also a herbal extraction unit, hence there is least potential risk of natural resources reduction from our plants and processes.

**4. Does the company have any project related to Clean Development Mechanism? If so, provide details thereof, in about 50 words or so. Also, if Yes, whether any environmental compliance report is filed?**

Yes, the Company's Gorakhpur Unit has got its large scale CDM project -Biomass based Cogeneration, registered at UNFCCC. The purpose of the project



activity is to utilize the Slop (concentrated spent wash) from the evaporator and other biomass as the fuel for the generation of steam and electricity in a novel boiler that has been developed for the first time in India for the utilization of concentrated spent wash and generation of steam.

5. **Has the company undertaken any other initiatives on – clean technology, energy efficiency, renewable energy, etc. Y/N. If yes, please give hyperlink for web page etc.**

Yes, we have been able to decompose food waste generated from Colony, Canteen & Guest House by installing Bio-gas plant. Company uses renewable fuels such as rice husk, herbal agro waste, concentrated spent wash (SLOP) as a substitute of the conventional fuel. This allows us to reduce the carbon emissions along with saving the fossil fuel reserves to a great extent. The Company promotes the uses of non-conventional source of energy in the form of Solar heater for water heating, Solar operated traffic light for road safety and Solar operated street light.

The Company has taken Innovative changes for total energy integration strategy. For details of the steps undertaken towards conservation of energy, please refer to Annexure B of the Board's Report.

6. **Are the Emissions/Waste generated by the company within the permissible limits given by CPCB/SPCB for the financial year being reported?**

Yes, the Emission/waste generated by company is within permissible limits as per concerned consents' conditions.

7. **Number of show cause/ legal notices received from CPCB/SPCB which are pending (i.e. not resolved to satisfaction) as on end of Financial Year.**

There were no show cause notices pending as on the end of financial year 2019-20.

- Principle 7: Business when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent**

1. **Is your company a member of any trade and chamber or association? If Yes, Name only those major ones that your business deals with:**

Yes, the Company is a member of number of chambers and associations. The major ones include Indian Chemical Council ('ICC'), Federation of Indian Chamber of Commerce & Industry ('FICCI'), PHD Chamber of Commerce and Industry, All India Distillery Association, Uttar Pradesh Distillery Association, Chamber of Commerce-Gorakhpur,

Kumaun Garhwal Chamber of Commerce & Industries ('KGCCI'), Basic Chemicals, Cosmetics and Dyes Export Promotion Council ('CHEMEXCIL'), Shellac and Forest Products Exports Promotion Council ('SHEFEXIL') and Federation of India Export Organizations (FIEO).

2. **Have you advocated/lobbied through above associations for the advancement or improvement of public good? Yes/No; if yes, specify the broad areas ( drop box: Governance and Administration, Economic Reforms, Inclusive Development Policies, Energy security, Water, Food Security, Sustainable Business Principles, Others)**

Yes, being member of various organizations as above, the Company regularly interacts and initiates various discussions at the platform of these Associations/ Chambers on the matters related to environment, economic/sector reforms, governance, administration etc. The Company does not promote/ practice lobbying on a particular matter and discuss/ raise the issue in a transparent manner.

- Principle 8: Business should promote inclusive growth and equitable development**

1. **Does the company have specified programmes/ initiatives/projects in pursuit of the policy related to Principle 8? If yes, details thereof.**

Yes, the Company through its CSR programmes and/ or projects focuses, inter-alia, around Healthcare, Education, Sanitation etc. which facilitates in improving the livelihood of others. In Healthcare, the Company organizes medical camps with free consultancy and medicines; blood donation camps, ambulance service. In Education field, the Company provides Scholarships and other educational material to needy students, undertakes development activities in schools in the vicinity, Equipped schools with basic and modern schooling amenities; arranges Delhi visit by air under its Padho-Udo Karyakram for students of Sainik and Navodaya Schools, who got selected in competitive exams. In the Community Development programme, the Company support various initiatives including toilet building, Installation of Hand Pumps. The Company also supports to neighbouring companies and society at large in handling emergency situation such as fire incidents etc. A detailed Annual Report on CSR activities for the financial year 2019-20 is annexed to the Board's Report.

2. **Are the programmes/projects undertaken through in-house team/own foundation/external NGO/ government structures/any other organization?**

Generally, the programs /projects are undertaken through in-house team of dedicated professionals.

**3. Have you done any impact assessment of your initiative?**

Yes, we assess our self at the field level on the social reforms and develop programs accordingly.

**4. What is your company's direct contribution to community development projects- Amount in INR and the details of the projects undertaken.**

During FY 2019-20, the Company has spent an amount of ₹ 34.81 Lakhs towards various project/ programs, details whereof are provided in the Annual Report on CSR activities forming part of Board's Report.

**5. Have you taken steps to ensure that this community development initiative is successfully adopted by the community? Please explain in 50 words, or so.**

Yes, the Company attempts to focus the initiatives relating to CSR considering the need, priorities and expectation of the society. The Company encourages the participation of the community to ensure community development thereby meeting the needs, priorities and expectations of the local community.

**Principle 9: Business should engage with and provide value to their consumer in a responsible manner**

**1. What percentage of customer complaints/ consumer cases are pending as on the end of financial year.**

Nil

**2. Does the company display product information on the product label, over and above what is mandated as per local laws? Yes/No/N.A. / Remarks(additional information):**

The Company displays the product information appropriately on the product label as per the applicable standards. It is always ensured that the products meet the necessary compliance.

**3. Is there any case filed by any stakeholder against the company regarding unfair trade practices, irresponsible advertising and/or anti-competitive behaviour during the last five years and pending as on end of financial year. If so, provide details thereof, in about 50 words or so.**

Nil.

**4. Did your company carry out any consumer survey/ consumer satisfaction trends?**

The Company responds to the Complaints of all its stakeholders in an efficient and effective manner. To address Customer Complaints satisfactorily, the Company follows CAPA. The Company conducts periodic surveys/feedbacks for ascertaining customer satisfaction in line with ISO requirements. On the basis of these feedbacks, we address the grievances in time to their satisfaction and also attempts to improve the performances.

## Independent Auditor's Report

### TO THE MEMBERS OF INDIA GLYCOLS LIMITED

#### I. Report on the Audit of Standalone Financial Statements for the year ended 31<sup>st</sup> March, 2020

##### 1. Opinion

A. We have audited the Standalone Financial Statements of **India Glycols Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2020, and the Statement of Profit and Loss (including Other Comprehensive Income), Statement of Changes in Equity and Statement of Cash Flows for the year then ended, and notes to financial statements including a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the Standalone Financial Statements").

B. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Standalone Financial Statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2020, and its Profit, other comprehensive income, changes in equity and its cash flows for the year ended on that date.

##### 2. Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the independence requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Standalone Financial Statements.

##### 3. Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Standalone Financial Statements of the current period. These matters were addressed in the context of our audit of the Standalone Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined that there are no key audit matters to be communicated in our report.

##### 4. Information Other than the Standalone Financial Statements and Auditor's Report thereon

A. The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and

Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the Standalone Financial Statements and our auditor's report thereon.

Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

B. In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Standalone Financial Statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

##### 5. Responsibilities of Management and Those Charged with Governance for the Standalone Financial Statements

A. The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these Standalone Financial Statements that give a true and fair view of the financial position, financial performance, other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India including Indian Accounting Standards (Ind AS) specified under section 133 of company Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

B. In preparing the Standalone Financial Statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are responsible for overseeing the Company's financial reporting process.

##### 6. Auditor's Responsibilities for the Audit of the Standalone Financial Statements

- A. Our objectives are to obtain reasonable assurance about whether the Standalone Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Standalone Financial Statements.
- B. As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:
- i) Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
  - ii) Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
  - iii) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
  - iv) Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Standalone Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
  - v) Evaluate the overall presentation, structure and content of the Standalone Financial Statements, including the disclosures, and whether the Standalone Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.
- C. We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.
- D. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.
- E. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Standalone Financial Statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.
- ## II. Report on Other Legal and Regulatory Requirements
1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "**Annexure A**" a statement on the matters specified in paragraph 3 and 4 of the Order, to the extent applicable:
  2. (A) As required by Section 143(3) of the Act, based on our audit 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. 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 including Other Comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the relevant books of account;
    - d. In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act;
    - e. On the basis of the written representations received from the directors as on March 31, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2020 from being appointed as a director in terms of Section 164 (2) of the Act
    - f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "**Annexure B**".



(B) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

- i) The Company has disclosed the impact of pending litigations on its financial position in its Standalone Financial Statements; Refer note 37(A)(i), 39 and 40 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 50 (B) to the standalone financial statements;
- iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

(C) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act:

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.

For **K.N. Gutgutia & Co.**  
Chartered Accountants  
(Firm's Registration No. 304153E)

**(B.R. GOYAL)**

Place : Noida Partner  
Date : 24<sup>th</sup> June, 2020 (Membership No.12172)  
(UDIN :20012172AAAANX2507)

#### **ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT**

(Referred to in paragraph II point 1 under "Report on Other Legal and Regulatory Requirements" section of our report to the members of India Glycols Limited of even date)

- (i) In respect of the Company's fixed assets:
  - (a) The Company has maintained proper records showing full particulars, including situation of its fixed assets.
  - (b) The fixed assets were physically verified during the year by the Management in accordance with a regular programme of verification which, in our opinion, provides for physical verification of the fixed assets at reasonable intervals. According to the information and explanations given to us, no material discrepancies were noticed on such verification however, the same has been properly adjusted in the books of accounts.
  - (c) As per the record and information and explanations given to us, we report that, the title deeds for all the immovable properties of the company are held in the name of the Company as at the balance

sheet date (read with footnote of note no. 2 to the financial statements).

- (ii) As explained to us, the inventories (except stock in transit which have been verified based on subsequent receipt /reconciliation) were physically verified during the year by the Management at reasonable intervals, and the procedures of physical verification of inventory followed by the management are reasonable and adequate, no material discrepancies were noticed on physical verification of inventories.
- (iii) According to the information and explanations given to us, the Company has not granted loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties covered in the Register maintained under Section 189 of the Companies Act, 2013. Accordingly, we are not offering any comment on the provision of Clause (iii) (a), (b) & (c) of the order.
- (iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Sections 185 and 186 of the Companies Act, 2013 in respect of grant of loans, making investments and providing guarantees and securities, as applicable. [This is to be read with note no. 54(iv)]
- (v) According to the information and explanations given to us, In our opinion the Company has complied with the directives issued by Reserve Bank of India and the provision of Sections 73 to 76 or any other relevant provisions of the Companies Act, 2013 and the Companies (Acceptance of Deposits) Rules, 2014, as amended (to the extent applicable for carrying unclaimed amount) with regard to deposit accepted from the public. According to the information and explanations 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.
- (vi) The maintenance of cost records has been specified by the Central Government under section 148(1) of the Companies Act, 2013. We have broadly reviewed the cost records maintained by the Company pursuant to the Companies (Cost Records and Audit) Rules, 2014, as amended prescribed by the Central Government under sub-section (1) of Section 148 of the Companies Act, 2013, and are of the opinion that, prima facie, the prescribed cost records have been made and maintained. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.
- (vii) According to the information and explanations given to us, in respect of statutory dues:
  - (a) The Company has been generally regular in depositing undisputed statutory dues, including Provident Fund, Employees' State Insurance, Income-tax, Sales Tax, Goods and Service Tax, Customs Duty, Excise Duty, Value Added Tax, cess and other material statutory dues applicable to it to the appropriate authorities.
  - (b) There were no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income-tax, Sales tax, Service Tax, Goods and Service Tax, Customs Duty, Excise Duty, Value Added Tax, Cess and other material

statutory dues in arrears as at March 31, 2020 for a period of more than six months from the date they became payable.

Details of dues of Custom duty, Service Tax, Sales tax and Excise Duty which have not been deposited as at March 31, 2020 on account of disputes are given below:

Name of Statute	Nature of Dues	Forum where Dispute is Pending	Period to which the Amount Relates (Financial Year)	Amount In-volved (Rs. In Lacs)
Custom Act, 1962	Custom Duty	Uttarakhand High court	1992-93	11.42
	Custom Duty	Assistant Commissioner Customs	2004-05, 2009-10 and 2015-16	196.55
	Custom Duty	Commissioner Customs (Appeal)	2004-05, 2010-11	763.77
Finance Act, 1994	Service Tax	Assistant Commissioner LTU-Ahmedabad	2010-11 to 2015-16	2.2
	Service Tax	Assistant/Deputy Commissioner LTU-GKP	2005-06 to 2008-09, 2016-17	5.75
	Service Tax	Assistant/Deputy Commissioner LTU-Noida	2010-11, 2012-13, 2015-16	8.33
Central Excise Act, 1994	Cenvat Credit	Additional Commissioner LTU-KSP	2011-12 to 2013-14 and 2015-16	11.07
	Cenvat Credit	Commissioner LTU-GKP	2011-12, 2012-13	10.86
	Cenvat Credit	Superintendent-LTU-GKP	2016-17	1.24
Central Excise Act, 1994	Excise Duty	High court Nainital	2005-06 to 2008-09	46.2
	Excise Duty	Principal Secretary Excise, Lucknow	2018-19	102.24
	Excise Duty	Allahabad High Court	2007-2008 to 2011-12	852.57
	Excise Duty	CESTAT - DELHI	2010-11	961.38

(viii) In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of loans or borrowings to financial institutions, banks, government (both State and Central). The Company has not issued any debentures.

(ix) In our opinion and according to the information and explanations given to us, money raised by way of term loans have been applied by the Company during the year for the purposes for which they were raised.

The Company has not raised moneys by way of initial public offer (including debt instruments) during the year.

(x) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company and no material fraud on the Company by its officers or employees has been noticed or reported during the year.

(xi) In our opinion and according to the information and explanations given to us, the Company has paid/provided managerial remuneration in accordance with the requisite approvals mandated vide provisions of section 197 read with Schedule V to the Companies Act, 2013.

(xii) The Company is not a Nidhi Company and hence reporting under clause (xii) of the Order is not applicable.

(xiii) In our opinion and according to the information and explanations given to us the Company is in compliance with Section 177 and 188 of the Companies Act, 2013, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the note no. 54 of the standalone financial statements as required by the applicable Ind AS.

(xiv) During the year the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures and hence reporting under clause (xiv) of CARO 2016 is not applicable to the Company.

(xv) In our opinion and according to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with its directors or directors of its holding, subsidiary or associate company or persons connected with them and hence provisions of section 192 of the Companies Act, 2013 are not applicable.

(xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For **K.N. Gutgutia & Co.**  
Chartered Accountants  
(Firm's Registration No. 304153E)

**(B.R. GOYAL)**

Place: Noida  
Date: 24<sup>th</sup> June, 2020  
Partner  
(Membership No. 12172)

#### **ANNEXURE "B" TO THE INDEPENDENT AUDITOR'S REPORT**

(Referred to in paragraph II point 2 under "Report on Other Legal and Regulatory Requirements" section of our report to the members of India Glycols Limited of even date)

#### **Report on the Internal Financial Controls Over Financial Reporting under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act") Opinion**

We have audited the internal financial controls over financial reporting of **India Glycols Limited** ("the Company") as of March 31, 2020 in conjunction with our

audit of the financial statements of the Company for the year ended on that date.

In our opinion, to the best of our information and according to the explanations given to us the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2020, based on the criteria for internal financial control over financial reporting established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Control over Financial Reporting issued by the Institute of Chartered Accountants of India.

#### **Management's Responsibility for Internal Financial Controls**

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India (the "Guidance Note"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

#### **Auditor's Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting of the Company based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and

operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

#### **Meaning of Internal Financial Controls over Financial Reporting**

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

#### **Inherent Limitations of Internal Financial Controls over Financial Reporting**

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

For **K.N. Gutgutia & Co.**  
Chartered Accountants  
(Firm's Registration No. 304153E)

**(B.R. GOYAL)**

Place: Noida  
Date: 24<sup>th</sup> June, 2020

Partner  
(Membership No. 12172)

## Standalone Balance Sheet as at March 31, 2020

(₹ in lakhs)

Particulars	Note No.	As at March 31, 2020	As at March 31, 2019
<b>ASSETS</b>			
<b>(1) NON-CURRENT ASSETS:</b>			
(a) Property, Plant and Equipment	2	210,667.24	206,578.21
(b) Capital work-in-progress		16,299.75	12,371.76
(c) Investment Property	3	802.48	817.73
(d) Other Intangible assets	4	203.99	9.18
(e) Right to use assets	48	1,723.27	-
(f) Financial Assets			
(i) Investments	5	2,858.74	2,594.91
(ii) Loans	6	73.40	79.04
(iii) Others	7	4,769.95	4,971.69
(i) Other Non-Current assets	8	1,559.47	1,668.21
<b>Total Non Current Assets</b>		<b>238,958.29</b>	<b>229,090.73</b>
<b>(2) CURRENT ASSETS:</b>			
(a) Inventories	9	67,892.53	64,360.80
(b) Financial Assets			
(i) Trade receivables	10	57,424.90	32,971.62
(ii) Cash and cash equivalents	11	275.97	2,653.10
(iii) Bank balances other than (ii) above	12	8,111.88	8,219.25
(iv) Loans	13	9,045.63	9,045.63
(v) Others	14	4,354.73	3,469.57
(c) Other current assets	15	16,652.66	21,708.68
<b>Total Current Assets</b>		<b>163,758.30</b>	<b>142,428.65</b>
<b>TOTAL ASSETS</b>		<b>402,716.59</b>	<b>371,519.38</b>
<b>EQUITY AND LIABILITIES</b>			
<b>EQUITY:</b>			
(a) Equity Share capital	16	3,096.15	3,096.15
(b) Other Equity	16A	112,681.25	104,345.24
<b>Total Equity</b>		<b>115,777.40</b>	<b>107,441.39</b>
<b>LIABILITIES:</b>			
<b>NON-CURRENT LIABILITIES:</b>			
(a) Financial Liabilities			
(i) Borrowings	17	40,721.65	39,612.74
(ii) Lease Liabilities	48	1,377.50	-
(iii) Other financial liabilities	18	2,768.69	3,795.86
(b) Provisions	19	617.43	640.66
(c) Deferred tax liabilities (Net)	20	24,231.89	21,175.01
(d) Other non-current liabilities	21	29,372.04	36,683.79
<b>Total Non Current Liabilities</b>		<b>99,089.20</b>	<b>101,908.06</b>
<b>CURRENT LIABILITIES:</b>			
(a) Financial Liabilities			
(i) Borrowings	22	41,300.42	39,601.85
(ii) Lease Liabilities	48	486.86	-
(iii) Trade payables	23		
Total Outstanding dues of micro enterprises and small enterprises		16.61	16.61
Total Outstanding dues of creditors other than micro enterprises and small enterprises		71,822.53	73,820.34
(iv) Other financial liabilities	24	38,169.90	34,021.98
(b) Other current liabilities	25	34,826.87	12,538.51
(c) Provisions	26	763.41	493.50
(d) Current Tax Liabilities (Net)	27	463.39	1,677.14
<b>Total Current Liabilities</b>		<b>187,849.99</b>	<b>162,169.93</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>402,716.59</b>	<b>371,519.38</b>

Company Overview, Basis of preparation and significant accounting policies

1

The accompanying notes are an integral part of these standalone financial statements.

As per our report of even date

**For K N Gutgutia & Co.**

Chartered Accountants

Firm Registration no. 304153E

**B.R.Goyal**

Partner

Membership Number 12172

Place : Noida, UP

Date : June 24, 2020

**U. S. Bhartia**

Chairman and Managing Director

DIN - 00063091

**Ankur Jain**

Company Secretary

**Sudhir Agarwal**

Executive Director

DIN - 08602216

**Anand Singhal**

Chief Financial Officer



**Standalone Statement of Profit & Loss** For the year ended March 31, 2020 (₹ in lakhs), except as otherwise stated

Particulars	Note No.	Year ended March 31, 2020	Year ended March 31, 2019
<b>Income</b>			
Revenue from operations	28	595,116.69	511,681.76
Other income	29	1,218.62	1,662.40
<b>Total Revenue</b>		<b>596,335.31</b>	<b>513,344.16</b>
<b>Expenses:</b>			
Cost of materials consumed	30	168,569.89	154,993.24
Excise Duty on Sales		248,164.25	176,079.99
Purchase of Stock-in-Trade	31	61,087.06	53,366.82
Change in inventories of finished goods, work-in-progress and Stock-in-trade	32	1,135.80	(1,131.33)
Employee benefits expense	33	11,248.22	9,886.91
Finance costs	34	13,675.66	13,565.94
Depreciation and amortization expense	35	7,863.99	7,188.79
Other expenses	36	65,839.00	76,522.59
<b>Total Expenses</b>		<b>577,583.87</b>	<b>490,472.95</b>
<b>Profit/ (Loss) before exceptional items and tax</b>		<b>18,751.44</b>	<b>22,871.21</b>
Exceptional Items (Net)		-	-
<b>Profit/ (Loss) before tax</b>		<b>18,751.44</b>	<b>22,871.21</b>
Tax Expense:			
- Current Tax		2,862.15	4,415.51
- Deferred tax Charged / (Credit)		5,924.97	8,050.23
- Minimum Alternate Tax (Credit) entitlement		(2,862.15)	(4,415.51)
<b>Profit/ (Loss) for the year</b>		<b>12,826.47</b>	<b>14,820.98</b>
<b>Other Comprehensive Income</b>			
Items that will not be reclassified to Profit or Loss			
(i) Remeasurement benefit of defined benefit plans		(17.31)	0.23
(ii) Income tax expense on remeasurement benefit of defined benefit plans		5.94	(0.08)
<b>Other comprehensive Income/ (Loss) for the year</b>		<b>(11.37)</b>	<b>0.15</b>
<b>Total Comprehensive Income for the year</b>		<b>12,815.10</b>	<b>14,821.13</b>
<b>Earnings per Equity share of ₹10 each basic/ diluted (in ₹)</b>		<b>41.43</b>	<b>47.87</b>

Company Overview, Basis of preparation and significant accounting policies  
The accompanying notes are an integral part of these standalone financial statements.

1

As per our report of even date  
**For K N Gutgutia & Co.**  
Chartered Accountants  
Firm Registration no. 304153E

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

**Sudhir Agarwal**  
*Executive Director*  
DIN - 08602216

**B.R.Goyal**  
Partner

**Ankur Jain**  
*Company Secretary*

**Anand Singhal**  
*Chief Financial Officer*

Membership Number 12172  
Place : Noida, UP  
Date : June 24, 2020

## Statement of Changes in Equity as on March 31, 2020

### A. Equity Share Capital

(₹ in Lakhs)

Particulars	Balance as at 31 <sup>st</sup> March 2018	Changes during the year	Balance as at 31 <sup>st</sup> March 2019	Changes during the year	Balance as at 31 <sup>st</sup> March 2020
<b>ISSUED, SUBSCRIBED AND PAID UP</b>					
30,961,500 Equity Shares of ₹ 10/- each fully paid up	3,096.15	-	3,096.15	-	3,096.15
<b>Total</b>	<b>3,096.15</b>	<b>-</b>	<b>3,096.15</b>	<b>-</b>	<b>3,096.15</b>

Note:- There was no change in equity share capital during the year.

### B. Other Equity

(₹ in Lakhs)

Particulars	Reserve & Surplus				Items of Other Comprehensive Income that will not be classified to profit & loss	Total
	Securities Premium Reserve	Reserve for Contingencies	General Reserve	Retained Earnings		
<b>Balance as at March 31,2018</b>	<b>3,958.36</b>	<b>200.00</b>	<b>10,600.14</b>	<b>76,221.38</b>	<b>37.26</b>	<b>91,017.14</b>
Profit/ (loss) for the year				14,820.98		14,820.98
Dividend alongwith dividend distribution tax paid				(1,493.03)		(1,493.03)
Re-measurement of the net defined benefit Plans					0.15	0.15
<b>Balance as at March 31,2019</b>	<b>3,958.36</b>	<b>200.00</b>	<b>10,600.14</b>	<b>89,549.33</b>	<b>37.41</b>	<b>104,345.24</b>
Profit/ (loss) for the year				12,826.47		12,826.47
Dividend alongwith dividend distribution tax paid				(4,479.09)		(4,479.09)
Re-measurement of the net defined benefit Plans					(11.37)	(11.37)
<b>Balance As at March 31, 2020</b>	<b>3,958.36</b>	<b>200.00</b>	<b>10,600.14</b>	<b>97,896.71</b>	<b>26.04</b>	<b>112,681.25</b>

As per our report of even date  
**For K N Gutgutia & Co.**  
Chartered Accountants  
Firm Registration no. 304153E

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*Company Secretary*

**Anand Singhal**  
*Chief Financial Officer*

Membership Number 12172  
Place : Noida, UP  
Date : June 24, 2020

## Standalone Cash Flow Statement for the year ended 31<sup>st</sup> March, 2020 (₹ in lakhs)

	2019-20		2018-19	
<b>A Cash Flow from Operating Activities</b>				
Net Profit/(Loss) Before Tax		18,751.44		22,871.21
Adjustments For:				
Depreciation and amortisation expense	7,863.99		7,188.79	
(Profit)/Loss on Sale of Property, plant & equipment	(8.30)		2.82	
Net Unrealised Foreign Exchange Fluctuation (Gain) / Loss	1,598.21		(1,109.43)	
Govt Grant (Net)	(39.03)		(50.64)	
Bad Debts W/Off & Provision for Doubtful Debts & Advances	-		25.13	
Provision No Longer Required Written Back	(532.35)		(787.85)	
Finance Costs	13,954.11		14,137.26	
Interest/Dividend Income	(1,427.04)	21,409.59	(1,466.52)	17,939.56
<b>Operating Profit/ (Loss) before Working Capital Changes</b>		<b>40,161.03</b>		<b>40,810.77</b>
Adjustments For:				
(Increase)/Decrease in Trade & Other Receivables	(18,701.71)		(7,615.44)	
(Increase)/Decrease in Inventories	(3,531.73)		(19,941.37)	
Increase / (Decrease) in Trade & Other Payables	20,575.17	(1,658.27)	2,055.54	(25,501.27)
<b>Cash Generated from / (Used in) Operations</b>		<b>38,502.76</b>		<b>15,309.50</b>
Income Tax Paid (Net)		(4,075.90)		(471.66)
<b>Net Cash flow from / (Used in) Operating Activities</b>		<b>34,426.86</b>		<b>14,837.84</b>
<b>B Cash Flow from Investing Activities</b>				
Purchase/(Sale) of Property, plant & equipment	(15,995.76)		(13,917.63)	
Sale of Property, plant & equipment	42.28		61.65	
Interest/Dividend received	609.59		556.77	
Purchase of non-current investments	(263.83)		-	
<b>Net Cash flow from / (Used in) Investing Activities</b>		<b>(15,607.72)</b>		<b>(13,299.21)</b>
<b>C Cash Flow from Financing Activities</b>				
Net Proceeds from Borrowings	15,006.52		33,725.00	
Repayment of Borrowings	(17,762.52)		(17,395.04)	
Payment of lease liabilities	(434.92)			
Finance Costs	(13,571.96)		(14,179.86)	
Dividends Paid (Including Corporate Dividend Tax)	(4,433.39)		(1,493.03)	
<b>Net Cash flow from / (Used in) Financing Activities</b>		<b>(21,196.27)</b>		<b>657.07</b>
<b>Net Increase/(Decrease) in Cash &amp; Cash Equivalents [A+B+C]</b>		<b>(2,377.13)</b>		<b>2,195.70</b>
Opening Cash & Cash Equivalent (refer note 11)		2,653.10		457.40
Closing Cash & Cash Equivalent (refer note 11)		275.97		2,653.10

The accompanying notes are an integral part of these standalone financial statements.

**Note:**

The Cash flow statement has been prepared under the indirect method as set out in Indian Accounting Standard (Ind AS 7) statement of cash flows.

This is the Cash Flow Statement referred to in our report of even date.

As per our report of even date  
**For K N Gutgutia & Co.**  
Chartered Accountants  
Firm Registration no. 304153E

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

**Sudhir Agarwal**  
*Executive Director*  
DIN - 08602216

**B.R.Goyal**  
Partner

**Ankur Jain**  
*Company Secretary*

**Anand Singhal**  
*Chief Financial Officer*

Membership Number 12172  
Place : Noida, UP  
Date : June 24, 2020

# Notes to Standalone Financial Statements

## 1 Company Overview, Basis of Preparation and Significant Accounting Policies

### 1.1. Company Overview

India Glycols Limited (“IGL” or “the company”) is a public company domiciled in India and is incorporated under the provisions of the Companies Act applicable in India. Its shares are publicly traded on the National Stock Exchange (“NSE”) and the Bombay Stock Exchange (“BSE”) in India. The registered office of IGL is situated at A-1, Industrial Area, Bazpur Road, Kashipur – 244713, Distt. Udham Singh Nagar, Uttarakhand, India

The Company manufactures Industrial Chemicals such as green technology based bulk, specialty and performance chemicals and natural gums and industrial gases; Ethyl Alcohol (Potable) and nutraceuticals.

These financial statements were authorized for issue in accordance with a resolution of the directors on dated 24<sup>th</sup> June, 2020.

### 1.2. Basis of Preparation of financial statements

These financial statements have been prepared in accordance with the Indian Accounting Standards (hereinafter referred to as the ‘Ind AS’) as notified by Ministry of Corporate Affairs pursuant to Section 133 of the Companies Act, 2013 read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 as amended and other relevant provisions of the Act.

### 1.3. Significant Accounting Policies

#### (a) Basis of Measurement

The Financial statements have been prepared under historical cost convention on accrual basis, except for the items that have been measured at fair value as required by relevant Ind AS.

The standalone financial statements are presented in Indian Rupees (₹), which is the Company’s functional and presentation currency and all amounts are rounded to the nearest Lakhs (₹00,000) and two decimals thereof, except as stated otherwise.

#### (b) Basis of classification of Current and Non – Current

Assets and Liabilities in the balance sheet have been classified as either current or non-current.

An asset has been classified as current if (a) it is expected to be realized in, or is intended for sale or consumption in, the Company’s normal operating cycle; or (b) it is held primarily for the purpose of being traded; or (c) it is expected to be realized within twelve months after the reporting date; or (d) it is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting date. All other assets have been classified as non-current.

A liability has been classified as current when (a) it is expected to be settled in the Company’s normal operating cycle; or (b) it is held primarily for the purpose of being traded; or (c) it is due to be settled within twelve months after the reporting date; or (d) the Company does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting date. All other liabilities have been classified as noncurrent.

Deferred tax assets and liabilities are classified as non-current assets and non-current liabilities.

An operating cycle is the time between the acquisition of assets for processing and their realization in cash or cash equivalents. The Company has identified twelve months as its operating cycle for the purpose of current /non-current assets and liabilities

#### (c) Property, Plant and Equipment (PPE)

Property, Plant and Equipment are carried at deemed cost (fair value model) less accumulated depreciation and accumulated impairment losses, if any. Cost includes expenditure that is directly attributable to the acquisition of the items.

The Assets’ residual values, useful lives and method of depreciation are reviewed at each financial year end and adjusted prospectively, if appropriate. Depreciation on Plant, Property and equipment has been provided using straight line method over the useful life of assets as specified in Schedule II of the Companies Act, 2013. However, in case of certain Plant & Machinery depreciation have been provided based on technical evaluation of the useful life by technical valuer ranging from 40-48 years.

Depreciation on additions/ disposals is provided with reference to the month of addition/ disposal. Certain plant and machinery have been considered as continuous process plant as provided in schedule II of the Companies Act, 2013 on technical evaluation.

Freehold land is not depreciated. Leasehold land is amortised over the period of lease.

## Notes to Standalone Financial Statements

Property, plant and equipment are eliminated from financial statement, either on disposal or when retired from active use. Losses arising in the case of retirement of property, plant and equipment and gains or losses arising from disposal of property, plant and equipment are recognized in the statement of profit and loss in the year of occurrence.

### *Expenditure during construction*

Expenditure including qualifying interest during construction period is being included under capital work-in-progress and the same is allocated to Property, Plant & Equipment on completion of installation/construction.

#### **(d) Investment Properties**

Investment properties are measured at cost less accumulated depreciation and impairment losses, if any.

Depreciation on such properties is provided over the estimated useful lives as specified in Schedule II to the Companies Act, 2013. The residual values, useful lives and depreciation method of investment properties are reviewed, and adjusted on prospective basis as appropriate, at each financial year end. The effects of any revision are included in the statement of profit and loss when the changes arise.

Though the Company measures investment property using cost based measurement, the fair value of investment property is disclosed in the notes. Fair values are determined based on annual evaluation performed by an external independent valuer/internal assessment.

#### **(e) Intangible Assets**

Identifiable intangible assets are recognised a) when the Company controls the asset, b) it is probable that future economic benefits attributed to the asset will flow to the Company and c) the cost of the asset can be reliably measured.

Computer software's are capitalised at the amounts paid to acquire the respective license for use and are amortised over the period of license, generally not exceeding six years on straight line basis. The assets' useful lives are reviewed at each financial year end.

#### **(f) Leases**

The Company, as a lessee, recognises a right-of-use asset and a lease liability for its leasing arrangements, if the contract conveys the right to control the use of an identified asset.

The contract conveys the right to control the use of an identified asset, if it involves the use of an identified asset and the Company has substantially all of the economic benefits from use of the asset and has right to direct the use of the identified asset. The cost of the right-of-use asset shall comprise of the amount of the initial measurement of the lease liability adjusted for any lease payments made at or before the commencement date plus any initial direct costs incurred. The right-of-use assets is subsequently measured at cost less any accumulated depreciation, accumulated impairment losses, if any and adjusted for any remeasurement of the lease liability. The right-of-use assets is depreciated using the straight-line method from the commencement date over the period of lease term.

The Company measures the lease liability at the present value of the lease payments that are not paid at the commencement date of the lease. The lease payments are discounted using the incremental borrowing rate of the company.

For short-term and low value leases, the Company recognises the lease payments as an operating expense on a straight-line basis over the lease term.

#### **(g) Inventories**

Inventories are valued 'at lower of cost or net realizable value' except stock of residual products and scrap which are valued at net realizable value. The cost is computed on the weighted average basis. In case of finished goods and stock in process, cost is determined by considering material, labour, related overheads and duties thereon.

#### **(h) Employee benefits**

##### **I. Short-term employee benefits:**

All employee benefits falling due within twelve months of the end of the period in which the employees render the related services are classified as short term employee benefits, which include benefits like salaries, wages, short term compensated absences, performance incentives, etc. and are recognised as expenses in the period in which the employee renders the related service and measured accordingly.

##### **II. Post-employment benefits**

###### **(i) Defined Contribution Plan**

Employee benefits in the form of Provident Fund (with Government Authorities) are considered as

## Notes to Standalone Financial Statements

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.

### **Actuarial Valuation**

#### **(ii) Defined Benefit Plan**

Retirement benefits in the form of Gratuity and Long term compensated leaves are considered as defined benefit obligations and are provided for on the basis of an actuarial valuation, using the projected unit credit method, as at the date of the Balance Sheet.

The liability in respect of all defined benefit plans is accrued in the books of account on the basis of actuarial valuation carried out by an independent actuary using the Projected Unit Credit Method, which recognizes each year of service as giving rise to additional unit of employee benefit entitlement and measure each unit separately to build up the final obligation. The obligation is measured at the present value of estimated future cash flows. The discount rates used for determining the present value of obligation under defined benefit plans, is based on the market yields on Government securities as at the Balance Sheet date, having maturity periods approximating to the terms of related obligations.

Other short term absences are provided based on past experience of leave availed.

Actuarial Gains and losses arising from experience adjustments and changes in actuarial assumptions are recognized immediately in the balance sheet with a corresponding debit or credit to retained earnings through other comprehensive income (OCI) in the period in which they occur. Remeasurements are not reclassified to profit or loss in subsequent periods.

All other expenses related to defined benefit plans are recognized in Statement of Profit and Loss as employee benefit expenses.

#### **(i) Foreign currency transactions and translation**

Standalone financial statements have been presented in Indian Rupees (₹), which is the Company's functional and presentation currency.

Transactions in foreign currencies are initially recorded by the Company at rates prevailing at the date of the transaction. Subsequently monetary items are translated at closing exchange rates of balance sheet date and the resulting exchange difference recognised in the statement of profit or loss. Differences arising on settlement of monetary items are also recognised in the statement of profit or loss.

#### **(j) Grants**

Grants and subsidies from the government are recognised at their fair value where there is a reasonable assurance that the grant/subsidies will be received and the Company will comply with all attached conditions. Revenue Grants are recognised in the statement of Profit & Loss. Government grants relating to the specific Property, Plant & Equipment is disclosed in the balance sheet as deferred income and are credited to profit or loss on a straight-line basis over the expected lives of the related assets and presented within other income to match them with the cost that they are intended to compensate. Changes in estimates are recognised prospectively over the remaining life of the assets.

#### **(k) Taxation**

Income tax expense represents the sum of current, MAT and deferred tax. Tax is recognised in the Statement of Profit and Loss, except to the extent that it relates to items recognised directly in equity or other comprehensive income.

Current tax provision is computed for Income calculated after considering allowances and exemptions under the provisions of the applicable Income Tax Laws. Current tax assets and current tax liabilities are off set, and presented as net.

Deferred tax is recognised on differences between the carrying amounts of assets and liabilities in the Balance sheet and the corresponding tax bases used in the computation of taxable profit and are accounted for using the liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences, and deferred tax assets are generally recognised for all deductible temporary differences, carry forward tax losses and allowances to the extent that it is probable that in future taxable profits will be available to set off such deductible temporary differences. Deferred tax assets and liabilities are measured at the applicable tax rates. Deferred tax assets and deferred tax liabilities are off- set, and presented as net.

## Notes to Standalone Financial Statements

The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available against which the temporary differences can be utilised.

Deferred Tax includes MAT paid in accordance with Law of India which is recognised as MAT credit entitlement. Minimum Alternative Tax (MAT) as applicable to the Company is charged to the statement of Profit and loss. Credit of MAT is recognised as an asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the specified period, i.e., the period for which MAT credit is allowed to be carried forward. In the year in which the MAT credit becomes eligible to be recognised as an asset, the said asset is created by way of a credit to the profit and loss account and shown as MAT credit entitlement.

### (l) Provisions and Contingencies

#### (i) Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are reviewed at each reporting period and are adjusted to reflect the current best estimate.

#### (ii) Contingencies

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made. Information on contingent liability is disclosed in the Notes to the Financial Statements. Contingent assets are not recognized in financial statements but are disclosed, if any.

### (m) Impairment of non-current assets

An asset is considered as impaired when at the date of Balance Sheet there are indications of impairment and the carrying amount of the asset, or where applicable the cash generating unit to which the asset belongs exceeds its recoverable amount (i.e. the higher of the net asset selling price and value in use). The carrying amount is reduced to the recoverable amount and the reduction is recognized as an impairment loss in the Statement of Profit and Loss. The impairment loss recognized in the prior accounting period is reversed if there has been a change in the estimate of recoverable amount. Post impairment, depreciation is provided on the revised carrying value of the impaired asset over its remaining useful life.

### (n) Borrowing Cost / Finance Cost

Borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying assets treated as of the cost of that asset and other borrowing cost are recognised as expenses in the period in which it incurs them. Ancillary cost incurred in connection with the arranging the borrowings is amortized over the terms of the loan.

### (o) Financial instruments – initial recognition, subsequent measurement and impairment

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. A financial assets or a liability is recognised when the Company becomes a Party to the contractual provision of the instrument.

#### a) Financial Assets

Financial assets include cash and cash equivalent, trade and other receivables, investments in securities and other eligible current and noncurrent assets.

Financial Assets are measured at amortised cost or fair value through Other Comprehensive Income or fair value through Profit or Loss, depending on its business model for managing those financial assets and the assets contractual cash flow characteristics.

Subsequent measurements of financial assets are dependent on initial categorisation. For impairment purposes significant financial assets are tested on an individual basis, other financial assets are assessed collectively in groups that share similar credit risk characteristics.

The company derecognizes a financial assets when the contractual rights to the cash flows from the financial assets expire or it transfers the financial assets and the transfer qualifies for the derecognition under Ind-AS 109.

## Notes to Standalone Financial Statements

### **Investment in Equity shares**

Investments in equity securities (Other than Investment in Subsidiaries & Joint Venture) are initially measured at fair value. Any subsequent fair value gain or loss is recognized through Profit or Loss.

### **Investment in Subsidiaries & Joint Venture**

Investments in subsidiaries and Joint Venture are carried at cost. The cost comprises price paid to acquire investment and directly attributable cost.

The company assesses impairment based on expected credit loss (ECL) model to all its financial assets measured at amortised cost.

### **b) Financial liabilities**

Financial liabilities include long term and short term loan and borrowings, trade and other payables and other eligible current and non-current liabilities.

All financial liabilities recognized initially at fair value and, in the case of loans and borrowing and other payable, net of directly attributable transaction costs. After initial recognition, financial liabilities are classified under one of the following two categories

#### **i) Financial liabilities at fair value through profit or loss**

Financial liabilities at fair value through profit or loss include financial liabilities held for trading. The Company has not designated any financial liabilities upon initial measurement recognition at fair value through profit or loss. Financial liabilities at fair value through profit or loss are at each reporting date at fair value with all the changes recognized in the Statement of Profit and Loss.

#### **ii) Financial liabilities measured at amortised cost**

After initial recognition, such financial liabilities are subsequently measured at amortized cost by applying the Effective Interest Rate (EIR) method to the gross carrying amount of financial liability. The EIR amortization is included in finance expense in the profit and loss.

### **De-recognition of financial liability**

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires.

### **(p) Derivative financial instruments**

The Company uses derivative financial instruments, such as forward & Options currency contracts to hedge its foreign currency risks. Derivative financial instruments are measured at their fair value at the end of each reporting period.

### **(q) Cash and Cash equivalents**

Cash and cash equivalents in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

### **(r) Earnings per share**

Basic earnings per share are calculated by dividing the net profit or loss for the year attributable to equity shareholders of the Company by the weighted average number of the equity shares outstanding during the year.

For the purpose of calculating diluted earnings per share, net profit or loss for the year attributable to equity shareholders of the Company and the weighted average number of shares outstanding during the year is adjusted for the effect of all dilutive potential equity shares.

### **(s) Segment Reporting**

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. Management of the Company is responsible for allocating resources and assessing the performance of the operating segment. Revenue, expenses assets and liabilities which are common to the company are shown as results, assets and liabilities as unallocable.

### **(t) Revenue recognition and other income**

#### **a) Sale of goods**

Revenue is recognized either on delivery or on transfer of significant risk and rewards of ownership of the goods. Revenue from the sale of goods is measured at fair value of consideration received or receivable, inclusive of excise duty as applicable but after deducting discounts, rebates and sales tax/VAT and Goods & Service Tax.



## Notes to Standalone Financial Statements

**b) Sale of services-job work**

Revenue from job work charges are recognised on when performance obligation is met.

**c) Export Incentives**

Revenue in respect of Export benefit are recognised on post export basis at the rate at which the entitlement accrues in terms of import export policy and is included in the turnover.

**(u) Exceptional Items**

When items of income and expenses within statement of profit and loss from ordinary activities are of such size, nature or incidence that their disclosure is relevant to explain the performance of the enterprise for the period, the nature and amount of such material items are disclosed separately as exceptional items.

### 1.4. Critical accounting estimates, assumptions and judgements

In the process of applying the Company's accounting policies, management has made the following estimates, assumptions and judgements, which have significant effect on the amounts recognised in the financial statement.

Uncertainty about these assumptions and estimates could result in outcome that require a material adjustment to assets or liabilities affected in future periods.

**a) Income taxes**

Management judgment is required for the calculation of provision for income taxes and deferred tax assets and liabilities based on probability that taxable profit will be available against which the deductible temporary differences can be utilized. The Company reviews at each balance sheet date the carrying amount of deferred tax assets and liabilities. The factors used in estimates may differ from actual outcome which could lead to significant adjustment to the amounts reported in the standalone financial statements.

**b) Contingencies**

Management judgement is required for estimating the possible outflow of resources, if any, in respect of contingencies/claim/litigations against the Company as it is not possible to predict the outcome of pending matters with accuracy.

**c) Allowance for uncollected accounts receivable and advances**

Trade receivables and advances are stated at their transaction value as reduced by appropriate allowances for estimated irrecoverable amounts. Trade receivables and advances are written off on case to case basis when management deems them not to be collectible. Impairment is made on the expected credit losses, which are the present value of the cash shortfall over the expected life of the financial assets.

**d) Insurance claims**

Insurance claims are recognised when the Company have reasonable certainty of recovery. Subsequently any change in recoverability is appropriately adjusted for and give effect in the statement of profit and loss.

**e) Fair value measurement of financial instruments**

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including Discounted Cash Flow (DCF) model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

**f) Impairment of financial assets**

The impairment provisions for financial assets are based on assumptions about risk of default and expected loss rates. The Company uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on Company's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

## Notes to Standalone Financial Statements

### 2. Property, Plant & Equipment

(₹ in Lakhs)

Particulars	Freehold Land @	Leasehold Land	Buildings @	Plant & Equipment	Office Equipment	Furniture & Fixtures	Vehicles#	Total
<b>Gross block As at March 31, 2018</b>	12,387.72	11,895.00	8,455.01	188,766.31	607.40	2,048.34	430.03	<b>224,589.81</b>
Additions			73.73	8,132.40	165.00	100.31	76.01	8,547.45
Disposals					10.32	25.50	26.01	61.83
<b>As at March 31, 2019</b>	<b>12,387.72</b>	<b>11,895.00</b>	<b>8,528.74</b>	<b>196,898.71</b>	<b>762.08</b>	<b>2,123.15</b>	<b>480.03</b>	<b>233,075.43</b>
Additions	-	-	955.86	9,776.26	133.07	212.72	308.30	11,386.21
Disposals					21.90	3.64	247.62	273.16
<b>As at March 31, 2020</b>	<b>12,387.72</b>	<b>11,895.00</b>	<b>9,484.60</b>	<b>206,674.97</b>	<b>873.25</b>	<b>2,332.23</b>	<b>540.71</b>	<b>244,188.48</b>
<b>Accumulated Depreciation As at March 31, 2018</b>	-	530.70	901.81	16,996.74	249.06	681.14	15.87	19,375.32
Charge for the period	-	176.90	303.65	6,231.61	108.68	266.71	87.07	7,174.62
Disposals	-	-			7.55	21.49	23.69	52.73
<b>As at March 31, 2019</b>	<b>-</b>	<b>707.60</b>	<b>1,205.46</b>	<b>23,228.35</b>	<b>350.19</b>	<b>926.36</b>	<b>79.25</b>	<b>26,497.21</b>
Charge for the period		176.90	290.31	6,339.83	136.10	221.43	98.64	7,263.21
Disposals					18.37	3.35	217.46	239.18
<b>As at March 31, 2020</b>	<b>-</b>	<b>884.50</b>	<b>1,495.77</b>	<b>29,568.18</b>	<b>467.92</b>	<b>1,144.44</b>	<b>(39.57)</b>	<b>33,521.24</b>
<b>Net Carrying Amount</b>								
As at March 31, 2019	12,387.72	11,187.40	7,323.28	173,670.36	411.89	1,196.79	400.78	206,578.21
As at March 31, 2020	12,387.72	11,010.50	7,988.83	177,106.79	405.33	1,187.79	580.28	210,667.24

Notes:

# Gross block includes ₹ 328.29 Lakhs (Previous Year ₹ 68.76 Lakhs) secured by hypothecation against loan.

@ Gross Block includes ₹ 79.77 Lakhs (Previous Year ₹ 79.77 Lakhs) Pending transfer of title in the name of the Company.

### 3. Investment Property

(₹ in Lakhs)

Particulars	Amount	
<b>Gross block As at March 31,2018</b>	<b>835.03</b>	
Additions	-	
Disposals	-	
<b>As at March 31,2019</b>	<b>835.03</b>	
Additions	-	
Disposals	1.49	
<b>As at March 31,2020</b>	<b>833.54</b>	
<b>Accumulated Depreciation As at March 31, 2018</b>	<b>6.99</b>	
Charge for the period	10.31	
Disposals	-	
<b>As at March 31,2019</b>	<b>17.30</b>	
Charge for the period	13.76	
Disposals	-	
<b>As at March 31,2020</b>	<b>31.06</b>	
<b>Net Carrying Amount</b>		
As at March 31,2019	817.73	
As at March 31,2020	802.48	
<b>Fair Value</b>		
As at March 31,2019	1,020.00	
As at March 31,2020	976.22	
	<b>2019-20</b>	<b>2018-19</b>
Rental Income Derived from Investment Properties	19.09	10.42
Direct Operating Expenses	3.16	-
<b>Profit arising from investment properties</b>	<b>15.93</b>	<b>10.42</b>

## Notes to Standalone Financial Statements

4. Other Intangibles		(₹ in Lakhs)
Particulars	Amount	
<b>Computer Software</b>		
<b>Gross block As at March 31, 2018</b>	<b>79.98</b>	
Additions	10.10	
Disposal	-	
<b>As at March 31, 2019</b>	<b>90.08</b>	
Additions	205.83	
Disposal	-	
<b>As at March 31, 2020</b>	<b>295.91</b>	
<b>Accumulated Amortisation As at March 31, 2018</b>	<b>77.22</b>	
Charge for the period	3.68	
Disposals	-	
<b>As at March 31, 2019</b>	<b>80.90</b>	
Charge for the period	11.02	
Disposals	-	
<b>As at March 31, 2020</b>	<b>91.92</b>	
<b>Net Carrying Amount</b>		
As at March 31, 2019	<b>9.18</b>	
As at March 31, 2020	<b>203.99</b>	

5. NON CURRENT FINANCIAL ASSETS : INVESTMENTS						
(₹ in Lakhs), except as otherwise stated						
Particulars	As at March 31, 2020			As at March 31, 2019		
	No. of shares	Face Value	Amount	No. of shares	Face Value	Amount
<b>- UNQUOTED</b>						
<b>(A) Investment in Equity Instruments</b>						
<b>(1) Subsidiary Companies</b>						
a) IGL Finance Ltd.*	1,500,000	₹ 10.00	-	1,500,000	₹ 10.00	-
b) IGL CHEM International PTE Ltd., Singapore	100,000	SGD 1	27.41	100,000	SGD 1	27.41
c) IGL CHEM International USA LLC	200,000	USD 1	127.00	200,000	USD 1	127.00
d) Shakumbari Sugar & Allied Industries Ltd.*	50,112,100	₹ 10.00	-	50,112,100	₹ 10.00	-
<b>(2) Joint Venture</b>						
Kashipur Infrastructure and Freight Terminal Pvt Ltd	2,674,418	₹ 10.00	2,704.33	2,445,000	₹ 10.00	2,440.50
			<b>2,858.74</b>			<b>2,594.91</b>
<b>(B) Investment in Preference Shares</b>						
<b>(1) Subsidiary Companies</b>						
Shakumbari Sugar & Allied Industries Ltd.*	10,000,000	₹ 10.00	-	10,000,000	₹ 10.00	-
			-			-
			<b>2,858.74</b>			<b>2,594.91</b>

Aggregated book value of unquoted investment 2,858.74 2,594.91

\*The Company has elected to fair value in investment in certain subsidiaries to the date of transition.

\*Refer Note no. 41 to financial statements.

## Notes to Standalone Financial Statements

### 6. Non Current Loans

(₹ in Lakhs)		
Particulars	As at March 31, 2020	As at March 31, 2019
<b>a) Inter Corporate Deposits (ICD)#</b>		
- Unsecured, considered good	-	-
- Loan receivables -which have significant increase in Credit risk	-	-
- Loan receivables- Credit Impaired		
- Unsecured, considered doubtful	964.48	964.48
Less : Provision/ Allowance for Doubtful ICD	(964.48)	(964.48)
	-	-
<b>b) Other Loans</b>		
Loans to Employee		
- Unsecured, considered good	73.40	79.04
	<b>73.40</b>	<b>79.04</b>

# Includes loans to related party ₹ 964.48 lakhs (Previous year ₹ 964.48 lakhs), Refer note no 41(a).

### 7. Other non-Current financial assets

(₹ in Lakhs)		
Particulars	As at March 31, 2020	As at March 31, 2019
Bank deposits with remaining maturity of more than 12 months (Note no. 12)*	1,452.25	1,815.82
Security Deposits		
- Unsecured, considered good#	3,189.68	3,005.51
Interest receivable	128.02	150.36
	<b>4,769.95</b>	<b>4,971.69</b>

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

# Includes ₹ 1,341.34 lakhs (Previous Year ₹ 1,300.49 lakhs) (net of deferred expenditure) security deposit to director, private companies in which director/directors of company is director and are also related parties.

### 8. Other non-current assets:

(₹ in Lakhs)		
Particulars	As at March 31, 2020	As at March 31, 2019
<b>Capital Advances</b>		
- Unsecured, considered good	1,199.60	1,298.39
<b>Advances other than capital advances:</b>		
- Prepaid Expenses	164.61	131.17
- Deferred Expenditure	195.26	238.65
	<b>359.87</b>	<b>369.82</b>
	<b>1,559.47</b>	<b>1,668.21</b>

## Notes to Standalone Financial Statements

### 9. Inventories (At lower of cost and net realisable value) (As taken, valued and certified by the management)

Particulars	(₹ in Lakhs)	
	As at March 31, 2020	As at March 31, 2019
Raw Materials	19,660.83	18,496.92
	<b>19,660.83</b>	<b>18,496.92</b>
Work-in-Process	6,590.82	7,085.83
Finished Goods	8,440.15	9,242.99
	<b>8,440.15</b>	<b>9,242.99</b>
Stores and Spares	32,905.05	29,402.72
Stock in Trade	4.32	
Residue Product	238.50	76.44
Scrap	4.25	3.44
Loose Tools	48.61	52.46
	<b>67,892.53</b>	<b>64,360.80</b>

### 10. Trade Receivables

Particulars	(₹ in Lakhs)	
	As at March 31, 2020	As at March 31, 2019
- Considered good-Secured	-	-
- Considered good-Unsecured	57,424.90	32,971.62
- Trade Receivables which have significant increase in Credit Risk	-	-
- Trade Receivables credit impaired	78.79	572.11
Less: Loss Allowance	(78.79)	(572.11)
	<b>57,424.90</b>	<b>32,971.62</b>

### 11. Cash & Cash Equivalents

Particulars	(₹ in Lakhs)	
	As at March 31, 2020	As at March 31, 2019
<b>Balances with Banks</b>		
- On Current Accounts	240.73	2,612.08
- Cash on Hand	35.24	41.02
	<b>275.97</b>	<b>2,653.10</b>

### 12. Bank balance other than cash & cash equivalents

Particulars	(₹ in Lakhs)	
	As at March 31, 2020	As at March 31, 2019
<b>Other bank balances</b>		
- In Fixed Deposit Accounts* Current	7,971.75	8,147.65
- In Fixed Deposit Accounts* Non Current	1,452.25	1,815.82
- On Unpaid Dividend Accounts	140.13	71.60
	9,564.13	10,035.07
Less: Amount disclosed under Other Non Current Assets (Note No 7)	1,452.25	1,815.82
	<b>8,111.88</b>	<b>8,219.25</b>

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

## Notes to Standalone Financial Statements

### 13. Current loans

Particulars	(₹ in Lakhs)	
	As at March 31, 2020	As at March 31, 2019
<b>Inter Corporate Deposits (ICD) #</b>		
- Unsecured, considered good	9,045.63	9,045.63
- Loans which have significant increase in Credit Risk	-	-
- Loans- Credit Impaired	11,719.71	11,719.71
Less : Provision/ Allowance for doubtful ICD	(11,719.71)	(11,719.71)
	<b>9,045.63</b>	<b>9,045.63</b>

# Includes deposit with related party ₹ 6501.13 lakhs (Previous year ₹ 6501.13 lakhs), refer note no 41(b).

### 14. Other financial assets

Particulars	(₹ in Lakhs)	
	As at March 31, 2020	As at March 31, 2019
Export Incentive receivable - Duty Drawback	361.84	146.96
Interest receivable#	3,153.79	2,314.00
Less : Provision/ Allowance #	(950.65)	(950.65)
	2,203.14	1,363.35
Others (including security deposit, claims & other receivable)*	3,541.78	3,711.29
Less : Provision/ Allowance for doubtful other financial assets	(1,752.03)	(1,752.03)
	1,789.75	1,959.26
	<b>4,354.73</b>	<b>3,469.57</b>

# Includes receivable from related party ₹ 2068.67 lakhs (Previous year ₹ 1598.73 lakhs ), refer note no 41(a).

\* Refer Note No. - 47 (a), (b)

### 15. Other current assets

Particulars	(₹ in Lakhs)	
	As at March 31, 2020	As at March 31, 2019
Export Incentive receivable	683.99	1,715.90
Balance with Excise and Other Authorities	4,329.12	5,750.36
Deposits with Government Departments & Others	881.26	1,018.94
Prepaid expenses	4,312.14	4,954.87
Other Advances:		
Advances recoverable in cash or in kind or for value to be received	6,446.15	8,268.61
Doubtful advances#	8,657.94	8,657.94
	<b>15,104.09</b>	<b>16,926.55</b>
Less : Provision/ Allowance for doubtful advances#	(8,657.94)	(8,657.94)
	<b>6,446.15</b>	<b>8,268.61</b>
	<b>16,652.66</b>	<b>21,708.68</b>

# Includes receivable from related party ₹ 8,453.81 lakhs (Previous year ₹ 8,453.81 lakhs), refer note no 41(a).

## Notes to Standalone Financial Statements

### 16. EQUITY SHARE CAPITAL

(₹ in Lakhs), except as otherwise stated

Particulars	As at March 31, 2020	As at March 31, 2019
<b>Authorised :</b>		
45,000,000 Equity Shares of ₹ 10/- each	4,500.00	4,500.00
	<b>4,500.00</b>	<b>4,500.00</b>
<b>Issued, Subscribed and paid up :</b>		
30,961,500 Equity Shares of ₹ 10/- each fully paid up	3,096.15	3,096.15
<b>Total Equity share Capital</b>	<b>3,096.15</b>	<b>3,096.15</b>

#### a) Terms/rights attached to equity shares:

The Company has only one class of shares referred to as equity shares having a par value of ₹10/- per share. Each holder of equity shares is entitled to one vote per share.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

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

Name of Shareholders	As at March 31, 2020		As at March 31, 2019	
	No. of Shares	% of holding	No. of Shares	% of holding
Kashipur Holdings Limited	10,352,406	33.44%	10,352,406	33.44%
Executors to the Estate of Late Sajani Devi Bhartia*	2,100,249	6.78%	2,100,249	6.78%

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

Particulars	No. of Shares As at March 31, 2020	No. of Shares As at March 31, 2019
Shares outstanding as at the beginning of the year	30,961,500	30,961,500
Additions during the year	-	-
Deletions during the year	-	-
Shares outstanding as at the end of the year	<b>30,961,500</b>	<b>30,961,500</b>

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

### 16A. Other Equity

(₹ in Lakhs)

Particulars	Reserve & Surplus					Total
	Securities Premium	Reserve for Contingencies	General Reserve	Retained Earnings	Items of Other Comprehensive Income that will not be classified to profit & loss	
<b>Balance as at April 1, 2019</b>	3,958.36	200.00	10,600.14	89,549.33	37.41	104,345.24
Profit / (Loss ) for the year				12,826.47	-	12,826.47
Re-measurement of the net defined benefit Plans					(11.37)	(11.37)
Dividend alongwith dividend distribution tax paid				(4,479.09)		(4,479.09)
<b>Balance As at March 31, 2020</b>	<b>3,958.36</b>	<b>200.00</b>	<b>10,600.14</b>	<b>97,896.71</b>	<b>26.04</b>	<b>112,681.25</b>

## Notes to Standalone Financial Statements

### Nature of reserves

Reserve from Contingencies are created in earlier years to meet any contingencies in future and in the nature of free reserve.

General reserve amount transferred/ apportioned represents is in accordance with Indian Corporate law (The Companies Act, 1956) wherein a portion of profit is apportioned to general reserve, before a company can declare dividend.

Other comprehensive Income Reserve represent the balance in equity for items to be accounted in Other Comprehensive Income. OCI is classified into i) Items that will not be reclassified to profit & loss ii) Items that will be reclassified to profit & loss.

### 17. Non-current borrowings

	(₹ in Lakhs)			
	Non-Current Portion		Current Maturities	
	As at March 31, 2020	As at March 31, 2019	As at March 31, 2020	As at March 31, 2019
<b>SECURED LOANS</b>				
Rupee Term Loans*				
- from Banks & NBFCs	35,487.06	36,324.00	8,848.59	10,990.67
- Vehicle Loan & others	484.59	288.74	63.70	155.25
Foreign Currency Term Loans from Banks	-	-	-	-
	<b>35,971.65</b>	<b>36,612.74</b>	<b>8,912.29</b>	<b>11,145.92</b>
<b>UNSECURED LOANS</b>				
Loan from Body Corporates	4,750.00	3,000.00	-	2,600.00
	<b>4,750.00</b>	<b>3,000.00</b>	-	<b>2,600.00</b>
Less: Amount disclosed under the head "other financial liabilities" ( Note No. 24)			8,912.29	13,745.92
<b>Total Non- Current Borrowings</b>	<b>40,721.65</b>	<b>39,612.74</b>	-	-

#### Notes:

- The Term Loans inter-se, are secured / to be secured by mortgage of all immovable properties of the Company both present and future and hypothecation of all movable properties of the Company (save and except book debts) including movable machinery, machinery spares, tools and accessories, both present and future subject to prior charges created and / or to be created in favour of the bankers of the Company on stocks, book debts and other specified movable properties for working capital requirements / Buyers Credit.
- Vehicle Loan & others include loan of ₹ 264.37 lakhs (Previous Year ₹ 31.93 lakhs) secured by hypothecation of Motor Vehicles purchased there under which is repayable on different dates & loan of ₹ 283.92 lakhs (Previous Year ₹ 412.06 lakhs) secured against bank guarantee. (read with para 7)
- Term Loan from bank of ₹ 4,275.00 lakhs (Previous year ₹ 5,700.00 lakhs), is repayable in 20 equal quarterly installments of ₹ 337.50 lakhs commencing from June 2018.
- Term Loan from bank of ₹ 2,100.00 lakhs (Previous year ₹ 2,550.00 lakhs), is repayable in 20 quarterly installments, 8 installment of ₹ 112.50 lakhs , 4 installment of ₹ 150.00 lakhs and 8 installment of ₹ 187.50 lakhs commencing from June 2018.
- Term Loan from bank of ₹ 4,126.00 lakhs (Previous year ₹ 4,725.00 lakhs), is repayable in 22 quarterly installments, 2 installment of ₹ 25.00 lakhs , 3 installment of ₹ 100.00 lakhs, 1 installment of ₹ 125.00 lakhs, 4 installment of ₹ 187.00 lakhs, 4 installment of ₹ 250.00 lakhs, 4 installment of ₹ 313.00 lakhs and 4 installment of ₹ 375.00 lakhs commencing from April 2018.
- Term Loan from bank of ₹ 1,500.00 lakhs (Previous year ₹ 1,800.00 lakhs), is repayable in 9 equal quarterly installments of ₹ 150.00 lakhs commencing from October 2019.
- Term Loan from DBT Bio-pharma ₹ 283.92 lakhs net off ₹ 26.58 lakhs for deferred Govt. Grant (Previous year ₹ 412.05 lakhs net off ₹ 53.7 lakhs for deferred Govt. Grant), is repayable in 8 equal half yearly installments commencing from July 2018.
- Term Loan from bank of ₹ Nil lakhs (Previous year ₹ 2,000.00 lakhs), was repaid in July 2019.
- Term Loan from bank of ₹ 2,300.00 lakhs (Previous year ₹ 2,500.00 lakhs), is repayable in 23 quarterly installments, 4 installment of ₹ 50.00 lakhs , 4 installment of ₹ 75.00 lakhs, 4 installment of ₹ 100.00 lakhs, 4 installment of ₹ 125.00 lakhs, 5 installment of ₹ 150.00 lakhs, 2 installment of ₹ 175.00 lakhs commencing from April 2019.
- Term Loan from bank of ₹ 1,960.00 lakhs (Previous year ₹ 2,520.00 lakhs), is repayable in 20 equal quarterly installments of ₹ 140.00 lakhs commencing from October 2018.
- Term Loan from bank of ₹ 7,500.00 lakhs (Previous year ₹ 9,500.00 lakhs), is repayable in 20 equal quarterly installments of ₹ 500.00 lakhs commencing from February 2019.
- Term Loan from bank of ₹ 5,415.50 lakhs (Previous year ₹ 7,065.50 lakhs), is repayable in 20 structured quarterly installments commencing from next quarter from date of each disbursement.
- Term Loan from bank of ₹ 7,912.50 lakhs (Previous year ₹ 7,954.17 lakhs), is repayable in 72 structured monthly installments commencing from next month from date of each disbursement.
- Short Term Loan of ₹ Nil (Previous year ₹ 1,000.00 lakhs) paid in April 2019.
- Term Loan from Body Corporate of ₹ 4,750.00 lakhs (Previous Year ₹ 3,000.00 lakhs) is repayable only post confirmation from consortium banks.
- Term Loan from bank of ₹ 3,115.00 lakhs (Previous year ₹ Nil), is repayable in 20 equal quarterly installments of ₹ 195.00 lakhs commencing from December 2019.
- Term Loan from bank of ₹ 4,131.65 lakhs (Previous year ₹ Nil), is repayable in 28 equal quarterly installments of ₹ 3570.00 lakhs commencing from March 2021.
- Term Loan from body corporate of ₹ Nil (Previous Year ₹ 1100.00 lakhs) paid in June 2019.
- Term Loan from body corporate of ₹ Nil (Previous Year ₹ 500 lakhs) paid in July 2019.
- Term Loan from body corporate of ₹ Nil (Previous Year ₹ 1000 lakhs) paid in August 2019.



## Notes to Standalone Financial Statements

### 18. Other non-current financial liabilities

(₹ in Lakhs)		
Particulars	As at March 31, 2020	As at March 31, 2019
Security Deposits	2,768.69	3,795.86
	<b>2,768.69</b>	<b>3,795.86</b>

### 19. Provisions

(₹ in Lakhs)		
Particulars	As at March 31, 2020	As at March 31, 2019
<b>Provision for employee benefits</b>		
- Leave Encashment	617.43	640.66
	<b>617.43</b>	<b>640.66</b>

### 20. Deferred Tax Liabilities (Net)

(₹ in Lakhs)		
Particulars	As at March 31, 2020	As at March 31, 2019
<b>Deferred Tax Assets :-</b>		
Amount covered U/s 43B of Income Tax Act, 1961	517.49	480.36
Provision for doubtful debts / advances	8,779.20	8,951.58
Unabsorbed Depreciation	-	2,301.44
Business Loss	-	1,229.42
Others	157.82	689.09
<b>Gross Deferred tax Assets</b>	<b>9,454.51</b>	<b>13,651.89</b>
<b>Deferred Tax Liabilities :-</b>		
Property, Plant & Equipment	48,975.69	47,962.87
Others	708.83	-
<b>Gross Deferred tax Liability</b>	<b>49,684.52</b>	<b>47,962.87</b>
<b>MAT credit entitlements</b>	<b>15,998.12</b>	<b>13,135.97</b>
<b>Net Deferred Tax Liability</b>	<b>24,231.89</b>	<b>21,175.01</b>

### 21. Other non-current liabilities

(₹ in Lakhs)		
Particulars	As at March 31, 2020	As at March 31, 2019
Advance from Customers*	29,044.98	36,316.49
Deferred Income-Govt Grant & Security Deposit	327.06	367.30
	<b>29,372.04</b>	<b>36,683.79</b>

\* Long term export advance received from customers with supply schedule over period of 8-10 years. Export advance are secured by Guarantees given by State Bank of India (SBI) to the customers, while other export performance bank guarantee (EPBG) member banks have given counter guarantee in favour of SBI. Such guarantee are secured by first charge on the fixed assets and second charge on the current assets of the Company on pari passu basis.

## Notes to Standalone Financial Statements

### 22. Current Borrowings

(₹ in Lakhs)		
Particulars	As at March 31, 2020	As at March 31, 2019
<b>a) Secured Loans</b>		
Loans repayable on demand from Banks:		
- Working Capital Loans*	41,300.42	34,228.13
<b>Secured borrowings</b>	<b>41,300.42</b>	<b>34,228.13</b>
<b>b) Unsecured Loans</b>		
Short Term Loans from Banks	-	5,373.72
<b>Unsecured borrowings</b>	<b>-</b>	<b>5,373.72</b>
	<b>41,300.42</b>	<b>39,601.85</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.

### 23. Trade Payable

(₹ in Lakhs)		
Particulars	As at March 31, 2020	As at March 31, 2019
Payable to Micro Enterprises and Small Enterprises	16.61	16.61
Payable to Others	71,822.53	73,820.34
	<b>71,839.14</b>	<b>73,836.95</b>

### 24. Other current financial liabilities

(₹ in Lakhs)		
Particulars	As at March 31, 2020	As at March 31, 2019
Current maturities of long term borrowings (Note No. 17)	8,912.29	13,745.92
Interest accrued but not due on borrowings	526.16	144.01
Capital Payables	16,685.87	12,609.00
Retention Money	4,774.22	2,745.00
Expenses payable (Including derivative liabilities)	4,539.28	3,913.61
Investor education & protection fund shall be credited by the following amounts when due:		
(i) Unclaimed Dividends	140.13	94.43
(ii) Unclaimed matured deposits	-	-
(iii) Unclaimed interest on above (ii)	-	-
Other Payables	2,591.95	770.01
	<b>38,169.90</b>	<b>34,021.98</b>

### 25. Other current liabilities

(₹ in Lakhs)		
Particulars	As at March 31, 2020	As at March 31, 2019
Duties, taxes and other statutory dues	950.53	969.99
Advance from Customers	33,524.40	11,104.17
Deferred Income Govt Grant & others	50.43	53.70
Other Payables	301.51	410.65
	<b>34,826.87</b>	<b>12,538.51</b>

## Notes to Standalone Financial Statements

### 26. Current Provisions

(₹ in Lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019
<b>Provision for employee benefits</b>		
- Gratuity	468.43	246.82
- Leave Encashment	294.98	246.68
	<b>763.41</b>	<b>493.50</b>

### 27. Current tax liabilities (Net)

(₹ in Lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019
Provision for MAT	463.39	1677.14
	<b>463.39</b>	<b>1677.14</b>

### 28. Revenue From Operations

(₹ in Lakhs)

Particulars	Year Ended March 31, 2020	Year Ended March 31, 2019
<b>a) Sales of Products</b>		
Glycols & Others	111,409.97	144,822.83
Speciality Chemicals	25,370.76	24,053.15
Ethoxylate	49,843.24	49,437.72
Power Alcohol (DAE)	14,341.95	-
Guar Gum Powder and derivatives	2,910.21	1,897.85
Ethyl Alcohol (Potable)	301,368.93	212,467.69
Industrial Gases	4,039.06	3,956.89
Sale of traded goods		
Chemicals and oil Products	59,909.29	51,251.43
Nutraceutical	17,751.51	15,954.94
	<b>586,944.92</b>	<b>503,842.50</b>
<b>b) Sales of Service</b>	<b>1,031.71</b>	<b>866.01</b>
	<b>1,031.71</b>	<b>866.01</b>
<b>c) Other Operating Revenue</b>		
Provision no longer required/ Sundry balances written back	532.35	787.85
Export Incentive	1,909.20	1,658.52
Miscellaneous Income	4,698.51	4,526.88
	<b>7,140.06</b>	<b>6,973.25</b>
<b>Total Revenue from operations</b>	<b>595,116.69</b>	<b>511,681.76</b>

### 29. Other Income

(₹ in Lakhs)

Particulars	Year Ended March 31, 2020	Year Ended March 31, 2019
Interest	1,148.59	895.20
Rent	19.09	-
Insurance Claim	-	714.60
Profit on sale of Property, Plant & Equipment	11.91	1.96
Govt Grants	39.03	50.64
	<b>1,218.62</b>	<b>1,662.40</b>

## Notes to Standalone Financial Statements

### 30. Cost of Materials Consumed

Particulars	(₹ in Lakhs)	
	Year Ended March 31, 2020	Year Ended March 31, 2019
Raw Materials	151,018.12	138,019.07
Packing Material	17,551.77	16,974.17
	<b>168,569.89</b>	<b>154,993.24</b>

### 31. Purchase of Stock-In-Trade

Particulars	(₹ in Lakhs)	
	Year Ended March 31, 2020	Year Ended March 31, 2019
Chemical and Oil Products	61,087.06	53,366.82

### 32. Changes In Inventories of Finished Goods, Work- In-Progress And Stock-In-Trade

Particulars	(₹ in Lakhs)	
	Year Ended March 31, 2020	Year Ended March 31, 2019
<b>CLOSING STOCK</b>		
Finished Goods	8,440.15	9,242.99
Work-in-Process	6,590.82	7,085.83
Residue Product	238.45	76.45
	<b>15,269.42</b>	<b>16,405.27</b>
<b>OPENING STOCK</b>		
Finished Goods	9,242.99	7,689.69
Work-in-Process	7,085.83	7,482.25
Residue Product	76.40	102.00
Change in inventories of finished goods, work-in-progress and Stock-in-trade	<b>1,135.80</b>	<b>(1,131.33)</b>

### 33. Employee Benefit Expenses

Particulars	(₹ in Lakhs)	
	Year Ended March 31, 2020	Year Ended March 31, 2019
Salaries, Wages, Allowances, etc.	9,793.52	8,543.96
Contribution to Provident and other Funds	813.93	702.50
Employees' Welfare and other Benefits	640.77	640.45
	<b>11,248.22</b>	<b>9,886.91</b>

### 34. Finance Costs

Particulars	(₹ in Lakhs)	
	Year Ended March 31, 2020	Year Ended March 31, 2019
Interest on Fixed Loans	4,379.63	3,594.36
Other Interest	7,448.55	7,917.65
Other Borrowing Cost		
Financial Charges	2,125.93	2,625.25
	13,954.11	14,137.26
Less: Interest Received on temporary deposits	278.45	571.32
	<b>13,675.66</b>	<b>13,565.94</b>

a) Forex losses treated as finance cost ₹ 350.10 lakhs (previous year ₹ 682.56) as per IND AS23 -Borrowing Costs.

b) Net of ₹1862.48 Lakhs (previous year ₹1584.64) interest capitalised during the year as per IND AS 23- Borrowing Costs.

## Notes to Standalone Financial Statements

### 35. Depreciation And Amortisation Expense

Particulars	(₹ in Lakhs)	
	Year Ended March 31, 2020	Year Ended March 31, 2019
Depreciation on Property, Plant & Equipment	7,263.21	7,174.80
Depreciation on Right to use assets	576.00	-
Depreciation on Investment Property	13.76	10.31
Amortisation on other intangible assets	11.02	3.68
	<b>7,863.99</b>	<b>7,188.79</b>

### 36. Other Expenses

Particulars	(₹ in Lakhs)			
		Year Ended March 31, 2020		Year Ended March 31, 2019
Stores and spares consumed		5,848.30		8,881.62
Power and Fuel		33,141.16		41,037.54
Repairs and Maintenance				
- Buildings		537.24		497.74
- Plant and Equipment		2,960.94		3,031.66
- Others		747.13		724.37
Rent		247.38		863.32
Rates and Taxes		2033.46		1,467.57
Travelling and Conveyance		1126.77		1,100.42
Insurance		862.88		702.16
Directors' sitting Fee		23.30		21.00
Commission to Selling agents		967.24		1,273.78
Freight forwarding and others (Net of recovery from customers / provision written back)		8,499.44		9,384.13
Exchange Fluctuation loss/ (gain) (Net) *		4,067.84		3,731.58
Bad debts written off	493.32	-	560.00	-
Less : Provision for doubtful debts/advances written back	493.32	-	560.00	-
Provision/ Allowance for doubtful debts and advances		-		25.13
Loss on Sale / Discard of Property, Plant & Equipment		3.61		4.78
Legal & Professional		2,532.01		1856.71
Printing & Stationery, Postage, Telephone, security and other Miscellaneous Expenses		2,240.30		1919.08
		<b>65839.00</b>		<b>76,522.59</b>

\* Net of Forex losses treated as finance cost ₹350.10 Lakhs (Previous Year ₹682.56) as per IND AS 23- Borrowing Costs

### Notes accompanying to the standalone financial statements for the Year Ended 31.03.2020

#### 37. (A) Contingent Liabilities not Provided For (As Certified by the Management) :-

(i) In respect of :-

Sl. No	Particulars	(₹ in Lakhs)	
		As at March 31, 2020	As at March 31, 2019
1	Central Excise/ State Excise @	1,985.56	4,556.18
2	Customs	971.74	1,029.19
3	Service Tax	16.28	19.27
4	Other matters	208.64	278.37
	<b>Total</b>	<b>3,182.22</b>	<b>5,883.01</b>

@ Excluding show cause notice (SCNs), where management is confident that on merits SCNs will be dropped and also as legally advised possibility of an outflow of fund is remote.

## Notes to Standalone Financial Statements

- (ii) Bills discounted with banks/others ₹ 2,084.55 Lakhs (Previous Year: ₹ 3,062.46 Lakhs).
- (iii) Corporate Guarantee to banks for loan availed by Shakumbari Sugar and Allied Industries Limited (a subsidiary company) amounting to ₹ Nil (Previous Year ₹ Nil) (excluding penal interest, penalty etc.) No due certificate from Central Bank of India is awaited.

**(B)** Custom duty saved on import of raw material under Advance License pending fulfillment of export obligation amounting to ₹ 1,212.05 Lakhs (Previous Year ₹ 2,667.97 Lakhs).

The Management is of the view that considering the past export performance and future prospects there is certainty that pending export obligation under advance licenses will be fulfilled before expiry of the validity of respective advance licenses, accordingly and also on "Going Concern Concept" basis there is no need to make any provision for custom duty saved.

- 38.** Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances of ₹ 1199.60 Lakhs, Previous Year ₹ 1298.39 Lakhs) are ₹ 7863.59 Lakhs (Previous Year ₹ 5343.81 Lakhs).
- 39.** In the earlier years, the State Government of Uttar Pradesh (UP) had imposed a levy of license fee on transfer of alcohol from the distillery to the chemical plant. The levy was challenged by the Company in the Hon'ble Supreme Court and on October 18, 2006 the matter was finally decided by The Hon'ble Supreme Court in favour of the Company. Accordingly, Company had filed an application for refund of amount paid ₹ 507.05 Lakhs (Previous Year ₹ 507.05 Lakhs) (shown as recoverable under the head Other Current Assets) with State Government of Uttarakhand, which is still pending for refund of the amount.
- 40.** In the earlier years, the State Government of Uttarakhand had levied Export Pass Fee on ENA/R.S. export outside India. The matter is finally disposed of by Hon'ble High Court of Uttarakhand vide its Order dated 9th January, 2012 and has declared the levy of said fee as unsustainable and irrecoverable. Subsequently, on June 8, 2012, vide Uttarakhand Excise (Amendment) Act, 2012, Uttarakhand Government retrospectively revived old notification relating to imposition of export fee on ENA and R.S. The Company filed Writ Petition challenging the above said notification and vide order dated September 12, 2012 the Hon'ble High Court of Uttarakhand has granted stay and restrained State from imposing export fee. A sum of ₹ 106.15 Lakhs (Previous Year ₹ 106.15 Lakhs) paid under protest is shown as recoverable from State Govt. of Uttarakhand, under the head Other Current Assets.
- 41.** (a) (i) Company has Investment of ₹ 5,427.50 Lakhs Company (Previous year ₹ 5,427.50 Lakhs) in equity share capital and 10% cumulative redeemable preference share capital in subsidiary company namely Shakumbari Sugar and Allied Industries Limited (SSAIL) whose net worth has been fully eroded and SSAIL has also been declared sick industrial undertaking as per provision of Sick Industrial Companies Act. 1985.
- (ii) In earlier year, the company has also given to SSAIL-Inter corporate deposit (ICD) amounting to ₹ 1,915.13 Lakhs (Previous Year ₹ 1,915.13 Lakhs) (including interest thereon) and advances of ₹ 8,453.81 Lakhs (Previous Year ₹ 8,453.81 Lakhs) and also corporate guarantee extended of ₹ Nil (Previous Year ₹ Nil) (excluding penal interest, penalty etc). No due certificate from Central Bank of India is awaited.
  - (iii) Based upon the application and adoption of fair value of the aforesaid investment, ICD and advances are carried at nil value.
- (b) (i) In earlier year the company had given (included in current Loan) Inter Corporate Deposit (ICD) of ₹ 14,649.64 Lakhs (Previous Year ₹ 14,649.64 Lakhs) to its subsidiary IGL Finance Ltd. (IGLFL) (A 100% subsidiary). IGLFL in earlier year had invested funds for short term in commodity financing contracts offered by National Spot Exchange Ltd. (NSEL). NSEL had defaulted in settling the contracts on due dates, for which IGLFL has initiated legal and other action and in turn IGLFL did not pay back due amount to the company. Accordingly considering the prudence no interest on above ICD has been accrued for the period from 01-09-2013 onwards.
- (ii) In respect of the above, the Company has made a loss allowance of ₹ 11,719.71 Lakhs based on expected credit loss Policy and other estimation made by the management and for balance ₹ 2,323.93 Lakhs (and also fully provided for against equity investment of ₹ 125.00 Lakhs), the management and IGLFL is confident for recovery of dues from NSEL over a period of time and hence shown as good (considering the arrangement of merger of NSEL with Financial Technologies (India) Limited (FTIL) and other measure which have so far been taken for and pending before the Govt. and other authorities and current scenario/ present state of affairs.)

## Notes to Standalone Financial Statements

42. The disclosures required under IND AS 19 “Employee Benefits” notified in the Companies (Accounting Standards) Rules, 2006 are as given below :

### A) Defined Contribution plan

Contribution to Defined Contribution Plan, recognized as expense for the Year is as under:

(₹ in Lakhs)

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Company’s contribution to provident fund	741.15	608.77

### B) Defined Benefit Plan :

The employees’ gratuity fund scheme managed by a trust is a defined benefit plan. The present value of obligation is determined based on actuarial valuation using by projected unit credit method in case of gratuity and Leave Encashment.

#### a) Reconciliation of opening and closing Balance of Defined Benefit Obligation

(₹ in Lakhs)

Particulars	Gratuity (Funded) March 31, 2020	Gratuity (Funded) March 31, 2019	Leave encashment (Unfunded) March 31, 2020	Leave encashment (Unfunded) March 31, 2019
Present value of obligation at the beginning of the year	3,297.15	3,045.38	887.34	885.69
Current service cost	236.28	234.99	74.28	68.11
Interest cost	240.69	228.40	64.78	66.43
Benefits paid	(241.79)	(220.98)	(54.71)	(53.03)
Remeasurements - actuarial loss/(gain) arising from:				
- Changes in demographic assumptions	(0.28)	-	0.15	-
- Change in financial assumptions	(286.96)	27.78	(54.42)	5.37
- Experience variance (i.e. actual experience vs assumptions)	300.62	(18.42)	(5.01)	(85.22)
<b>Present value of obligation at the end of year</b>	<b>3,545.71</b>	<b>3,297.15</b>	<b>912.41</b>	<b>887.34</b>

#### b) Changes in the fair value of plan assets – Gratuity

(₹ in Lakhs)

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Fair value of plan assets at beginning of year	3,050.33	2,884.62
Interest Income	222.67	216.35
Employer contributions	50.00	160.76
Benefits paid	(241.79)	(220.98)
Return on plan assets, excluding amount recognized in net interest expense	(3.94)	9.59
Fair value of plan assets at end of year	3,077.28	3,050.33
Present value of obligation	3,545.71	3,297.15
Net funded status of plan	(468.43)	(246.82)

## Notes to Standalone Financial Statements

The components of the gratuity and leave encashment are as follows:

**c) Expenses recognized statement of profit & loss account** (₹ in Lakhs)

Particulars	Gratuity March 31, 2020	Gratuity March 31, 2019	Leave encashment March 31, 2020	Leave encashment March 31, 2019
Current service cost	236.28	234.99	74.28	68.11
Net interest income /(Cost) on the Net Defined Benefit Liability(Asset)	18.02	12.06	64.78	66.43
Re-measurements - Actuarial loss/ (gain)	-	-	(59.28)	(79.84)
<b>Defined benefit cost recognized in statement of Profit &amp; loss.</b>	<b>254.30</b>	<b>247.05</b>	<b>79.78</b>	<b>54.70</b>

**d) Recognized in Other Comprehensive Income** (₹ in Lakhs)

Particulars	Gratuity March 31, 2020	Gratuity March 31, 2019
1. Actuarial loss/ (gain)		
- Change in demographic assumptions	(0.28)	-
- Change in financial assumptions	(286.97)	27.78
- Experience variance (i.e. actual experience vs assumptions)	300.62	(18.42)
2. Return on plan assets, excluding amount recognized in net interest expense	3.94	(9.59)
<b>Component of defined benefit costs recognized in other comprehensive income</b>	<b>17.31</b>	<b>(0.23)</b>

**e) Investment Detail**

All Investments are made with trust

**f) The principal actuarial assumptions used for estimating the Company's defined benefit obligations for gratuity and leave encashment are set out below:**

Actuarial assumptions	As at March 31, 2020	As at March 31, 2019
Discount Rate	6.30%	7.30%
Expected Rate of increase in salary	5.00%	8.00%
Withdrawal rate	10% p.a.	10% p.a.
Expected Average remaining working lives of employees (years)	17.50	17.33

The principal assumptions are the discount rate & salary growth rate. The discount rate is generally based upon the market yields available on Government bonds. The estimate of rate of escalation in salary considered in actuarial valuation, taken into account inflation, seniority, promotion and other relevant factors including supply and demand in the employment market.



## Notes to Standalone Financial Statements

### g) Sensitivity analysis:

(₹ in Lakhs)

Particulars	Change in Assumptions	Increase/ (decrease) in Gratuity Obligations March 31, 2020	Increase/ (decrease) in Gratuity Obligations March 31, 2019	Increase/ (Decrease) in Leave Encashment Obligations March 31, 2020	Increase/ (Decrease) in Leave Encashment Obligations March 31, 2019
Discount rate	+1%	(126.43)	(133.91)	(24.79)	(26.13)
	-1%	138.27	147.04	26.53	28.04
Salary Growth rate	+1%	138.68	144.64	26.61	27.59
	-1%	(129.10)	(134.27)	(25.32)	(26.20)

The above sensitivity analysis is based on change in an assumption while holding all other assumption constant in practice, this is unlikely to occur, and change in some of the assumption may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumption the same method [projected unit credit method] has been applied as when calculating the defined benefit obligation recognized within the balance sheet.

### Estimate of expected benefit payments

(₹ in Lakhs)

Particulars	Gratuity	Leave Encashment
01 Apr 2020 to 31 Mar 2021	1078.64	304.14
01 Apr 2021 to 31 Mar 2022	600.80	186.32
01 Apr 2022 to 31 Mar 2023	531.12	150.20
01 Apr 2023 to 31 Mar 2024	379.34	106.21
01 Apr 2024 to 31 Mar 2025	273.39	79.22
01 Apr 2025 Onwards	1,835.79	291.61

### 43. Financial risk management objectives and Policies

The Company's activities are exposed to a variety of financial risks from its operations. The key financial risks include market risk (including foreign currency risk, interest rate risk and commodity risk etc.), credit risk and liquidity risk. The company's overall risk management policy seeks to minimize potential adverse effects on company's financial performance.

(i) **Market Risk:** Foreign Currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The company has obtained foreign currency borrowing and has foreign currency trade payable and receivable and is therefore, exposed to foreign currency risk.

(a) **Foreign Currency Risk:** Foreign Currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The company has obtained foreign currency borrowing and has foreign currency trade payable and receivable and is therefore, exposed to foreign currency risk.

After taking cognizance of the natural hedge, the company takes appropriate hedge to mitigate its risk resulting from fluctuation in foreign currency exchange rate(s).

**Foreign Currency sensitivity:** The following tables demonstrate the sensitivity to a reasonable possible change in Foreign Currency with all other variable held constant. The impact on company's profit/(loss) before tax is due to change in the foreign exchange rate for:

## Notes to Standalone Financial Statements

(₹ in Lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019
Change in USD	+ 1%	+ 1%
Effect on profit/(loss) before tax	(55.11)	(229.42)
Change in USD	-1%	-1%
Effect on profit/(loss) before tax	55.11	229.42

- (b) **Interest rate risk:-** Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Any change in the interest rates environment may impact future rates of borrowing. The company mitigates this risk by regularly assessing the market scenario, finding appropriate financial instruments, interest rate negotiation with the lenders for ensuring the cost effective method of financing.

**Interest Rate Sensitivity:** The following table demonstrates the sensitivity to a reasonable possible change in interest rate on financial assets affected. With all other variable held constant, the company's profit before tax is affected through the impact on finance cost with respect to our borrowing, as follows:

A change in 25 basis points in interest rates would have following impact on profit before tax.

(₹ in Lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019
Change in basis point	+25	+25
Effect on profit before tax	(321.52)	(327.39)
Change in basis point	-25	-25
Effect on profit before tax	321.52	327.39

- (c) **Commodity Price risk:** The Company is affected by the price volatility of certain commodities. Its operating activities require the purchase of raw material therefore, requires a continuous supply of certain raw materials. To mitigate the commodity price risk, the Company has an approved supplier base to get competitive prices for the commodities and to assess the market to manage the cost without any compromise on quality.

(ii) **Credit Risk:**

Credit risk refers to risk that a counter party will default on its contractual obligations resulting in financial loss to the Company. Credit risk arises primarily from financial assets such as trade receivables, Inter Corporate deposit, derivative financial instruments, other balances with banks, loans and other receivables. The Company's exposure to credit risk is disclosed in Note 5, 6, 7, 10, 13 & 14.

Credit risk arising from investment derivative financial instruments and other balances with banks is limited and there is no collateral held against these because the counter parties are banks and recognised financial institutions with high credit ratings.

The Company applies expected credit losses (ECL) model for measurement and recognition of loss allowance on the following:

- i. Trade receivables
- ii. Financial assets measured at amortized cost (other than trade receivables)

In case of trade receivables, the Company follows a simplified approach wherein an amount equal to lifetime ECL is measured and recognized as loss allowance. The ageing of the trade receivables are given below.

## Notes to Standalone Financial Statements

(₹ in Lakhs)

Particulars	Due Ageing			Total
	Upto 6 Months	6-12 Months	Above 12 Months	
<b>Trade Receivables</b>				
<b>As at 31<sup>st</sup> March, 2020</b>				
Unsecured	55,219.88	569.42	1,714.39	57,503.69
Provision/Allowance for Doubtful Receivables	-	-	(78.79)	(78.79)
<b>Net Total</b>	<b>55,219.88</b>	<b>569.42</b>	<b>1,635.60</b>	<b>57,424.90</b>
<b>As at 31<sup>st</sup> March, 2019</b>				
Unsecured*	30,383.93	957.34	2,202.46	33,543.73
Provision/Allowance for Doubtful Receivables	-	-	(572.11)	(572.11)
<b>Net Total</b>	<b>30,383.93</b>	<b>957.34</b>	<b>1,630.35</b>	<b>32,971.62</b>

ECL impairment loss allowance (or reversal) recognized during the period is recognized as income/ expense in the Statement of Profit and Loss under the head 'Other expenses'. The balance sheet presentation for financial instruments is described below:

Financial assets measured as at amortised cost: ECL is presented as an allowance, i.e., as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write-off criteria, the company does not reduce impairment allowance from the gross carrying amount.

- (iii) **Liquidity Risk:** Liquidity risk is the risk, where the company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The company's approach to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when due.

The table below summarizes the maturity profile of company's financial liabilities based on contractual undiscounted payments:-

(₹ in Lakhs)

Particulars	As at March 31, 2019					
	Carrying Amount	On Demand	< 1 Year	1 to 2 Years	>2 Years	Total
Interest bearing borrowings	92,960.51	39,601.85	13,745.92	21,091.34	18,521.40	92,960.51
Other Liabilities	24,071.92	-	20,276.06	3,795.86	-	24,071.92
Trade Payable	73,836.95	-	73,836.95	-	-	73,836.95
<b>Total</b>	<b>190,869.38</b>	<b>39,601.85</b>	<b>107,858.93</b>	<b>24,887.20</b>	<b>18,521.40</b>	<b>190,869.38</b>
Particulars	As at March 31, 2020					
	Carrying Amount	On Demand	< 1 Year	1 to 2 Years	>2 Years	Total
Interest bearing borrowings	90,934.36	41,300.42	8,912.29	12,895.56	27,826.09	90,934.36
Other Liabilities	33,890.66	-	29,744.47	4,146.19	-	33,890.66
Trade Payable	71,839.14	-	71,839.14	-	-	71,839.14
<b>Total</b>	<b>196,664.16</b>	<b>41300.42</b>	<b>110,495.90</b>	<b>17,041.75</b>	<b>27,826.09</b>	<b>196,664.16</b>

## Notes to Standalone Financial Statements

### 44. Capital risk management

The Company's policy is to maintain an adequate capital base so as to maintain creditor and market confidence and to sustain future development. Capital includes issued capital, share premium and all other equity reserves attributable to equity holders. The primary objective of the Company's capital management is to maintain an optimal structure so as to maximize the shareholder's value. In order to strengthen the capital base, the company may use appropriate means to enhance or reduce capital, as the case may be.

The Company is not subject to any external imposed capital requirement. The company monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. Net Debt is calculated as borrowings less cash and cash equivalents.

(₹ in Lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019
Borrowings	90,934.36	92,960.51
Less : Cash and Cash equivalents	275.97	2,653.10
<b>Net debt</b>	<b>90,658.39</b>	<b>90,307.41</b>
Equity Share Capital	3,096.15	3,096.15
Other Equity	1,12,681.25	1,04,345.24
<b>Total Capital</b>	<b>1,15,777.40</b>	<b>1,07,441.39</b>
<b>Capital and net debt</b>	<b>2,06,435.79</b>	<b>1,97,748.80</b>
<b>Gearing ratio</b>	<b>43.92%</b>	<b>45.67%</b>

45. The company has filed a claim of ₹ 1216.26 Lakhs with the insurance company for the reinstatement of machinery as well as loss occurred due to business interruption on account of fire at Gorakhpur plant. On prudent basis the company has accounted for ₹ 1216.26 Lakhs during the FY 19-20.
46. As required by section 22 of The Micro, Small and Medium Enterprises Development Act, 2006 the following information is disclosed:

(₹ in Lakhs)

S. No	Particular	2019-20	2018-19
(a)	The principal amount remaining unpaid to any supplier at the end of the year	16.61	16.61
(b)	Interest due remaining unpaid to any supplier at the end of the year	-	-
(c)	The amount of interest paid by the buyer in terms of section 16 of the MSMED Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during the year	-	-
(d)	The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act,2006	-	-
(e)	The amount of interest accrued and remaining unpaid at the end of the accounting year..	-	-
(f)	The amount of further interest remaining due and payable even in succeeding years, until such date when the interest dues above are actually paid to the small enterprises, for the purpose of disallowance of a deductible expenditure under section 23 of the MSMED Act, 2006	-	-

Disclosure of payable to vendors as defined under the "Micro, Small and Medium Enterprises Development Act, 2006" is based on the information available with the company regarding the status of registration of such vendors under the said Act, as per the intimation received from them on requests made by the Company. There are no overdue principal amounts/ interest payable amounts for delayed payments to such vendors at the Balance Sheet date. There are no delays in payment made to such suppliers during the year or for any earlier years and accordingly there is no interest paid or outstanding interest in this regard in respect of payment made during the year or on balance brought forward from previous year.

### 47. Other Particulars :

#### (a) Details of Loan given during the year covered under Section 186(4) of the Companies Act, 2013

Nil

## Notes to Standalone Financial Statements

### (b) Disclosure pursuant to regulation 34(3) & 53(F) of SEBI (LODR) Regulations, 2015 (₹ in Lakhs)

Particulars	Outstanding as at 31 <sup>st</sup> March, 2020	Maximum Amount Outstanding during 2019-2020	Outstanding as at 31 <sup>st</sup> March, 2019	Maximum Amount Outstanding during 2018-2019
<b>Loans Given to Subsidiaries</b>				
Shakumbari Sugar & Allied Industries Limited*	7263.99	7263.99	6740.41	6740.41
IGL Finance Limited*	14043.64	14043.64	14043.64	14043.64
<b>Advances Given to Subsidiaries</b>				
Shakumbari Sugar & Allied Industries Limited*	8453.81	8453.81	8453.81	8453.81
<b>Capital Advances Given to Subsidiaries</b>				
Shakumbari Sugar & Allied Industries Limited	497.55	497.55	-	-

\*Gross: without considering provision made against such loans/advances.

### (c) C.I.F. Value of Imports : (₹ in Lakhs)

Sl. No.	Particulars	2019-20	2018-19
i)	Capital Goods	241.59	12,673.79
ii)	Stores & Spares	524.17	726.76
iii)	Raw Materials	64733.14	93,068.13
iv)	Traded Goods	61,087.06	49,750.01

### (d) Payment to Auditors (Exclusive of GST) (₹ in Lakhs)

Sl. No.	Particulars	2019-20	2018-19
i)	As Auditors	20.00	17.50
ii)	In other capacity in respect of		
a)	Out of Pocket Expenses	2.19	2.25
b)	Certification and other matters	20.18	15.05

### (e) Cost Auditors (Exclusive of GST) (₹ in Lakhs)

Sl. No.	Particulars	2019-20	2018-19
i)	Audit Fees	2.50	1.50
ii)	Out of Pocket Expenses	-	0.14

#### 48. Disclosures of leasing arrangements

Effective April 1, 2019, the Company adopted Ind AS 116 "Leases", as notified by the Ministry of Corporate Affairs (MCA) in the Companies (Indian Accounting Standard) Amendment Rules, 2019, using the modified retrospective method. Under this approach, the company has recognised lease liabilities and corresponding equivalent right-of-use assets. Impact on the profits of the Company on the adoption of this standard are as under.

## Notes to Standalone Financial Statements

Particular	(₹ in Lakhs)
Rent	671.43
Finance Cost	(236.52)
Depreciation and amortisation expense	(576.00)
Profit before Tax	(141.09)
Tax expenses	49.30
Profit After Tax	(91.79)

The Company has lease contracts for Head office premises in Noida for a period up to 5 years in its operations. Lease agreements are locked-in for a period of first 3 years (Non-Cancellable period) and subsequently, the lease can be maintained at the option of the Company (lessee) (cancellable period). There are escalation clauses every 3 years.

Set out below are the carrying amounts of right-of-use assets recognised and the movements during the period:

Particular	(₹ in Lakhs)
	<b>Leasehold building</b>
As at April 1, 2019	2299.27
Additions	--
Depreciation expense	576.00
As at March 31, 2020	1723.27

Set out below are the carrying amounts of lease liabilities (included under interest-bearing loans and borrowings) and the movements during the period:

Particular	(₹ in Lakhs)
	<b>Lease Liability</b>
As at April 1, 2019	2299.27
Additions	---
Accretion of interest	236.52
Payments	671.43
As at March 31, 2020	1864.36
Current	486.86
Non-current	1377.50

### 49. Expenditure on Research & Development:

Particulars	2019-20	2018-19
Capital	238.35	29.91
Revenue	664.89	567.96
<b>Total</b>	<b>903.24</b>	<b>597.87</b>

## Notes to Standalone Financial Statements

### 50. Derivative financial instruments

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

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

Nature of Instruments	2019-20 Amount (FC in millions)	2019-20 Amount (₹ in Lakhs)	2018-19 Amount (FC in millions)	2018-19 Amount (₹ in Lakhs)
Forward Contracts - USD	-	-	-	-
Foreign currency options - USD	89.68	67753.24	31.50	20528.55
<b>Open foreign exchange exposures:</b>				
Packing Credit Net of Export debtors - USD	7.89	5960.90	2.42	1,674.37
Loans - USD	-	-	-	-
Payable - USD	-	-	-	-

(B) The Company has derivative instruments for hedging possible losses and exchange fluctuation losses. During the year company has incurred net off gain of ₹ 995.98 Lakhs (previous year ₹ 2849.91 Lakhs - Loss) out of which gain of ₹ 2028.48 Lakhs (previous year loss of ₹ 1635.15 Lakhs) relating to provision for mark to market gain/loss on account of outstanding financial transactions as on 31<sup>st</sup> March 2020.

### 51. Fair valuation techniques

The Company maintains policies and procedures to value financial assets or financial liabilities using the best and most relevant data available. The fair values of the financial assets and liabilities are included at the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

(₹ in Lakhs)

Particular	As at March 31, 2020		As at March 31, 2019	
	Carrying amount	Fair Value	Carrying Amount	Fair Value
(i) Financial Assets				
(a) At Amortized Cost				
- Investment in Subsidiaries & joint venture	2,858.74	2,858.74	2,594.91	2,594.91
Trade Receivable	57,424.90	57,424.90	32,971.62	32,971.62
Others	26,631.56	26,631.56	28,438.28	28,438.28
<b>Total</b>	<b>86,915.20</b>	<b>86,915.20</b>	<b>64,004.81</b>	<b>64,004.81</b>
(ii) Financial Liabilities				
(a) At Fair value through Profit & Loss				
- Forward contract & Options	(2,028.48)	(2,028.48)	1,635.15	1,635.15
(b) At Amortized Cost				
- Borrowing	90,934.36	90,934.36	92,960.51	92,960.51
- Trade payable	71,839.14	71,839.14	73,836.95	73,836.95
- Others	33,890.66	33,890.66	24,071.92	24,071.92
<b>Total (a) + (b)</b>	<b>1,94,635.68</b>	<b>1,94,635.68</b>	<b>1,92,504.53</b>	<b>1,92,504.53</b>

The following methods and assumptions were used to estimate the fair values:

- 1) Fair value of cash and deposits, trade receivables, trade payables, and other current financial assets and liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

## Notes to Standalone Financial Statements

- 2) Fair value of borrowings from banks and other non-current financial liabilities, are estimated by discounting future cash flows using rates currently available for debt on similar terms and remaining maturities.
- 3) Other non-current receivables are evaluated by the Company, based on parameters such as interest rates, individual creditworthiness of the counterparty etc. Based on this evaluation, allowances are taken to account for the expected losses of these receivables.
- 4) The fair values of derivatives are calculated using the RBI reference rate as on the reporting date as well as other variable parameters.

### Fair Value hierarchy

All financial assets and liabilities for which fair value is measured in the financial statements are categorised within the fair value hierarchy, described as follows:

Level 1 - Quoted prices in active markets.

Level 2 - Inputs other than quoted prices included within Level 1 that are observable, either directly or indirectly.

Level 3 - Inputs that are not based on observable market data.

The following table presents the fair value measurement hierarchy of financial assets and liabilities, which have been measured subsequent to initial recognition at fair value as at 31<sup>st</sup> March, 2020 and 31<sup>st</sup> March 2019:

(₹ in Lakhs)

Assets / Liabilities measured at fair value (Accounted)	As at March 31, 2020		
	Level 1	Level 2	Level 3
<b>Financial assets</b>	-		-
Derivatives -Forward contracts & Options		2,028.48	
<b>Financial liabilities</b>	-		-
		-	

(₹ in Lakhs)

Assets / Liabilities measured at fair value (Accounted)	As at March 31, 2019		
	Level 1	Level 2	Level 3
<b>Financial assets</b>	-	-	-
<b>Financial liabilities</b>	-		-
Derivatives- Forward contracts & Options		1635.15	

During the year ended March 31, 2020 and March 31, 2019, there were no transfers between Level 1 and Level 2 fair value measurements, and no transfer into and out of Level 3 fair value measurements. There is no transaction / balance under level 3.

52. (a) Capital work-in-progress includes machinery under installation, buildings under construction, construction/erection material in hand and other assets and also includes the following pre-operative expenses:

(₹ in Lakhs)

Particulars	2019-20	2018-19
Amount brought forward from previous year	1,131.93	218.24
Add: Raw Material & Chemical Consumed	102.93	70.81
Salary, wages, allowances, etc.	428.56	93.98
Contribution to Provident and other funds	21.01	14.30
Employees' welfare and other benefits	0.95	8.29
Legal and Professional charges	1.43	34.43
Repair and Maintenance	-	17.50
Travelling and Conveyance	5.24	5.95
Interest on Fixed Loans	1,862.48	1,584.64



## Notes to Standalone Financial Statements

Power and Fuel	<b>917.29</b>	891.40
Rates and Taxes	-	2.00
Miscellaneous Expenses	-	0.19
	<b>4,471.81</b>	2,941.74
Less: Transferred/ Capitalised	<b>2,220.44</b>	1,809.81
Balance carried forward	<b>2,251.37</b>	1,131.93

- (b) The company has received loans at 2% & 5% from DBT for Bio- mass plant. The loans are recognised at fair value using prevailing market interest of equivalent loan. The difference between the gross proceed and fair value of the loan is the benefit derived from lower rate of interest and is recognised as deferred income. The fair value of loan as March 31, 2020 and March 31, 2019 are ₹ 283.92 Lakhs and ₹ 411.51 Lakhs respectively.

### 53. Earnings per share (EPS)

<b>Particulars</b>	<b>Year ended March 31, 2020</b>	<b>Year ended March 31, 2019</b>
Net profit/ (loss) for the year attributable to equity shareholders (₹ in Lakhs)	<b>12,826.47</b>	14,820.98
Weighted average number of equity shares outstanding	<b>3,09,61,500</b>	3,09,61,500
Basic and diluted earnings per share (face value of ₹10 each) (₹)	<b>41.43</b>	47.87

## Notes to Standalone Financial Statements

### 54. 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)

##### B. Key Management Personnel

- U. S. Bhartia (Chairman and Managing Director)
- M. K. Rao (Executive Director) (Upto 30.11.2019)
- Sudhir Agarwal (Executive Director) (wef 01.12.2019)
- Jayshree Bhartia (Non – Executive Director)
- Pradip Kumar Khaitan (Independent Director)
- Jitender Balakrishnan (Independent Director)
- Ravi jhunjunwala (Independent Director)
- Jagmohan N. Kejriwal (Independent Director)
- Ashwini Kumar Sharma (Till 31.08.2019) (Nominee Director of State Bank of India)
- Sajeve Deora (w.e.f 01.05.2018) (Independent Director)
- Rakesh Bhartia (Chief Executive Officer)
- Anand Singhal (Chief Financial Officer)
- Ankur Jain (Company Secretary)

##### C. Relatives of Key Management Personnel

- Executors to the estate of Late Sajani devi Bhartia
- Pragya Bhartia
- Pooja Bhartia
- Anand Singhal (HUF)
- Rakesh Bhartia (HUF)
- Smita Bhartia

##### D. Enterprises over which Key Management Personnel have significant influence:

- Ajay Commercial Co. (P) Ltd.
- J. B. Commercial Co. (P) Ltd.
- Kashipur Holdings Limited
- Polylink Polymers (India) Ltd.
- Hindustan Wires Limited
- Supreet Vyapaar (P) Ltd.
- Mayur Barter (P) Ltd.
- Facit Commosales (P) Ltd.
- J. Boseck & Co. (P) Ltd.
- IGL Infrastructure Private Limited. (IGL Infra)
- Khaitan & Company
- Khaitan & company LLP
- Lund & Blockley Pvt. Ltd
- Sukhvarsha Distributors Pvt. Ltd

##### E. Joint Venture Enterprise

- Kashipur Infrastructure and Freight Terminal Private Limited (KIFTPL)

##### F. Trust under company control

- India Glycols Limited Employees Group Gratuity Trust Scheme

## Notes to Standalone Financial Statements

(₹ in Lakhs)

Related Party Transaction Summary	Subsidiaries		Significant Influence		Joint Venture		Key Managerial Person		Relative of KMP	
	2020	2019	2020	2019	2020	2019	2020	2019	2020	2019
Purchase of Material	-	-	-	-	-	-	-	-	-	-
Purchase Of Services	-	-	-	-	450.13	426.75	-	-	-	-
Sale of Material	2501.64	323.24	574.53	474.19	-	-	-	-	-	-
Legal & Professional Fee	-	-	104.30	79.27	-	-	-	-	-	-
Directors sitting Fees	-	-	-	-	-	-	23.30	21.00	-	-
ICD given	-	-	-	-	-	-	-	-	-	-
ICD Received Back	-	-	-	-	-	-	-	-	-	-
Dividend Paid	-	-	1921.82	640.61	-	-	81.33	27.11	263.78	88.55
Interest Income	523.58	2598.26	-	-	-	-	-	-	-	-
Interest Waived-Off	2,076.11	2,076.11	-	-	-	-	-	-	-	-
Commission Paid	325.67	-	-	-	-	-	848.49	78.95	-	-
Investment in Equity Shares	-	-	-	-	263.82	-	-	-	-	-
Sale of Investment in Equity Share	-	-	-	-	-	-	-	-	-	-
Reimbursement of Expenses made	-	-	40.73	33.69	-	-	-	-	-	-
Reimbursement of Expenses Received	-	-	10.34	23.96	12.16	4.01	-	-	-	-
Payment of income received	-	-	-	-	-	-	-	-	-	-
ICD Received	-	-	3,750.00	2,000.00	-	-	-	-	-	-
ICD Paid Back	-	606.00	1950.00	1,000.00	-	-	-	-	-	-
Capital Advances Given	497.55	-	-	-	-	-	-	-	-	-
Capital Advances Received back	-	-	-	-	-	-	-	-	-	-
Interest Expense	-	-	231.64	157.41	-	-	-	-	-	-
Rent & maintenance Paid	-	-	1,049.23	1,034.53	-	-	24.00	24.00	-	-
Vehicle Lease Rent	-	-	-	-	-	-	-	-	21.00	21.00
Salary Paid	-	-	-	-	-	-	319.77	300.03	28.01	27.29
Managerial Remuneration	-	-	-	-	-	-	679.03	352.48	-	-
Balance Outstanding	-	-	-	-	-	-	-	-	-	-
<b>Payable</b>										
ICD Payable (including Accrued Interest)	-	-	2054.02	91.16	-	-	-	-	-	-
Others	-	-	129.01	20.18	-	28.71	18.94	47.11	1.72	1.17
<b>Receivable(Unsecured)</b>										
ICD (including accrued interest)	21,307.63	20,784.04	-	-	-	-	-	-	-	-
Capital Advance Given	497.55	-	-	-	-	-	-	-	-	-
Security Deposit Receivable	-	-	1,063.85	1,063.85	-	-	500.00	500.00	-	-
Others	9,054.44	9,274.07	4.73	-	6.96	-	10.28	0.67	0.32	-
<b>Provision/allowance for above Receivables</b>										
Provision/allowance for Doubtful ICD	13,634.84	13,634.84	-	-	-	-	-	-	-	-
Provision/allowance for Doubtful Others	8,453.81	8,453.81	-	-	-	-	-	-	-	-
<b>Corporate Guarantee Outstanding</b>										
Corporate Guarantee given	-	-	-	-	-	-	-	-	-	-

## Notes to Standalone Financial Statements

(ii) (a) Remuneration/Salary paid to KMP (₹ in Lakhs)

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Short-term employee benefits #	907.94	539.92
Post-employment benefits		
- Defined contribution plan \$	90.85	54.02
- Other long-term benefits *	-	-
<b>Total</b>	<b>998.79</b>	<b>593.94</b>

# Including value of perquisites.

\* As the liability for gratuity and leave encashment are provided on actuarial basis for the Company as a whole, amounts accrued pertaining to key managerial personnel are not included above.

\$ Employer Contribution of Provident Fund

(b) Detail of remuneration to KMP:-

- Chairman & Managing Director – ₹ 546.25 Lakhs (Previous Year ₹ 283.69 Lakhs)
- Chairman & Managing Director (Commission) - ₹ 748.49 Lakhs (Previous Year ₹ 63.00 Lakhs)
- Executive Director – ₹ 110.20 Lakhs (Previous Year ₹ 68.79 Lakhs) – 30th November 2019
- Executive Director – ₹ 22.58 Lakhs (Previous Year ₹ Nil) – 01 December 2019
- Chief Executive Officer – ₹ 203.43 Lakhs (Previous Year ₹ 195.13 Lakhs)
- Chief Financial Officer – ₹ 73.18 Lakhs (Previous Year ₹ 70.55 Lakhs)
- Company Secretary – ₹ 43.16 Lakhs (Previous Year ₹ 34.35 Lakhs)

(iii) Detail of transaction India Glycols Limited Employees Group Gratuity Trust Scheme (₹ in Lakhs)

Particulars	Year ended 31 March 2020	Year ended 31 March 2019
Contribution	50.00	160.76
Outstanding at the Year End	468.43	246.82

(iv) Disclosure in respect of Material Related Party transactions during the year:

- Purchase of Services are from:
  - KIFTPL ₹ 450.13 Lakhs (Previous Year ₹ 426.75 Lakhs)
- Sales of Material are to:
  - IGLCHEM International PTE Ltd. ₹ 1,943.39 (Previous Year ₹ Nil Lakhs).
  - IGLCHEM, US ₹ 558.26 Lakhs (Previous Year ₹ 323.24 Lakhs).
  - Hindustan Wires Limited. ₹ 574.53 Lakhs (Previous Year ₹ 474.19 Lakhs).
- Legal & Professional fees:
  - Khaitan & Co. LLP ₹ 68.30 Lakhs (Previous Year ₹ 47.77 Lakhs).
  - Hindustan Wires Ltd ₹ 36.00 Lakhs (Previous Year ₹ 31.50 Lacs)
- Inter Corporate Deposit (ICD) Received back includes :
  - IGL Finance Ltd ₹ Nil (Previous Year ₹ 606 Lakhs)
- Inter Corporate Deposit (ICD) Received includes :
  - Kashipur Holdings Ltd ₹ 1,500.00 Lakhs (Previous Year ₹ 500.00 Lakhs)
  - Hindustan Wires Ltd ₹ 2,250.00 Lakhs (Previous Year ₹ 1,500.00 Lakhs)
- Inter Corporate Deposit (ICD) Paid back includes :
  - Hindustan Wires Ltd ₹ 1,350.00 (Previous Year ₹ 600.00 Lakhs)
  - Kashipur Holdings Ltd ₹ 600.00 Lakhs (Previous Year ₹ 400.00 Lakhs)
- Interest Expense includes from :
  - J Boseck & Co. (P) Ltd ₹ 91.25 Lakhs (Previous Year ₹ 91.00 Lakhs)
  - Kashipur Holdings Ltd ₹ 24.55 Lakhs (Previous Year ₹ 40.08 Lakhs)
  - Hindustan Wires Ltd ₹ 115.84 Lakhs (Previous Year ₹ 26.33 Lakhs)
- Interest Income includes from:
  - SSAIL ₹ 523.58 Lakhs (Previous Year ₹ 657.18 Lakhs)
  - IGLFL ₹ Nil (Previous Year ₹ 1,941.08 Lakhs)

## Notes to Standalone Financial Statements

- i) Interest Waived off includes:
  - SSAIL ₹ 135.03 Lakhs (Previous Year ₹ 135.03 Lakhs)
  - IGLFL ₹ 1,941.08 Lakhs (Previous Year ₹ 1,941.08 Lakhs)
- j) Capital Advance Given includes:
  - SSAIL ₹ 497.55 Lakhs (Previous Year ₹ Nil)
- k) Capital Advance Received back includes:
  - Hindustan Wires Limited ₹ Nil (Previous Year ₹ Nil)
- l) Reimbursement of expense made:
  - Polylink Polymers (India) Ltd ₹ 29.48 Lakhs (Previous Year ₹ 27.19 Lakhs)
  - Hindustan Wires Limited ₹ 9.30 Lakhs (Previous Year ₹ 4.71 Lakhs)
  - Khaitan & Co LLP ₹ 1.95 Lakhs (Previous Year ₹ 1.79 Lakhs)
- m) Reimbursement of expense Received.
  - IGL Infrastructure ₹ 10.34 Lakhs (Previous Year ₹ 23.96 Lakhs)
  - KIFTPL ₹ 12.16 Lakhs (Previous Year ₹ 4.01 Lakhs)
- n) Rent & Maintenance Paid to :
  - Polylink Polymers (India) Ltd. ₹ 12.00 Lakhs (Previous Year ₹ 12.00 Lakhs)
  - Hindustan Wires Limited ₹ Nil (Previous Year ₹ 0.75 Lakhs)
  - IGL Infra ₹ 1,022.14 Lakhs (Previous Year ₹ 1,007.13 Lakhs)
  - Kashipur Holding Limited ₹ 10.41 Lakhs (Previous Year ₹ 9.98 Lakhs)
  - Ajay Commercial Co (P) Ltd ₹ 2.34 Lakhs (Previous Year ₹ 2.34 Lakhs)
  - J.B. Commercial Co (P) Ltd ₹ 2.34 Lakhs (Previous Year ₹ 2.34 Lakhs)
  - U.S Bhartia ₹ 24.00 Lakhs (Previous Year ₹ 24.00 Lakhs)
- o) Vehicle Lease Paid to:
  - Anand Singhal HUF ₹ 9.00 Lakhs (Previous Year ₹ 9.00 Lakhs )
  - Smita Bhartia ₹ 12.00 Lakhs (Previous Year ₹ 12.00 Lakhs)

### Balance Outstanding

- a) ICD Payable (including Accrued Interest) :
  - Kashipur Holdings Ltd. ₹ 1,000.00 (Previous Year ₹ 0.16 Lacs)
  - Hindustan Wires Ltd. ₹ 900.00 (Previous Year ₹ 900.00 Lacs)
  - J Boseck & Co. (P) Ltd. ₹ 154.02 Lakhs (Previous Year ₹ 91.00 Lakhs)
- b) Others Payable includes:
  - J.B. Commercial Co. (P) Limited ₹ 0.01 Lakhs (Previous Year ₹ 0.01 Lakhs)
  - Kashipur Holdings Ltd ₹ 13.67 Lakhs (Previous Year ₹ 0.36 Lakhs)
  - Polylink Polymers (India) Ltd ₹ 12.47 Lakhs (Previous Year ₹ 13.96 Lakhs)
  - Hindustan Wires Ltd ₹ 18.45 Lakhs (Previous Year ₹ 0.09 Lakhs)
  - IGL Infra Ltd ₹ 69.91 Lakhs (Previous Year ₹ 5.75 Lakhs)
  - Khaitan & Co. LLP ₹ 14.50 Lakhs (Previous Year ₹ Nil)
  - KIFTPL ₹ Nil (Previous Year ₹ 28.71 Lakhs)
  - U.S. Bhartia ₹ 0.74 Lakhs (Previous Year ₹ 44.52Lakhs)
  - M K RAO ₹ 16.02 Lakhs (Previous Year ₹ 0.53 Lakhs)
  - Sudhir Agarwal ₹ 0.26 Lakhs (Previous Year ₹ NIL)
  - Smita Bhartia ₹ 0.98 Lakhs (Previous Year ₹ Nil)
  - Anand Singhal ₹ 1.92 Lakhs (Previous Year ₹ 0.55 Lakhs)
  - Anand Singhal HUF ₹ 0.74 Lakhs (Previous Year ₹ NIL)
  - Ankur Jain ₹ Nil (Previous Year ₹ 1.51 Lakhs)
  - Pragya Bhartia ₹ Nil (Previous Year ₹ 1.17 Lakhs)
- c) ICD Receivable including interest includes:
  - SSAIL ₹ 7,263.99 Lakhs (Previous Year ₹ 6,740.40 Lakhs). (Maximum balance outstanding during the year ₹ 7,263.99 Lakhs (Previous Year ₹ 6,740.40 Lakhs).
  - IGLFL ₹ 14,043.64 Lakhs (Previous Year ₹ 14,043.64 Lakhs) (Maximum balance outstanding during the year ₹ 14,043.64 Lakhs, Previous Year ₹ 14,043.64 Lakhs).
- d) Security Deposit receivable:
  - Ajay Commercial Co. (P) Limited ₹ 240.00 Lakhs (Previous Year ₹ 240.00 Lakhs)
  - J.B. Commercial Co. (P) Limited ₹ 240.00 Lakhs (Previous Year ₹ 240.00 Lakhs)
  - IGL Infra ₹ 583.85 Lakhs (Previous Year ₹ 583.5 Lakhs)
  - US Bhartia ₹ 500.00 Lakhs (Previous Year ₹ 500.00 Lakhs)

## Notes to Standalone Financial Statements

- e) Others Receivable includes:
- SSAIL ₹ 8,453.81 Lakhs (Previous Year ₹ 8,453.81 Lakhs) (Maximum balance outstanding during the year ₹ 8,453.81 Lakhs, Previous Year ₹ 8,453.81 Lakhs).
  - IGL CHEM ₹ 369.11 Lakhs (Previous Year ₹ 331.57 Lakhs). (Maximum balance outstanding during the year ₹ 369.11 Lakhs, Previous Year ₹ 331.57 Lakhs).
  - IGL CHEM US ₹ 202.53 Lakhs (Previous Year ₹ 459.70 Lakhs). (Maximum balance outstanding during the year ₹ 202.53 Lakhs, Previous Year ₹ 459.70 Lakhs).
  - IGL Finance Limited ₹ 28.99 Lakhs (Previous Year ₹ 28.99 Lakhs). (Maximum balance outstanding during the year ₹ 28.99 Lakhs, Previous Year ₹ 28.99 Lakhs).
  - Hindustan Wires ₹ 4.73 Lakhs (Previous Year ₹ Nil)
  - KIFTPL ₹ 6.96 Lakhs (Previous Year ₹ Nil)
  - US Bhartia ₹ 2.56 Lakhs (Previous Year ₹ Nil)
  - Pragya Bhartia ₹ 0.32 Lakhs (Previous Year ₹ Nil)
  - Rakesh Bhartia ₹ 7.72 Lakhs (Previous Year ₹ 0.67 Lacs)
- f) Corporate guarantee outstanding-  
Given to SSAIL ₹ Nil (Previous year ₹ Nil)
- g) Provision/Allowance relating to above Receivables
- (i) Provision for Doubtful ICD including accrued Interest -  
SSAIL ₹ 1,915.13 Lakhs (Previous Year ₹ 1,915.13 Lakhs)  
IGLFL ₹ 11,719.71 Lakhs (Previous Year ₹ 11,719.71 Lakhs)
  - (ii) Provision/Allowances for Doubtful Others  
SSAIL ₹ 8,453.81 Lakhs (Previous Year ₹ 8,453.81 Lakhs)

### 55. Dividend on Equity Share

#### Dividend on Equity shares declared and paid during the year (₹ in Lakhs)

Particulars	Year Ended March 31,2020	Year Ended March 31,2019
Final Dividend of ₹ 6 per share for FY 2018-19 (Previous Year 2017-18 - ₹ 4 per share)	1,857.69	1,238.44
Dividend Distribution Tax	381.75	254.56

#### Interim Dividend on Equity shares declared and paid during the year (₹ in Lakhs)

Particulars	Year Ended March 31,2020	Year Ended March 31,2019
Interim Dividend of ₹ 6 per share	1,857.69	-
Dividend Distribution Tax	381.75	-

#### Proposed Dividend on equity share not recognized as liability (₹ in Lakhs)

Particulars	Year Ended March 31,2020	Year Ended March 31,2019
Dividend proposed for Equity shareholders of ₹ Nil per share (Previous Year 2018-19 - ₹ 6 per share)	-	1,857.69
Dividend Distribution Tax	-	381.75

Above is subject to approval of the shareholders in the Annual General Meeting.

### 56. Segment Information:

#### Disclosures as required by Indian Accounting Standard (Ind AS) 108 Operating Segments

##### Identifications of Segments:

Segments have been identified in line with Indian Accounting Standard on 'Operating Segments' (Ind AS -108), taking into account the organizational structure as well as the differential risk and returns of this segment and as per the quantitative criteria specified under IND AS. The Company has identified the following segments:

##### Operating Segments:

Industrial Chemical Segment comprises Glycols, Specialty Chemicals, Natural Gum & other related goods etc. Liquor Segment comprises manufacture and sale of Ethyl Alcohol (Potable). Nutraceutical (Previously termed as Herbal) comprises manufacture and sale of Nutraceutical Products.

## Notes to Standalone Financial Statements

Information about Operating Segments for the year ended 31-3-2020 & 31-3-2019 is as follows: -

Particulars	Industrial Chemicals		Ethyl Alcohol (Potable)		Nutraceutical (perviously termed as Herbal)		Unallocable		TOTAL	
	31.03.2020	31.03.2019	31.03.2020	31.03.2019	31.03.2020	31.03.2019	31.03.2020	31.03.2019	31.03.2020	31.03.2019
<b>A REVENUE</b>										
1 Gross Segment Revenue (External Customers)	2,72,657.66	2,79,731.00	3,04,150.62	2,15,557.43	18,308.41	16,393.32	-	-	5,95,116.69	5,11,681.76
Inter- Segment	-	-	-	-	-	-	-	-	-	-
Total	2,72,657.66	2,79,731.00	3,04,150.62	2,15,557.43	18,308.41	16,393.32	-	-	5,95,116.69	5,11,681.76
Other Income							1,218.62	1,662.40	1,218.62	1,662.40
<b>B RESULTS</b>										
1 Segment Result (PBIT)	19,786.55	27,588.54	14,045.58	9,344.01	5,221.41	4,897.65	(6,626.44)	(5,393.05)	32,427.10	36,437.15
2 Interest Expense (Net)									13,675.66	13,565.94
3a Deferred Tax									5,924.97	8,050.23
3b Taxation provision of earlier year/MAT (Credit) Entitlement									-	-
4 Profit after Tax									12,826.47	14,820.98
<b>C Other information:</b>										
1 Segment Assets	2,98,151.04	2,97,415.88	52,347.13	21,072.98	28,708.81	30,315.72	23,509.61	22,714.80	4,02,716.59	3,71,519.38
2 Segment Liabilities	1,27,818.79	1,33,455.38	37,889.13	10,924.92	4,163.92	1,574.70	1,17,067.35	1,18,122.99	2,86,939.19	2,64,077.99
3 Depreciation and Amortization expenses	6,322.21	6,201.64	278.44	263.74	420.12	483.42	843.22	240.00	7,863.99	7,188.80
4 Capital Expenditure	11,791.16	11,242.38	1,761.99	899.58	1,966.88	1,933.60	-	-	15,520.03	14,075.56
<b>Information about geographical areas:</b>										
<b>Information about geographical areas:</b>										
<b>Particulars</b>					<b>Domestic</b>		<b>Overseas</b>		<b>Total</b>	
	31.03.2020	31.03.2019	31.03.2020	31.03.2019	31.03.2020	31.03.2019	31.03.2020	31.03.2019	31.03.2020	31.03.2019
1 Gross Segment Revenue (External Customers)	5,20,393.61	4,25,855.86	74,723.08	85,825.90	5,20,393.61	4,25,855.86	74,723.08	85,825.90	5,95,116.69	5,11,681.76
<b>Overseas County-wise sales:</b>										
<b>Particulars</b>										
USA									2019-20	2018-19
Other Countries									19,440.97	23,583.54
Total									55,282.11	62,242.36
									74,723.08	85,825.90
All non-current assets of the Company are located in India. There is no transaction with single external customer which amounts to 10% or more of the Company's revenue.										

## Notes to Standalone Financial Statements

57. (a) In compliance with Ind AS 112 on Disclosure of Interests in Other Entities, following disclosures are made in respect of jointly controlled entity - Kashipur Infrastructure and Freight Terminal Private Limited, in which the Company is a joint venturer :

(₹ in Lakhs)

	March 31, 2020	March 31, 2019
Country of Incorporation	India	
Percentage of Share in Joint Venture	42.31%	41.78%
Current Assets	282.11	254.43
Non- Current Assets	4,023.49	4,084.52
Current Liabilities	665.04	660.74
Non- Current Liabilities	1,005.97	1,260.94
Revenue	736.22	837.98
Profit/(Loss) for the period	(41.14)	(95.51)
Total Comprehensive Income	(41.14)	(95.51)
Capital Commitment (Net of advances)	7.21	39.12

### 58. Income Tax:

#### (A) Amounts recognized in Statement of Profit and Loss

(₹ in Lakhs)

Particulars	2019-20	2018-19
Current Income Tax		
- Current year	2862.15	4415.51
- Adjustment in respect of current income tax of earlier year	-	-
MAT (Credit) Entitlement	(2862.15)	(4415.51)
Deferred Tax- Relating to origination and reversal of temporary differences	5924.97	8050.23
<b>Income tax expense reported in the statement of profit &amp; loss</b>	<b>5924.97</b>	<b>8050.23</b>

#### (B) Income Tax recognised in other comprehensive Income

(₹ in Lakhs)

Particulars	2019-20	2018-19
Current Income Tax on Re-measurement losses on defined benefit plans	5.94	(0.08)
<b>Total</b>	<b>5.94</b>	<b>(0.08)</b>

#### (C) Reconciliation of effective tax rate

(₹ in Lakhs)

Particulars	2019-20	2018-19
Enacted income tax rate in India applicable to the Company	34.944%	34.944%
Accounting profit/(loss) before income tax	18751.44	22871.21
At Statutory Income Tax Rate @ 34.944%	6552.50	7992.12
In House R & D expenses	(241.10)	(115.07)
Related to Property, Plant & Equipment	(80.61)	(105.79)
Deferred tax Related to house property	(2.02)	(1.09)
Others	(307.84)	280.06
<b>Income Tax expense/(income) reported in Statement of P&amp;L Account</b>	<b>5,924.97</b>	<b>8,050.23</b>



## Notes to Standalone Financial Statements

### (D) Reconciliation of deferred tax liabilities, net

(₹ In Lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019
<b>Opening Balance</b>	<b>21,175.01</b>	<b>17,540.34</b>
Deferred Tax expense recognised in :-		
Statement of profit & loss	5,924.97	8,050.23
Other comprehensive income	(5.94)	0.08
MAT Credit Entitlement	(2,862.15)	(4,415.51)
<b>Closing balance</b>	<b>24,231.89</b>	<b>21,175.01</b>

#### 59. Event Occurring After Balance Sheet Date

The Board of Directors has recommended Equity dividend of ₹ Nil per share (previous year ₹ 6) for the financial year 2019-20.

60. World Health Organisation (WHO) declared outbreak of Coronavirus Disease (COVID-19) a global pandemic on March 11, 2020. Consequent to this, Government of India declared lockdown on March 23, 2020 and the Company temporarily suspended the operations in all the units in compliance with the lockdown instructions issued by the Central and State Governments. COVID-19 has impacted the normal business operations of the Company by way of interruption in production, supply chain disruption, unavailability of personnel, closure/lock down of production facilities etc. during the lock-down period which has been extended till May 17, 2020. However, production and supply of goods has commenced at all the manufacturing units of the company during the month of April 2020 on various dates after obtaining permissions from the appropriate government authorities.

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

61. The figures of the previous period/year have been restated/regrouped wherever necessary, to make them comparable..

As per our report of even date  
**For K N Gutgutia & Co.**  
 Chartered Accountants  
 Firm Registration no. 304153E

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

**Sudhir Agarwal**  
*Executive Director*  
 DIN 08602216

**B.R.Goyal**  
 Partner  
 Membership Number 12172  
 Place : Noida, UP  
 Date : June 24, 2020

**Ankur Jain**  
*Company Secretary*

**Anand Singhal**  
*Chief Financial Officer*

**Form AOC-1**

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)  
**Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures**

**PART "A" : Subsidiaries**

(All figure in Lakhs except exchange rate)

S. No	1	2	3	4
<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 year ending on	March 31, 2020	March 31, 2020	March 31, 2020	March 31, 2020
Reporting Currency	INR	INR	USD	INR
Exchange Rate on the last date of financial year			75.55	
Share Capital	6,067.71	27.41	0.79	150.00
Reserves & Surplus	(19,822.47)	(453.84)	(6.44)	120.40
Total Assets	12,904.63	11.30	0.15	2,623.67
Total Liabilities	12,904.63	11.30	0.15	2,623.67
Investments	-	-	-	-
Turnover	-	4,000.46	-	649.59
Profit / (loss) before tax	(1,653.28)	(15.50)	(0.22)	(0.56)
Provision for Taxation	-	-	-	-
Profit / (loss) after Taxation	(1,653.28)	(15.50)	(0.22)	(0.56)
Proposed Dividend	-	-	-	-
% of Shareholding	98.89%	100%	100%	100%

**Note :**

i) Profit/ (loss) figure does not include Other Comprehensive Income.

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

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

(₹ in Lakhs)

S.No	1
<b>Name of the Associates/Joint Venture</b>	Kashipur Infrastructure and Freight Terminal Private Limited
<b>1. Latest audited Balance Sheet Date</b>	March 31, 2020
Reporting Currency	INR
<b>2. Shares of Associate/Joint Ventures held by the company on the year end</b>	
No.	26,74,418
Amount of Investment in Associates/Joint Venture	2,704.33
Extend of Holding %	42.31%
<b>3. Description of how there is significant influence</b>	Joint Venture Agreement
<b>4. Reasons why the associate/joint venture is not consolidated</b>	N.A.
<b>5. Networth attributable to Shareholding as per latest audited Balance Sheet</b>	2,634.72
<b>6. Profit/Loss for the year</b>	
i. Considered in Consolidation	-41.14
ii. Not Considered in Consolidation	-56.09

**Note :**

i) There are no Associates or Joint Venture which have been liquidated or sold during the year.

## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF INDIA GLYCOLS LIMITED

### I. Report on the Audit of Consolidated Financial Statements for the year ended 31<sup>st</sup> March, 2020

#### 1. Opinion

A. We have audited the accompanying Consolidated Financial Statements of **INDIA GLYCOLS LIMITED** (hereinafter referred to as "the Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group"), its Joint venture, which comprise the Consolidated Balance Sheet as at March 31, 2020, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows for the year then ended, and notes to the consolidated financial statements including a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the Consolidated Financial Statements").

B. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Consolidated Financial Statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group and its Joint venture as at March 31, 2020, of its consolidated Profit and other comprehensive income, consolidated changes in equity and its consolidated cash flows for the year then ended.

#### 2. Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibility for the Audit of the Consolidated Financial Statements section of our report. We are independent of the group and its joint venture in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the consolidated financial statements under the provisions of the Companies Act 2013, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Consolidated Financial Statements.

#### Emphasis of Matter

We draw attention to Note 46 of the Consolidated financial statements in respect of its one of the subsidiary namely Shakumbari Sugar And Allied

Industries Ltd (SSAIL) continue to evaluate and explore options in consultation with expert(s) and stakeholders for restructuring/revival/disinvestments, hence the management of SSAIL consider it appropriate to prepare Financial Statements on going concern basis despite negative net worth on the balance sheet date and we have relied upon the management representation in this regard.

Our opinion is not modified in respect of this matter on the consolidated Ind AS financial statements for the year ended 31<sup>st</sup>, March 2020.

#### 3. Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Consolidated Financial Statements of the current period. These matters were addressed in the context of our audit of the Consolidated Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined that there are no key audit matters to be communicated in our report.

#### 4. Information Other than the Consolidated Financial Statements and Auditor's Report thereon

A. The Holding Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the Consolidated Financial Statements and our auditor's report thereon. Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

B. In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially in consistent with the Consolidated Financial Statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

#### 5. Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

A. The Holding Company's Board of Directors is responsible for the preparation and presentation of these Consolidated Financial Statements in term of the requirements of the Companies Act, 2013 (the Act) that give a true and fair view of the consolidated financial position, Consolidated financial

performance including other comprehensive income, consolidated changes in equity and consolidated cash flows of the Group and its joint venture in accordance with the other accounting principles generally accepted in India including Indian Accounting Standards (Ind AS) specified under section 133 of the Act. The respective Board of Directors of the companies included in the Group and its joint venture are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error. These financial statements have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

- B. In preparing the Consolidated Financial Statements, the respective Board of Directors of the companies included in the Group and its joint venture are responsible for assessing the Group's ability and its joint venture to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the group and of its Joint venture are also responsible for overseeing the financial reporting process of the Group and its Joint venture.

## 6. Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

- A. Our objectives are to obtain reasonable assurance about whether the Consolidated Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Consolidated Financial Statements.

- B. As part of an audit in accordance with SAs, we

exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- i) Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- ii) Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Holding Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- iii) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- iv) Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Consolidated Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- v) Evaluate the overall presentation, structure and content of the Consolidated Financial Statements, including the disclosures, and whether the Consolidated Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.
- vi) Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group and jointly controlled entities to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision



and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

- C. We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.
- D. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.
- E. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Consolidated Financial Statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

## II. Report on Other Legal and Regulatory Requirements

As required by Section 143(3) of the Act, based on our audit we report to the extent applicable that.

- A. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
- B. In our opinion, proper books of account as required by law have been kept so far as it appears from our examination of those books;
- C. The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including Other Comprehensive Income, Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flow dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.

D. In our opinion, the aforesaid consolidated financial statements comply with the Ind AS specified under Section 133 of the Act.

E. On the basis of the written representations received from the directors as on March 31, 2020 taken on record by the Board of Directors of the Holding Company and the report of the statutory auditor's of its subsidiaries and joint venture incorporated in India, none of the directors is disqualified as on March 31, 2020 from being appointed as a director in terms of Section 164 (2) of the Act;

F. With respect to the adequacy of the internal financial controls over financial reporting of and the operating effectiveness of such controls, refer to our separate Report in "Annexure A", which is based on the auditors' reports of the Holding and subsidiaries and its joint venture incorporated in India;

G. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

- 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.-38(A)(i),38(A) (ii), 38(A)(V),39,40 to the consolidated financial statements.
- Provision has been made in the consolidated financial statements, as required under the applicable law or Ind AS, for material foreseeable losses, if any, on long-term contracts including derivative contracts. Refer Note No.-48(b) to the consolidated financial statements.
- There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the group and its joint venture incorporated in India.

H. With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, its holding company covered under the Act paid remuneration to its directors during the year is in accordance with the provisions of section 197 of the Act read with Schedule V to the Act.

For **K.N. Gutgutia & Co.**  
Chartered Accountants  
(Firm's Registration No. 304153E)

**(B.R. GOYAL)**

Partner

Place: Noida

Date: 24<sup>th</sup> June, 2020

(Membership No. 12172)  
(UDIN :20012172AAAANY6956)

## **ANNEXURE “A” TO THE INDEPENDENT AUDITOR’S REPORT**

(Referred to in point F of paragraph II under “Report on Other Legal and Regulatory Requirements” section of our report to the members of INDIA GLYCOLS LIMITED of even date)

### **Report on the Internal Financial Controls Over Financial Reporting under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)**

#### **Opinion**

In conjunction with our audit of the consolidated Ind AS financial statements of the Company as of and for the year ended March 31, 2020, we have audited the internal financial controls over financial reporting of INDIA GLYCOLS LIMITED (hereinafter referred to as “Holding”) and its subsidiaries company, which are incorporated in India as of that date.

In our opinion to the best of our information and according to the explanations given to us, the Holding and its subsidiaries company, which are companies incorporated in India, have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2020, based on the criteria for internal financial control over financial reporting established by the respective companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Control over Financial Reporting issued by the Institute of Chartered Accountants of India.

#### **Emphasis of Matter**

We draw attention to Note 46 of the Consolidated financial statements in respect of its one of the subsidiary namely Shakumbari Sugar And Allied Industries Ltd (SSAIL) continue to evaluate and explore options in consultation with expert(s) and stakeholders for restructuring/revival/disinvestments, hence the management of SSAIL consider it appropriate to prepare Financial Statements on going concern basis despite negative net worth on the balance sheet date and we have relied upon the management representation in this regard.

Our opinion is not modified in respect of this matter on the consolidated Ind AS financial statements for the year ended 31<sup>st</sup>, March 2020.

#### **Management’s Responsibility for Internal Financial Controls**

The respective Board of Directors of the Holding and its subsidiaries company, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the respective

Companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI) (the “Guidance Note”). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

#### **Auditor’s Responsibility**

Our responsibility is to express an opinion on the internal financial controls over financial reporting of the Holding and its subsidiaries company, which are companies incorporated in India, based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company’s internal financial controls system over financial reporting.

#### **Meaning of Internal Financial Controls over Financial Reporting**

A company’s internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external

purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

**Inherent Limitations of Internal Financial Controls over Financial Reporting**

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility

of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

For **K.N. Gutgutia & Co.**  
Chartered Accountants  
(Firm's Registration No. 304153E)

**(B.R. GOYAL)**

Place: Noida  
Date: 24<sup>th</sup> June, 2020

Partner  
(Membership No.12172)

## Consolidated Balance Sheet as at March 31, 2020

(₹ in Lakhs)

Particulars	Note No.	As at March 31, 2020	As at March 31, 2019
<b>ASSETS</b>			
<b>(1) NON-CURRENT ASSETS:</b>			
(a) Property, Plant and Equipment	2	220,118.34	216,462.44
(b) Capital work-in-progress		17,170.58	13,740.14
(c) Investment Property	3	802.48	817.73
(d) Other Intangible assets	4	203.99	9.18
(e) Right to use assets	55	1,723.27	-
(f) Financial Assets			
(i) Investments	5	2,634.72	2,139.00
(ii) Loans	6	73.40	79.04
(iii) Others	7	4,838.58	4,989.23
(g) Other Non-Current assets	8	1,559.47	1,668.21
<b>Total Non Current Assets</b>		<b>249,124.83</b>	<b>239,904.97</b>
<b>(2) CURRENT ASSETS:</b>			
(a) Inventories	9	68,218.93	64,704.20
(b) Financial Assets			
(i) Trade receivables	10	56,872.22	32,201.96
(ii) Cash and cash equivalents	11	364.87	2,696.42
(iii) Bank balances other than (ii) above	12	8,806.42	8,853.97
(iv) Loans	13	2,551.46	2,553.09
(v) Others	14	5,954.37	5,737.83
(c) Current Tax Assets (Net)	15	30.39	-
(d) Other current assets	16	16,699.84	21,779.90
<b>Total Current Assets</b>		<b>159,498.51</b>	<b>138,527.37</b>
<b>TOTAL ASSETS</b>		<b>408,623.34</b>	<b>378,432.34</b>
<b>EQUITY AND LIABILITIES</b>			
<b>EQUITY:</b>			
(a) Equity Share capital	17	3,096.15	3,096.15
(b) Other Equity	17A	100,290.45	93,166.57
<b>Total Equity</b>		<b>103,386.60</b>	<b>96,262.72</b>
<b>LIABILITIES:</b>			
<b>NON-CURRENT LIABILITIES:</b>			
(a) Financial Liabilities			
(i) Borrowings	18	40,721.65	39,612.74
(ii) Lease liabilities	55	1,377.50	-
(iii) Other financial liabilities	19	2,794.42	3,840.19
(b) Provisions	20	617.43	641.42
(c) Deferred tax liabilities (Net)	21	31,953.57	28,896.69
(d) Other non-current liabilities	22	29,372.04	36,683.79
<b>Total Non Current Liabilities</b>		<b>106,836.61</b>	<b>109,674.83</b>
<b>CURRENT LIABILITIES:</b>			
(a) Financial Liabilities			
(i) Borrowings	23	48,425.92	46,669.35
(ii) Lease Liabilities	55	486.86	-
(iii) Trade payables	24		
Total Outstanding dues of micro enterprises and small enterprises		18.04	18.04
Total Outstanding dues of creditors other than micro enterprises and small enterprises		72,184.51	74,318.28
(iv) Other financial liabilities	25	39,663.88	35,258.87
(b) Other current liabilities	26	36,390.98	14,082.60
(c) Provisions	27	766.54	496.36
(d) Current Tax Liabilities (Net)	28	463.39	1,651.29
<b>Total Current Liabilities</b>		<b>198,400.13</b>	<b>172,494.79</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>408,623.34</b>	<b>378,432.34</b>

Group Overview, Basis of preparation and significant accounting policies 1  
The accompanying notes are an integral part of these consolidated financial statements.

As per our report of even date  
**For K N Gutgutia & Co.**  
Chartered Accountants  
Firm Registration no. 304153E

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

**Sudhir Agarwal**  
Executive Director  
DIN - 08602216

**B.R.Goyal**  
Partner  
Membership Number 12172  
Place : Noida, UP  
Date : June 24, 2020

**Ankur Jain**  
Company Secretary

**Anand Singhal**  
Chief Financial Officer



## Consolidated Statement of Profit & Loss for the year ended March 31, 2020

(₹ in Lakhs), except as otherwise stated

Particulars	Note No.	Year ended March 31, 2020	Year ended March 31, 2019
Revenue from operations	29	597,265.10	511,740.31
Other income	30	876.53	1,690.85
<b>Total Revenue</b>		<b>598,141.63</b>	<b>513,431.16</b>
<b>Expenses:</b>			
Cost of materials consumed	31	168,569.89	154,993.24
Excise Duty on Sales		248,164.25	176,079.99
Purchase of Stock-in-Trade	32	63,089.24	53,369.23
Change in inventories of finished goods, work-in-progress and Stock-in-trade	33	1,161.95	(1,110.87)
Employee benefits expense	34	11,437.60	10,083.60
Finance costs	35	14,341.43	14,347.99
Depreciation and amortization expense	36	8,297.21	7,624.28
Other expenses	37	65,647.98	76,636.25
<b>Total Expenses</b>		<b>580,709.55</b>	<b>492,023.71</b>
<b>Profit/ (Loss) before exceptional items and tax</b>		<b>17,432.08</b>	<b>21,407.45</b>
Exceptional Items (Net)		-	-
<b>Profit/ (Loss) before tax</b>		<b>17,432.08</b>	<b>21,407.45</b>
<b>Share of net profit/ (loss) of Joint Venture</b>		<b>(41.14)</b>	<b>(95.51)</b>
<b>Profit/ (Loss) before tax</b>		<b>17,390.94</b>	<b>21,311.94</b>
Tax Expense:			
- Current Tax		2,862.15	4,415.51
- Deferred tax Charged / (Credit)		5,925.37	8,050.53
- Minimum Alternate Tax (Credit) entitlement		(2,862.15)	(4,415.51)
<b>Profit/ (Loss) for the year</b>		<b>11,465.57</b>	<b>13,261.41</b>
<b>Other Comprehensive Income</b>			
(A) Items that will not be reclassified to Profit or Loss			
(i) Re-measurement benefit of defined benefit plans		(17.31)	15.32
(ii) Income tax expense on re-measurement benefit of defined benefit plans		5.94	(0.08)
(B) Items that will be reclassified to Profit or Loss			
Exchange differences on translating the financial statement of foreign subsidiary		(124.26)	(35.39)
Share of net profit/ (loss) of Joint Venture		-	-
<b>Other comprehensive Income/ (Loss) for the year</b>		<b>(135.63)</b>	<b>(20.15)</b>
<b>Total Comprehensive Income/ (Loss) for the year</b>		<b>11,329.94</b>	<b>13,241.26</b>
<b>Net Profit/ (Loss) attributable to</b>			
(a) Owners of the Company		11,465.57	13,261.41
(b) Non Controlling interests		-	-
<b>Other Comprehensive Income attributable to</b>			
(a) Owners of the Company		(135.63)	(20.15)
(b) Non Controlling interests		-	-
<b>Total Comprehensive Income attributable to</b>			
(a) Owners of the Company		11,329.94	13,241.26
(b) Non Controlling interests		-	-
<b>Earnings per Equity share basic/ diluted (in ₹)</b>		<b>37.03</b>	<b>42.83</b>

Group Overview, Basis of preparation and significant accounting policies 1  
The accompanying notes are an integral part of these consolidated financial statements.

As per our report of even date  
**For K N Gutgutia & Co.**  
Chartered Accountants  
Firm Registration no. 304153E

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

**Sudhir Agarwal**  
*Executive Director*  
DIN - 08602216

**B.R.Goyal**  
Partner  
Membership Number 12172  
Place : Noida, UP  
Date : June 24, 2020

**Ankur Jain**  
Company Secretary

**Anand Singhal**  
Chief Financial Officer

## Consolidated Statement of Changes in Equity for the year ended March 31, 2020

### A. Equity Share Capital

(₹ in Lakhs)

Particulars	Balance as at 31 <sup>st</sup> March, 2018	Changes during the year	Balance as at 31 <sup>st</sup> March, 2019	Changes during the year	Balance as at 31 <sup>st</sup> March, 2020
<b>ISSUED, SUBSCRIBED AND PAID UP</b>					
30,961,500 Equity Shares of ₹10/- each fully paid up	3,096.15	-	3,096.15	-	3,096.15
<b>Total</b>	<b>3,096.15</b>	<b>-</b>	<b>3,096.15</b>	<b>-</b>	<b>3,096.15</b>

### B. Other Equity

(₹ in Lakhs)

Particulars	Reserve & Surplus							Other Comprehensive Income		Total
	Securities Premium	Reserve for Contingencies	Molasses Reserve Fund	General Reserve	Retained Earnings	Capital Reserve	Capital Redemption Reserve	Items of Other Comprehensive Income that will not be classified to profit & loss	Items of Other Comprehensive Income that will be classified to profit & loss	
<b>Balance As at March 31, 2018</b>	<b>3,958.36</b>	<b>200.00</b>	<b>1.89</b>	<b>10,600.44</b>	<b>66048.98</b>	<b>416.00</b>	<b>0.19</b>	<b>82.99</b>	<b>109.49</b>	<b>81,418.34</b>
Profit / (Loss) for the year					13,261.41					13,261.41
Re-measurement of the net defined benefit Plans								15.24		15.24
Exchange differences on translating the financial statement of foreign subsidiary									(35.39)	(35.39)
Dividends					(1,493.03)					(1,493.03)
<b>Balance As at March 31, 2019</b>	<b>3,958.36</b>	<b>200.00</b>	<b>1.89</b>	<b>10,600.44</b>	<b>77,817.36</b>	<b>416.00</b>	<b>0.19</b>	<b>98.23</b>	<b>74.10</b>	<b>93,166.57</b>
Profit / (Loss) for the year					11,465.57					11,465.57
Re-measurement of the net defined benefit Plans								(11.37)		(11.37)
Dividends					(4,479.09)					(4,479.09)
Exchange differences on translating the financial statement of foreign subsidiary					273.03					273.03
Exchange differences on translating the financial statement of foreign subsidiary									(124.26)	(124.26)
<b>Balance As at March 31, 2020</b>	<b>3,958.36</b>	<b>200.00</b>	<b>1.89</b>	<b>10,600.44</b>	<b>85,076.87</b>	<b>416.00</b>	<b>0.19</b>	<b>86.86</b>	<b>(50.16)</b>	<b>100,290.45</b>

As per our report of even date  
**For K N Gutgutia & Co.**  
 Chartered Accountants  
 Firm Registration no. 304153E

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

**Sudhir Agarwal**  
 Executive Director  
 DIN - 08602216

**B.R.Goyal**  
 Partner  
 Membership Number 12172  
 Place : Noida, UP  
 Date : June 24, 2020

**Ankur Jain**  
 Company Secretary

**Anand Singhal**  
 Chief Financial Officer

## Consolidated Cash Flow Statement for the year ended March 31, 2020

(₹ in Lakhs)

	2019-20		2018-19	
<b>A Cash Flow from Operating Activities</b>				
Net Profit/(Loss) Before Tax		17,432.08		21,407.45
Adjustments For:				
Depreciation and amortisation expense	8,297.21		7,624.28	
(Profit)/Loss on Sale of Property, plant & equipment	(8.30)		2.82	
Net Unrealised Foreign Exchange Fluctuation (Gain) / Loss	1,637.70		(1,109.43)	
Govt Grant	(39.03)		(262.13)	
Non cash interest Income on Preference Shares	-		(318.26)	
Bad Debts W/Off & Provision for Doubtful Debts & Advances	-		25.13	
Provision No Longer Required Written Back	(532.35)		(787.85)	
Finance Costs	14,665.47		14,976.40	
Interest/Dividend Income	(968.93)	23,051.77	(1,004.53)	19,146.43
<b>Operating Profit/ (Loss) before Working Capital Changes</b>		<b>40,483.84</b>		<b>40,553.88</b>
Adjustments For:				
(Increase)/Decrease in Trade & Other Receivables	(18,852.70)		(8,193.52)	
(Increase)/Decrease in Inventories	(3,514.73)		(19,922.65)	
Increase / (Decrease) in Trade & Other Payables	20,289.96	(2,077.47)	2,772.55	(25,343.63)
<b>Cash Generated from / (Used in) Operations</b>		<b>38,406.37</b>		<b>15,210.25</b>
Income Tax Paid (Net)		(4,080.46)		(503.08)
<b>Net Cash flow from / (Used in) Operating Activities</b>		<b>34,325.91</b>		<b>14,707.17</b>
<b>B Cash Flow from Investing Activities</b>				
Purchase of Property, plant & equipment	(15,498.30)		(13,917.63)	
Proceeds from redemption of Preference Shares	-		490.00	
Sale of Property, plant & equipment	42.28		61.65	
Interest/Dividend received	628.97		552.17	
Purchase of non-current investments	(263.83)		-	
<b>Net Cash flow from / (Used in) Investing Activities</b>		<b>(15,090.88)</b>		<b>(12,813.81)</b>
<b>C Cash Flow from Financing Activities</b>				
Proceeds from Borrowings	15,064.52		37,189.69	
Repayment of Borrowings	(17,762.52)		(20,566.42)	
Payment of lease liabilities	(434.92)			
Finance Costs	(14,000.28)		(14,829.45)	
Dividends Paid (Including Corporate Dividend Tax)	(4,433.39)		(1,493.03)	
<b>Net Cash flow from / (Used in) Financing Activities</b>		<b>(21,566.59)</b>		<b>300.79</b>
<b>Net Increase/(Decrease) in Cash &amp; Cash Equivalents [A+B+C]</b>		<b>(2,331.56)</b>		<b>2,194.15</b>
Opening Cash & Cash Equivalent (refer note 11)		2,696.42		502.27
Closing Cash & Cash Equivalent (refer note 11)		364.87		2,696.42

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

As per our report of even date  
**For K N Gutgutia & Co.**  
Chartered Accountants  
Firm Registration no. 304153E

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

**Sudhir Agarwal**  
Executive Director  
DIN - 08602216

**B.R.Goyal**  
Partner  
Membership Number 12172  
Place : Noida, UP  
Date : June 24, 2020

**Ankur Jain**  
Company Secretary

**Anand Singhal**  
Chief Financial Officer

## Notes to Consolidated Financial Statements

### 1 Group Overview, Basis of Preparation and Significant Accounting Policies

#### 1.1. Group Overview

The Group, India Glycols Limited (Parent) and its subsidiaries, manufactures green technology based bulk, specialty and performance chemicals and sugar, spirits, industrial gases and nutraceuticals etc. The Joint venture Company develop, manage and operate Private Freight Terminal (PFT) and Inland Container Depot (ICD) at Kashipur, Uttarakhand.

These Consolidated financial statements were approved and adopted by board of directors of the Company in their meeting held on June 24, 2020.

#### 1.2. Statement of compliance:

The Consolidated financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) as prescribed under Section 133 of the Companies Act, 2013 read with Companies (Indian Accounting Standards) Rules, 2015 and amended and relevant provisions of the Companies Act, 2013.

#### 1.3. Basis of preparation of Consolidated financial statements:

- a) The consolidated financial statements relate to the Group, and joint ventures. Subsidiary are those entities in which the Parent directly or indirectly, has interest more than 50% of the voting power or otherwise control the composition of the board or governing body so as to obtain economic benefits from activities. The consolidated financial statements have been prepared on the following basis:-
- b) The financial statements of the subsidiaries are combined on a line-by-line basis by adding together the like items of assets, liabilities, income and expenses after fully eliminating intra-group balances and intra-group transactions and unrealized profits or losses in accordance with IND AS 110 – ‘Consolidated Financial Statements’ notified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015 as amended time to time. The deferred tax to be recognised for temporary differences arises from elimination of profits and losses resulting from intra group transactions.
- c) Interest in joint ventures are consolidated using equity method as per IND AS 28 – ‘Investment in Joint Ventures’. Under the equity method, post-acquisition attributable profit/losses are adjusted in the carrying value of investment upto the Group investment in the joint venture.
- d) The Consolidated Financial Statements (CFS) comprises the financial statements of India Glycols Limited (IGL) and its following Subsidiaries/ Joint Venture as on March 31, 2020.

Name of the Company	Nature	Country of Incorporation	% of Shareholding & Voting Power
Shakumbari Sugar & Allied Industries Limited (SSAIL)#	Subsidiary	India	98.89%
IGL Chem International PTE. LTD.	Subsidiary	Singapore	100%
IGL Chem International USA LLC (IGLCHEM US)	Subsidiary	USA	100%
IGL Finance Limited (IGLFL)	Subsidiary	India	100%
Kashipur Infrastructure and Freight Terminal Private Limited (KIFTPL)	Joint Venture	India	42.31%

# Impact of minority interest is insignificant and immaterial, hence not considered.

- e) The difference between the cost of investment and the share of net assets at the time of acquisition of shares in the subsidiaries is identified in the financial statements as Goodwill or Capital Reserve as the case may be.
- f) In case of foreign subsidiaries, revenue items are consolidated at the average exchange rate during the year. All assets and liabilities are translated at year end exchange rate. The resulting exchange differences are recognised as Other Comprehensive Income/(loss) and disclosed accordingly.
- g) Significant Accounting Policies of the financial statements of the company and its subsidiaries are set out in their respective Financial Statements.

**1.4. Significant accounting policies:** The significant accounting policies to prepare consolidated financial statements are in uniformity with the standalone financial statements of the Company. Following are the additional policies specifically considered for preparation of consolidated financial statements:

## Notes to Consolidated Financial Statements

(i) **Business Combination:**

Business Combinations are accounted for using the acquisition method. The cost of acquisition is measured at the aggregate of the fair values at the date of exchange of assets given, liabilities incurred or assumed and equity instruments issued by the Company in exchange for control of the acquiree. The acquiree's identifiable assets, liabilities and contingent liabilities that meet the recognition criteria are stated at their fair values at the acquisition date except certain assets and liabilities required to be measured as per the applicable standard.

(ii) **Goodwill**

Goodwill is an asset representing the future economic benefits arising from other assets acquired in a business combination that are not individually identified and separately recognized. Goodwill is initially measured at cost, being the excess of the consideration transferred over the net identifiable assets acquired and liabilities assumed, measured in accordance with Ind AS 103 – Business Combinations. An impairment loss is recognized whenever the carrying amount of an asset or its cash generating unit (CGU) exceeds its recoverable amount.

(iii) **The policy adopted by SSAIL for valuation of Inventories is enumerated below:-**

- (a) Finished Goods and Stock in Process of Sugar - At cost or at net realisable value whichever is lower, the net realizable value of sugar in case of finished goods stock of levy sugar is considered based on the levy price notified by the Central Government.
- (b) Store and spares parts – At cost arrived at applying weighted average method.
- (c) Cane crop – At net realisable value determined on the basis of estimated yield per hectare and Inventory of Molasses, Bagasse, Press mud and Bio Compost are considered at net realizable value.

## Notes to Consolidated Financial Statements

### 2. Property, Plant & Equipment

(₹ in Lakhs)

Particulars	Freehold Land @	Leasehold Land	Buildings @	Plant & Equipment	Office Equipment	Furniture & Fixtures	Vehicles #	Total
<b>Gross block</b>								
<b>As at March 31, 2018</b>	<b>17,304.48</b>	<b>11,895.00</b>	<b>9,831.72</b>	<b>194,057.31</b>	<b>642.78</b>	<b>2,052.01</b>	<b>431.15</b>	<b>236,214.45</b>
Additions	-	-	73.73	8,132.40	165.00	100.31	76.01	8,547.46
Disposals					10.32	25.50	26.01	61.82
<b>As at March 31, 2019</b>	<b>17,304.48</b>	<b>11,895.00</b>	<b>9,905.45</b>	<b>202,189.71</b>	<b>797.47</b>	<b>2,126.82</b>	<b>481.15</b>	<b>244,700.08</b>
Additions			955.86	9,776.26	133.07	212.72	308.30	11,386.21
Disposals					21.90	3.64	247.62	273.16
<b>As at March 31, 2020</b>	<b>17,304.48</b>	<b>11,895.00</b>	<b>10,861.31</b>	<b>211,965.97</b>	<b>908.64</b>	<b>2,335.90</b>	<b>541.83</b>	<b>255,813.13</b>
<b>Accumulated Depreciation As at March 31, 2018</b>	-	530.70	1,097.17	18,092.74	261.62	682.01	15.87	20,680.11
Charge for the year	-	176.90	368.77	6,598.75	111.81	266.95	87.07	7,610.26
Disposals	-				7.55	21.49	23.69	52.73
<b>As at March 31, 2019</b>	-	<b>707.60</b>	<b>1,465.94</b>	<b>24,691.49</b>	<b>365.89</b>	<b>927.46</b>	<b>79.25</b>	<b>28,237.64</b>
Charge for the year		176.90	355.43	6,704.95	138.84	221.57	98.64	7,696.33
Disposals					18.37	3.35	217.46	239.18
<b>As at March 31, 2020</b>	-	<b>884.50</b>	<b>1,821.37</b>	<b>31,396.44</b>	<b>486.36</b>	<b>1,145.68</b>	<b>(39.57)</b>	<b>35,694.79</b>
<b>Net Carrying Amount</b>								
<b>As at March 31, 2019</b>	<b>17,304.48</b>	<b>11,187.40</b>	<b>8,439.52</b>	<b>177,498.22</b>	<b>431.58</b>	<b>1,199.35</b>	<b>401.89</b>	<b>216,462.44</b>
<b>As at March 31, 2020</b>	<b>17,304.48</b>	<b>11,010.50</b>	<b>9,039.95</b>	<b>180,569.53</b>	<b>422.28</b>	<b>1,190.21</b>	<b>581.39</b>	<b>220,118.34</b>

Notes:

# Gross block includes ₹ 328.29 Lakhs (Previous Year ₹ 68.76 Lakhs) secured by hypothecation against loan.

@ Gross Block includes ₹ 79.77 Lakhs (Previous year ₹ 79.77 Lakhs) pending transfer of title in the name of the Company.

### 3. Investment Property

(₹ in Lakhs)

Particulars	Amount
<b>Gross block As at March 31, 2018</b>	<b>835.03</b>
Additions	-
Disposals	-
<b>As at March 31, 2019</b>	<b>835.03</b>
Additions	-
Disposals	1.49
<b>As at March 31, 2020</b>	<b>833.54</b>
<b>Accumulated Depreciation As at March 31, 2018</b>	<b>6.99</b>
Charge for the year	10.31
Disposals	-
<b>As at March 31, 2019</b>	<b>17.30</b>
Charge for the year	13.76
Disposals	
<b>As at March 31, 2020</b>	<b>31.06</b>
<b>Net Carrying Amount</b>	
<b>As at March 31, 2019</b>	<b>817.73</b>
<b>As at March 31, 2020</b>	<b>802.48</b>
<b>Fair Value</b>	
<b>As at March 31, 2019</b>	<b>1,020.00</b>
<b>As at March 31, 2020</b>	<b>976.22</b>

	2019-20	2018-19
Rental Income derived from investment properties	19.09	10.42
Direct operating expenses	3.16	-
<b>Profit arising from investment properties</b>	<b>15.93</b>	<b>10.42</b>

## Notes to Consolidated Financial Statements

### 4. Other Intangibles

(₹ in Lakhs)	
Particulars	Amount
<b>Computer Software</b>	
Gross block As at March 31, 2018	80.15
Additions	10.10
Disposal	-
<b>As at March 31, 2019</b>	<b>90.25</b>
Additions	205.83
Disposals	-
<b>As at March 31, 2020</b>	<b>296.08</b>
<b>Accumulated Amortisation As at March 31, 2018</b>	
Charge for the year	3.69
Disposals	-
<b>As at March 31, 2019</b>	<b>81.07</b>
Charge for the year	11.02
Disposals	-
<b>As at March 31, 2020</b>	<b>92.09</b>
<b>Net Carrying Amount</b>	
<b>As at March 31, 2019</b>	<b>9.18</b>
<b>As at March 31, 2020</b>	<b>203.99</b>

### 5. NON CURRENT FINANCIAL ASSETS : INVESTMENTS

(₹ in Lakhs), except as otherwise stated

Particulars	As at March 31, 2020			As at March 31, 2019		
	No. of shares	Face Value	Amount	No. of shares	Face Value	Amount
<b>- UNQUOTED</b>						
<b>(A) Investment in Equity Instruments</b>						
<b>Joint Venture (Unquoted, Fully Paid)</b>						
Kashipur Infrastructure and Freight Terminal Pvt Ltd.	26,74,418	₹ 10.00	2,634.72	24,45,000	₹ 10.00	2,139.00
			<b>2,634.72</b>			<b>2,139.00</b>

## Notes to Consolidated Financial Statements

### 6. Non Current Loans

(₹ in Lakhs)		
Particulars	As at March 31, 2020	As at March 31, 2019
<b>Other Loans</b>		
Loans to Employee		
- Unsecured, considered good	73.40	79.04
- Loan receivables- which have significant increase in Credit risk	-	-
- Loan receivables- Credit Impaired	-	-
	<b>73.40</b>	<b>79.04</b>

### 7. Other non-Current financial assets

(₹ in Lakhs)		
Particulars	As at March 31, 2020	As at March 31, 2019
<b>Bank deposits with remaining maturity of more than 12 months (Note no. 12)*</b>	1,456.00	1,830.82
<b>Security Deposits</b>		
- Unsecured, considered good#	3,254.23	3,005.61
<b>Interest receivable</b>	128.35	152.80
	<b>4,838.58</b>	<b>4,989.23</b>

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

# Includes ₹ 1,341.34 Lakhs (Previous Year ₹ 1,300.49 Lakhs) (net of deferred expenditure) security deposit to director, private companies in which director/directors of company is director and are also related parties..

### 8. Other non-current assets

(₹ in Lakhs)		
Particulars	As at March 31, 2020	As at March 31, 2019
<b>Capital Advances</b>		
- Unsecured, considered good	1,199.60	1,298.39
<b>Advances other than capital advances:</b>		
- Prepaid Expenses	164.61	131.17
- Deferred Expenditure	195.26	238.65
	<b>359.87</b>	<b>369.82</b>
	<b>1,559.47</b>	<b>1,668.21</b>

### 9. Inventories (At lower of cost and net realisable value)

(₹ in Lakhs)		
(As taken, valued and certified by the management)		
Particulars	As at March 31, 2020	As at March 31, 2019
Raw Materials	19,664.70	18,500.79
	<b>19,664.70</b>	<b>18,500.79</b>
Work-in-Process	6,595.79	7,090.80
Finished Goods	8,575.45	9,395.29
Add: Goods in transit	-	-
	<b>8,575.45</b>	<b>9,395.29</b>
Stores and Spares	33,087.31	29,584.98
Residue Product	238.50	76.44
Stock - in - Trade	4.32	-
Scrap	4.25	3.44
Loose Tools	48.61	52.46
	<b>68,218.93</b>	<b>64,704.20</b>



## Notes to Consolidated Financial Statements

<b>10. Trade Receivables</b>		
(₹ in Lakhs)		
<b>Particulars</b>	<b>As at March 31, 2020</b>	<b>As at March 31, 2019</b>
- Considered good-secured	-	-
- Considered good-Unsecured	56,872.22	32,201.96
- Trade Receivables which have significant increase in Credit Risk	-	-
- Trade Receivables credit impaired	373.51	866.83
Less: Loss Allowance	(373.51)	(866.83)
	<b>56,872.22</b>	<b>32,201.96</b>
<b>11. Cash &amp; Cash Equivalents</b>		
(₹ in Lakhs)		
<b>Particulars</b>	<b>As at March 31, 2020</b>	<b>As at March 31, 2019</b>
<b>Balances with Banks</b>		
- On Current Accounts	329.32	2,655.10
- Cash on Hand	35.55	41.32
	<b>364.87</b>	<b>2,696.42</b>
<b>12. Bank balance other than cash &amp; cash equivalents</b>		
(₹ in Lakhs)		
<b>Particulars</b>	<b>As at March 31, 2020</b>	<b>As at March 31, 2019</b>
<b>Other bank balances</b>		
- In Fixed Deposit Accounts * - Current	8,666.29	8,782.37
- In Fixed Deposit Accounts * - Non current	1,456.00	1,830.82
- On Unpaid Dividend Accounts	140.13	71.60
	<b>10,262.42</b>	<b>10,684.79</b>
Less: Amount disclosed under Other Non Current Assets (Note No 7)	1,456.00	1,830.82
	<b>8,806.42</b>	<b>8,853.97</b>
* Pledged with bank/Government Authorities as margin money/security against guarantees, packing credit facility and other borrowings maturing after 12 months.		
<b>13. Current loans</b>		
(₹ in Lakhs)		
<b>Particulars</b>	<b>As at March 31, 2020</b>	<b>As at March 31, 2019</b>
<b>a) Inter Corporate Deposits (ICD)</b>		
- Unsecured, considered good	2,544.50	2,544.50
<b>b) Advances To Employees</b>	-	
- Unsecured, considered good	6.96	8.59
- Loans which have significant increase in Credit Risk	-	-
- Loans- Credit Impaired	15.86	15.86
Less: Provision/ Allowance for Doubtful ICD	(15.86)	(15.86)
	<b>6.96</b>	<b>8.59</b>
	<b>2,551.46</b>	<b>2,553.09</b>

## Notes to Consolidated Financial Statements

### 14. Other financial assets

(₹ in Lakhs)		
Particulars	As at March 31, 2020	As at March 31, 2019
Export Incentive receivable - Duty Drawback	361.84	146.96
Interest receivable	2,080.17	1,715.76
Others (including security deposit, claims & other receivable)*	17,943.84	18,306.59
Less : Provision/ Allowance for doubtful other financial assets	(14,431.48)	(14,431.48)
	3,512.36	3,875.11
	<b>5,954.37</b>	<b>5,737.83</b>

\* Refer Note No. - 44 & 41 (b)

\* Including amount w.r.t. refund been claimed.

### 15. Current tax assets (Net)

(₹ in Lakhs)		
Particulars	As at March 31, 2020	As at March 31, 2019
Advance Income Tax/ Tax deducted at source	30.39	-
	<b>30.39</b>	-

### 16. Other current assets

(₹ in Lakhs)		
Particulars	As at March 31, 2020	As at March 31, 2019
Export Incentive receivable	683.99	1,715.90
Balance with Excise and Other Authorities	4,357.25	5,800.70
Deposits with Government Departments & Others	881.26	1,018.94
Prepaid expenses	4,329.68	4,954.87
Deferred Expenditure	-	6.00
Advances recoverable in cash or in kind or for value to be received	6,447.66	8,283.49
Doubtful advances	8,657.94	8,657.94
	<b>15,105.60</b>	<b>16,941.43</b>
Less : Provision/ Allowance for doubtful advances	(8,657.94)	(8,657.94)
	<b>6,447.66</b>	<b>8,283.49</b>
	<b>16,699.84</b>	<b>21,779.90</b>

## Notes to Consolidated Financial Statements

### 17. EQUITY SHARE CAPITAL

(₹ in Lakhs), except as otherwise stated

Particulars	As at March 31, 2020	As at March 31, 2019
<b>Authorised :</b>		
45,000,000 Equity Shares of ₹ 10/- each	4,500.00	4500.00
	<b>4,500.00</b>	<b>4,500.00</b>
<b>Issued, Subscribed and paid up :</b>		
30,961,500 Equity Shares of ₹ 10/- each fully paid up	3,096.15	3,096.15
<b>Total Equity share capital</b>	<b>3,096.15</b>	<b>3,096.15</b>

#### a) Terms/rights attached to equity shares:

The Company has only one class of shares referred to as equity shares having a par value of ₹ 10/- per share. Each holder of equity shares is entitled to one vote per share.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

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

Name of Shareholders	As at March 31, 2020		As at March 31, 2019	
	No. of Shares	% of holding	No. of Shares	% of holding
Kashipur Holdings Limited	1,03,52,406	33.44%	1,03,52,406	33.44%
Executors to the Estate of Late Sajani Devi Bhartia*	21,00,249	6.78%	20,30,249	6.55%

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

Particulars	No. of Shares As at March 31, 2020	No. of Shares As at March 31, 2019
Shares outstanding as at the beginning of the year	3,09,61,500	3,09,61,500
Additions during the year	-	-
Deletions during the year	-	-
Shares outstanding as at the end of the year	<b>3,09,61,500</b>	<b>3,09,61,500</b>

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

## Notes to Consolidated Financial Statements

### 17A. Other Equity

(₹ in Lakhs)

Particulars	Reserve & Surplus							Other Comprehensive Income		Total
	Securities Premium	Reserve for Contingencies	Molasses Reserve Fund	General Reserve	Retained Earnings	Capital Reserve	Capital Redemption Reserve	Items of Other Comprehensive Income that will not be classified to profit & loss	Items of Other Comprehensive Income that will be classified to profit & loss*	
<b>Balance As at March 31, 2018</b>	3,958.36	200.00	1.89	10,600.44	66,048.98	416.00	0.19	82.99	109.49	81,418.34
Profit / (Loss) for the year					13,261.41					13,261.41
Re-measurement of the net defined benefit Plans								15.24		15.24
Dividend Paid					(372.65)					(372.65)
Exchange differences on translating the financial statement of foreign subsidiary									(35.39)	(35.39)
<b>Balance As at March 31, 2019</b>	3,958.36	200.00	1.89	10,600.44	77,817.36	416.00	0.19	98.23	74.10	93,166.57
Profit / (Loss) for the year					11,465.57					11,465.57
Re-measurement of the net defined benefit Plans								(11.37)	-	(11.37)
Dividend Paid					(4,479.09)					(4,479.09)
Addition on account of purchase of shares of JV					273.03					273.03
Exchange differences on translating the financial statement of foreign subsidiary							-		(124.26)	(124.26)
<b>Balance As at March 31, 2020</b>	3,958.36	200.00	1.89	10,600.44	85,076.87	416.00	0.19	86.86	-50.16	100,290.45

#### Nature of reserves

Reserve from Contingencies are created in earlier years to meet any contingencies in future and in the nature of free reserve.

General reserve amount transferred/ apportioned represents is in accordance with Indian Corporate law (The Companies Act, 1956) wherein a portion of profit is apportioned to general reserve, before a company can declare dividend.

Other comprehensive Income Reserve represent the balance in equity for items to be accounted in Other Comprehensive Income. OCI is classified into i) Items that will not be reclassified to profit & loss ii) Items that will be reclassified to profit & loss.

Capital reserve was created on reversal of provision for diminution in value of investment.

## Notes to Consolidated Financial Statements

### 18. Non-current borrowings

(₹ in Lakhs)

	Non-Current Portion		Current Maturities	
	As at March 31, 2020	As at March 31, 2019	As at March 31, 2020	As at March 31, 2019
<b>SECURED LOANS</b>				
Rupee Term Loans				
- from Banks	35,487.06	36,324.00	8,848.59	10,990.67
- other than Banks	484.59	288.74	63.70	155.25
	<b>35,971.65</b>	<b>36,612.74</b>	<b>8,912.29</b>	<b>11,145.92</b>
<b>UNSECURED LOANS</b>				
Loan from Related Party (Body Corporates)	4,750.00	3,000.00	-	2,600.00
	<b>4,750.00</b>	<b>3,000.00</b>	-	<b>2,600.00</b>
Less: Amount disclosed under the head "other financial liabilities" ( Note No. 25)			8,912.29	13,745.92
<b>Total Non- Current Borrowings</b>	<b>40,721.65</b>	<b>39,612.74</b>	-	-

Note in respect of security clause & repayment are disclosed in separate respective financial statements of the company and its subsidiaries.

### 19. Other non-current financial liabilities

(₹ in Lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019
Security Deposits	2,794.42	3,840.19
	<b>2,794.42</b>	<b>3,840.19</b>

### 20. Provisions

(₹ in Lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019
<b>Provision for employee benefits</b>	-	
- Leave Encashment	617.43	641.42
	<b>617.43</b>	<b>641.42</b>

### 21. Deferred Tax Liabilities (Net)

(₹ in Lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019
<b>Deferred Tax Assets :-</b>		
Amount covered U/s 43B of Income Tax Act, 1961	517.49	480.36
Provision for doubtful debts / advances	788.87	961.25
Unabsorbed Depreciation	-	2,301.44
Business Loss	-	1,229.42
Others	754.94	1,225.39
<b>Gross Deferred tax Assets</b>	<b>2,061.30</b>	<b>6,197.86</b>
<b>Deferred Tax Liabilities :-</b>		
Property, Plant & Equipment	49,168.97	48,230.52
Others	844.02	-
<b>Gross Deferred tax Liability</b>	<b>50,012.99</b>	<b>48,230.52</b>
<b>MAT credit entitlements</b>	<b>15,998.12</b>	<b>13,135.97</b>
<b>Net Deferred Tax Liability</b>	<b>31,953.57</b>	<b>28,896.69</b>

## Notes to Consolidated Financial Statements

### 22. Other non-current liabilities

(₹ in Lakhs)		
Particulars	As at March 31, 2020	As at March 31, 2019
Advance from Customers*	29,044.98	36,316.49
Deferred Income-Govt Grant & Security Deposit	327.06	367.30
	<b>29,372.04</b>	<b>36,683.79</b>

\* Long term export advance received from customers with supply schedule over period of 8-10 years. Export advance has been secured by Guarantee given by State Bank of India (SBI) to the customers, while other export performance bank guarantee (EPBG) member banks have given counter guarantee in favour of SBI. Such guarantee are secured by first charge on the fixed assets and second charge on the current assets of the Company on pari passu basis.

### 23. Current Borrowings

(₹ in Lakhs)		
Particulars	As at March 31, 2020	As at March 31, 2019
<b>a) Secured Loans</b>		
Loans repayable on demand from Banks:		
- Working Capital Loans	41,300.42	34,228.13
<b>Secured borrowings</b>	<b>41,300.42</b>	<b>34,228.13</b>
<b>b) Unsecured Loans</b>		
Short Term Loans from Banks	-	5,373.72
Loan from Others	7,125.50	7,067.50
<b>Unsecured borrowings</b>	<b>7,125.50</b>	<b>12,441.22</b>
	<b>48,425.92</b>	<b>46,669.35</b>

Note in respect of security clause & repayment are disclosed in separate respective financial statement of the company and its subsidiaries.

### 24. Trade Payable

(₹ in Lakhs)		
Particulars	As at March 31, 2020	As at March 31, 2019
Payable to Micro Enterprises and Small Enterprises	18.04	18.04
Payable to Others	72,184.51	74,318.28
	<b>72,202.55</b>	<b>74,336.32</b>

### 25. Other current financial liabilities

(₹ in Lakhs)		
Particulars	As at March 31, 2020	As at March 31, 2019
Current maturities of long term borrowings (Note No. 18)	8,912.29	13,745.92
Interest accrued but not due on borrowings	1,407.22	742.03
Capital Payables	16,879.46	12,860.93
Retention Money	4,811.38	2,782.19
Expenses payable (Including derivative liabilities)	4,539.28	3,901.61
Investor education & protection fund shall be credited by the following amounts when due:		
(i) Unclaimed Dividends	140.13	94.43
(ii) Unclaimed matured deposits	-	-
(iii) Unclaimed interest on above (ii)	-	-
Other Payables	2,974.12	1,131.76
	<b>39,663.88</b>	<b>35,258.87</b>

## Notes to Consolidated Financial Statements

### 26. Other current liabilities

Particulars	(₹ in Lakhs)	
	As at March 31, 2020	As at March 31, 2019
Duties, taxes and other statutory dues	1,079.43	1,074.64
Advance from Customers	34,065.06	11,649.06
Deferred Income Govt Grant & others	50.43	53.70
Advance received for sale of PPE	800.00	800.00
Other Payables	301.51	410.65
Provision for State excise duty on closing stock	94.55	94.55
	<b>36,390.98</b>	<b>14,082.60</b>

### 27. Current Provisions

Particulars	(₹ in Lakhs)	
	As at March 31, 2020	As at March 31, 2019
<b>Provision for employee benefits</b>		
- Gratuity	468.43	246.81
- Leave Encashment	298.12	249.56
	<b>766.55</b>	<b>496.37</b>

### 28. Current tax liabilities (Net)

Particulars	(₹ in Lakhs)	
	As at March 31, 2020	As at March 31, 2019
<b>Provision for MAT</b>	463.39	1,651.31
	<b>463.39</b>	<b>1,651.31</b>

### 29. Revenue from Operations

Particulars	(₹ in Lakhs)	
	Year Ended March 31, 2020	Year Ended March 31, 2019
<b>a) Sales of Products</b>		
Glycols & Others	113,467.04	144,822.83
Speciality Chemicals	25,370.76	24,053.15
Ethoxylate	49,843.24	49,437.72
Power Alcohol (DAE)	14,341.95	-
Guar Gum Powder and derivatives	3,001.55	1,956.40
Ethyl Alcohol (Potable)	301,368.93	212,467.69
Industrial Gases	4,039.06	3,956.89
Sale of traded goods	-	
Chemical and oil Products	59,909.29	51,251.43
Nutraceutical	17,751.51	15,954.94
	<b>589,093.33</b>	<b>503,901.05</b>
<b>b) Sales of Service</b>	1,031.71	866.01
	<b>1,031.71</b>	<b>866.01</b>
<b>c) Other Operating Revenue</b>		
Provision no longer required/ Sundry balances written back	532.35	787.85
Export Incentive receivable	1,909.20	1,658.52
Miscellaneous Income	4,698.51	4,526.88
	<b>7,140.06</b>	<b>6,973.25</b>
<b>Total Revenue from operations</b>	<b>597,265.10</b>	<b>511,740.31</b>

## Notes to Consolidated Financial Statements

### 30. Other Income

(₹ in Lakhs)		
Particulars	Year Ended March 31, 2020	Year Ended March 31, 2019
Interest Income	644.89	905.87
Rent	19.50	0.71
Insurance Claim Recoverable	-	731.29
Profit on sale of Property, Plant & Equipment	11.91	1.96
Govt Grant Income	39.03	50.64
Miscellaneous Income	161.20	0.38
	<b>876.53</b>	<b>1,690.85</b>

### 31. Cost of Materials Consumed

(₹ in Lakhs)		
Particulars	Year Ended March 31, 2020	Year Ended March 31, 2019
Raw Materials consumed	151,018.12	138,019.07
Packing Material Consumed	17,551.77	16,974.17
	<b>168,569.89</b>	<b>154,993.24</b>

### 32. Purchase of Stock-In-Trade

(₹ in Lakhs)		
Particulars	Year Ended March 31, 2020	Year Ended March 31, 2019
Chemical and Oil Products	63,089.24	53,369.23
	<b>63,089.24</b>	53,369.23

### 33. Changes in Inventories of Finished Goods, Work- In-Progress and Stock-in-Trade

(₹ in Lakhs)		
Particulars	Year Ended March 31, 2020	Year Ended March 31, 2019
<b>CLOSING STOCK</b>		
Finished Goods	8,575.45	9,404.44
Work-in-Process	6,595.79	7,090.80
Residue Product	238.50	76.45
	<b>15,409.74</b>	<b>16,571.69</b>
<b>OPENING STOCK</b>		
Finished Goods	9,404.44	7,871.60
Work-in-Process	7,090.80	7,487.22
Residue Product	76.45	102.00
Change in inventories of finished goods, work-in-progress and Stock-in-trade	<b>1,161.95</b>	<b>(1,110.87)</b>



## Notes to Consolidated Financial Statements

### 34. Employee Benefit Expenses

(₹ in Lakhs)

Particulars	Year Ended March 31, 2020	Year Ended March 31, 2019
Salaries, Wages, Allowances, etc.	9,982.24	8,738.94
Contribution to Provident and other Funds	814.54	704.14
Employees' Welfare and other Benefits	640.82	640.52
	<b>11,437.60</b>	<b>10,083.60</b>

### 35. Finance Costs

(₹ in Lakhs)

Particulars	Year Ended March 31, 2020	Year Ended March 31, 2019
Interest on Fixed Loans	5,090.99	4,433.50
Other Interest	7,448.55	7,917.65
Other Borrowing Cost		
Financial Charges	2,125.93	2,625.25
	<b>14,665.47</b>	<b>14,976.40</b>
Less: Interest Received on temporary deposits	324.04	628.41
	<b>14,341.43</b>	<b>14,347.99</b>

a) Forex losses treated as finance cost ₹350.10 lakhs (previous year ₹ 682.56) as per IND AS 23- Borrowing Costs.

b) Net of ₹ 1862.48 Lakhs (previous year ₹1584.64) interest capitalised during the year as per IND AS 23- Borrowing Costs .

### 36. Depreciation and Amortisation Expense

(₹ in Lakhs)

Particulars	Year Ended March 31, 2020	Year Ended March 31, 2019
Depreciation on Property, Plant & Equipment	7,696.43	7,612.64
Depreciation on Right to use assets	576.00	-
Depreciation on Investment Property	13.76	10.31
Amortisation on other intangible assets	11.02	1.33
	<b>8,297.21</b>	<b>7,624.28</b>

## Notes to Consolidated Financial Statements

### 37. Other Expenses

(₹ in Lakhs)				
Particulars		Year Ended March 31, 2020		Year Ended March 31, 2019
Stores and spares consumed		5,848.30		8,881.62
Power and Fuel		33,141.72		41,040.91
Repairs and Maintenance				
- Buildings		537.67		500.84
- Plant and Equipment		2,960.96		3,032.10
- Others		752.99		729.62
Rent		262.24		863.32
Rates and Taxes		2,033.58		1,467.57
Travelling and Conveyance		1,135.26		1,100.42
Insurance		879.97		702.16
Directors' sitting Fee		23.30		21.00
Commission to Selling agents		641.57		1,261.78
Freight forwarding and others (Net of recovery from customers / provision written back)		8,499.44		9,396.13
Exchange Fluctuation loss/ (gain) (Net)*		4,065.95		3,731.58
Bad debts written off	506.85		560.00	
Less : Provision for doubtful debts written back	(493.32)	13.53	560.00	-
Provision/ Allowance for doubtful debts and advances		-		25.13
Loss on Sale / Discard of Property, Plant & Equipment		3.61		4.78
Legal & Professional		2,569.72		1,887.72
Printing & Stationery, Postage, Telephone, security and other Miscellaneous Expenses		2,278.17		1,989.57
				-
		<b>65,647.98</b>		<b>76,636.25</b>

\*Forex losses treated as finance cost ₹ 350.10 lakhs (previous year ₹ 682.56) as per IND AS23 -Borrowing Costs.

### Notes accompanying to the consolidated financial statements for the Year Ended 31.03.2020

#### 38. (A) Contingent Liabilities not Provided For (As Certified by the Management) :-

(i) In respect of :-

(₹ in Lakhs)			
S. No	Particulars	As at March 31, 2020	As at March 31, 2019
1	Central Excise/ State Excise @	1999.80	4,570.42
2	Customs	971.74	1,029.19
3	Service Tax	16.28	19.27
4	Sales Tax	140.40	140.40
5	Other matters	210.52	278.37
	<b>Total</b>	<b>3,338.74</b>	<b>6,037.65</b>

@ Excluding show cause notice (SCNs), where management is confident that on merits SCNs will be dropped and also as legally advised possibility of an outflow of fund is remote.

(ii) In respect of subsidiary company (SSAIL), claims against the Company not acknowledged as debts ₹336.19 Lakhs (Previous Year: ₹ 336.19 Lakhs).

(iii) Bills discounted with banks/others ₹ 2,084.55 Lakhs (Previous Year: ₹ 3,062.46 Lakhs).

## Notes to Consolidated Financial Statements

- (iv) Corporate Guarantee to banks for loan availed by Shakumbari Sugar and Allied Industries Limited (a subsidiary company) amounting to ₹ Nil (Previous Year ₹ Nil ) (excluding penal interest, penalty etc.) No due certificate from Central Bank of India is awaited.
- (v) In respect of subsidiary company (SSAIL), Recovery Charges claimed by S.D.M. Behat towards payment of cane dues ₹ 66.82 Lakhs (Previous Year ₹ 66.82 Lakhs) including the interest on cane dues ₹ 46.89 Lakhs (Previous Year ₹ 46.89 Lakhs).
- (B)** Custom duty saved on import of raw material under Advance License pending fulfillment of export obligation amounting to ₹ 1,212.05 Lakhs (Previous Year ₹ 2,667.97 Lakhs).

The Management is of the view that considering the past export performance and future prospects there is certainty that pending export obligation under advance licenses will be fulfilled before expiry of the validity of respective advance licenses, accordingly and also on "Going Concern Concept" basis there is no need to make any provision for custom duty saved.

- (C)** Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances of ₹ 1199.60 Lakhs, Previous Year ₹ 1,298.39 Lakhs) are ₹ 7863.59 Lakhs (Previous Year ₹ 5,343.81 Lakhs).
- 39.** In the earlier years, the State Government of Uttar Pradesh (UP) had imposed a levy of license fee on transfer of alcohol from the distillery to the chemical plant. The levy was challenged by the Company in the Hon'ble Supreme Court and on October 18, 2006 the matter was finally decided by The Hon'ble Supreme Court in favour of the Company. Accordingly, Company had filed an application for refund of amount paid ₹ 507.05 Lakhs (Previous Year ₹ 507.05 Lakhs) (shown as recoverable under the head Other Current Assets) with State Government of Uttarakhand, which is still pending for refund of the amount.
- 40.** In the earlier years, the State Government of Uttarakhand had levied Export Pass Fee on ENA/R.S. export outside India. The matter is finally disposed of by Hon'ble High Court of Uttarakhand vide its Order dated 9th January, 2012 and has declared the levy of said fee as unsustainable and irrecoverable. Subsequently, on June 8, 2012, vide Uttarakhand Excise (Amendment) Act, 2012, vide Uttarakhand Excise (Amendment) Act, 2102, Uttarakhand Government retrospectively revived old notification relating to imposition of export fee on ENA and R.S. The Company filed Writ Petition challenging the above said notification and vide order dated September 12, 2012 the Hon'ble High Court of Uttarakhand has granted stay and restrained State from imposing export fee. Amount of ₹ 106.15 Lakhs (Previous Year ₹ 106.15 Lakhs) paid under protest is shown as recoverable from State Govt. of Uttarakhand, under the head Other Current Assets.
- 41.** (a) During the year 2018-19, the Subsidiary Company (Shakumbari Sugar & Allied Industries Limited) paid the remaining amount in full in respect of one time settlement (OTS) amount of ₹ 4200 lakhs to Central Bank of India in pursuance of OTS entered during previous year. However, the Bank has further demanded ₹ 208.86 lakhs for uncharged commission on bank guarantees. The said Company has filed a writ petition against the said demand in the High Court, Allahabad.
- (b) The subsidiary company, IGL Finance Limited, had invested funds for short term in commodity financing contracts offered by National Spot Exchange Limited (NSEL). NSEL has defaulted in settling the contracts on due dates. IGL Finance has made a loss allowance of ₹ 11,719.71 Lakhs based on expected credit loss Policy and other estimation made by the management and for balance ₹ 2,616.62 Lakhs, the management and IGLFL is confident for recovery of dues from NSEL over a period of time and hence shown as good (considering the arrangement of merger of NSEL with Financial Technologies (India) Limited (FTIL) and other measure which have so far been taken for and pending before the Govt. and other authorities and current scenario/present state of affairs).

### 42. Financial risk management objectives and Policies

The Company's activities are exposed to a variety of financial risks from its operations. The key financial risks include market risk (including foreign currency risk, interest rate risk and commodity risk etc.), credit risk and liquidity risk. The company's overall risk management policy seeks to minimize potential adverse effects on company's financial performance.

- (i) **Market Risk:** : Market risk is the risk that the fair value of future cash flow of a financial instruments will fluctuate because of change in market prices. Market risk comprises mainly three types of risk: interest rate, currency risk and other price risk such as commodity price risk.
  - (a) **Foreign Currency Risk:** Foreign Currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The company has obtained foreign currency borrowing and has foreign currency trade payable and receivable and is therefore, exposed to foreign exchange risk.

## Notes to Consolidated Financial Statements

After taking cognizance of the natural hedge, the company takes appropriate hedge to mitigate its risk resulting from fluctuation in foreign currency exchange rate(s).

**Foreign Currency sensitivity:** The following tables demonstrate the sensitivity to a reasonable possible change in Foreign Currency with all other variable held constant. The impact on company's profit/(loss) before tax is due to change in the foreign exchange rate for:

(₹ in Lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019
Change in USD	+ 1%	+ 1%
Effect on profit/(loss) before tax	(55.11)	(229.42)
Change in USD	-1%	-1%
Effect on profit/(loss) before tax	55.11	229.42

- (b) **Interest rate risk:-** Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Any change in the interest rates environment may impact future rates of borrowing. The company mitigates this risk by regularly assessing the market scenario, finding appropriate financial instruments, interest rate negotiation with the lenders for ensuring the cost-effective method of financing.

**Interest Rate Sensitivity:** The following table demonstrates the sensitivity to a reasonable possible change in interest rate on financial assets affected. With all other variable held constant, the company's profit before tax is affected through the impact on finance cost with respect to our borrowing, as follows:

A change in 25 basis points in interest rates would have following impact on profit/(Loss) before tax

(₹ in Lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019
Change in basis point	+25	+25
Effect on profit before tax	(321.52)	(327.39)
Change in basis point	-25	-25
Effect on profit before tax	321.52	327.39

- (c) **Commodity Price risk:** The Company is affected by the price volatility of certain commodities. Its operating activities require the purchase of raw material therefore, requires a continuous supply of certain raw materials. To mitigate the commodity price risk, the Company has an approved supplier base to get competitive prices for the commodities and to assess the market to manage the cost without any compromise on quality.

(ii) **Credit Risk:**

Credit risk refers to risk that a counter party will default on its contractual obligations resulting in financial loss to the Company. Credit risk arises primarily from financial assets such as trade receivables, Inter Corporate deposit, derivative financial instruments, other balances with banks, loans and other receivables. The Company's exposure to credit risk is disclosed in Note 5, 6, 7, 10, 13 & 14.

Credit risk arising from investment derivative financial instruments and other balances with banks is limited and there is no collateral held against these because the counter parties are banks and recognised financial institutions with high credit ratings.

The Company applies expected credit losses (ECL) model for measurement and recognition of loss allowance on the following:

i. Trade receivables

ii. Financial assets measured at amortized cost (other than trade receivables)

In case of trade receivables, the Company follows a simplified approach wherein an amount equal to lifetime ECL is measured and recognized as loss allowance.

The ageing of the trade receivables are given below:

(₹ in Lakhs)

## Notes to Consolidated Financial Statements

Particulars	Due Ageing			Total
	Upto 6 Months	6-12 Months	Above 12 Months	
<b>Trade Receivables</b>				
<b>As at March 31, 2020</b>				
Unsecured*	55,219.88	569.42	1,456.43	57,245.73
Provision/Allowance for Doubtful Receivables	-	-	(373.51)	(373.51)
<b>Net Total</b>	<b>55,219.88</b>	<b>569.42</b>	<b>1,082.92</b>	<b>56,872.22</b>
<b>As at March 31, 2019</b>				
Unsecured*	30,457.98	802.97	1,807.84	33,068.79
Provision/Allowance for Doubtful Receivables	-	-	(866.83)	(866.83)
<b>Net Total</b>	<b>30,457.98</b>	<b>802.97</b>	<b>941.01</b>	<b>32,201.96</b>

ECL impairment loss allowance (or reversal) recognized during the period is recognized as income/ expense in the Statement of Profit and Loss under the head 'Other expenses. The balance sheet presentation for financial instruments is described below:

Financial assets measured as at amortised cost: ECL is presented as an allowance, i.e., as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write-off criteria, the company does not reduce impairment allowance from the gross carrying amount.

- (iii) **Liquidity Risk** : Liquidity risk is the risk, where the company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The company's approach to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when due.

The table below summarizes the maturity profile of company's financial liabilities based on contractual undiscounted payments:-

(₹ in Lakhs)

Particulars	As at March 31, 2020					
	Carrying Amount	On Demand	< 1 Year	1 to 2 Years	>2 Years	Total
Interest bearing borrowings	98,059.86	48,425.92	8,912.29	12,895.56	27,826.09	98,059.86
Other Liabilities	35,410.37	0	31,238.45	4,171.92	0	35,410.37
Trade Payable	72,202.55	0	72,202.55	0	0	72,202.55
<b>Total</b>	<b>2,05,672.78</b>	<b>48,425.92</b>	<b>1,12,353.29</b>	<b>17,067.48</b>	<b>27,826.09</b>	<b>2,05,672.78</b>
Particulars	As at March 31, 2019					
	Carrying Amount	On Demand	< 1 Year	1 to 2 Years	>2 Years	Total
Interest bearing borrowings	1,00,028.01	46,669.35	13,745.92	21,091.34	18,521.40	1,00,028.01
Other Liabilities	25,353.14	0	21,512.95	3,840.19	0	25,353.14
Trade Payable	74,336.38	0	74,336.38	0	0	74,336.38
<b>Total</b>	<b>1,99,717.53</b>	<b>46,669.35</b>	<b>1,09,595.25</b>	<b>24,931.53</b>	<b>18,521.40</b>	<b>1,99,717.53</b>

Note : This is to be read with note no. 47 which may have significant impact on above in respect of subsidiary Company SSAIL.

## Notes to Consolidated Financial Statements

### 43. In respect of subsidiary company (SSAIL): -

- (i) The Subsidiary Company has not carried out physical verification of fixed assets during the year.
- (ii) The Management of the said subsidiary is in process of assessment of item wise details of depreciation on fixed assets and in the opinion of the management there will not be material impact on final assessment.
- (iii) Balances with banks in fixed deposit accounts are subject to confirmations from respective banks.

44. In The company has filed a claim of ₹ 1216.26 Lakhs with the insurance company for the reinstatement of machinery as well as loss occurred due to business interruption on account of fire at Gorakhpur plant. On prudent basis the company has accounted for ₹ 1216.26 Lakhs during the FY 19-20.

### 45. Details of Loan given during the year covered under Section 186(4) of the Companies Act, 2013:

Nil

46. In respect of subsidiary SSAIL, the Company 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 Company 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. Shakumbari Sugar & Allied Industries Ltd. 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 and also company had filed Draft Rehabilitation Scheme with BIFR in the year 2013-14. With the abolition of BIFR, the company continues to evaluate and explore options in consultation with expert(s) and stakeholders for restructuring/revival/disinvestment, hence the management of SSAIL considers it appropriate to prepare Financial Statements on Going Concern basis despite the negative net worth on the balance sheet date.

### 47. Capital risk management

The Company's policy is to maintain an adequate capital base so as to maintain creditor and market confidence and to sustain future development. Capital includes issued capital, share premium and all other equity reserves attributable to equity holders. The primary objective of the Company's capital management is to maintain an optimal structure so as to maximize the shareholder's value. In order to strengthen the capital base, the company may use appropriate means to enhance or reduce capital, as the case may be.

The Company is not subject to any external imposed capital requirement. The company monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. Net Debt is calculated as borrowings less cash and cash equivalents.

(₹ in Lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019
Borrowings	98,059.86	100,028.01
Less: Cash and Cash equivalents	364.87	2696.42
<b>Net debt</b>	<b>97,694.99</b>	97,331.59
Equity Share Capital	3,096.15	3,096.15
Other Equity	100,290.45	93,166.49
<b>Total Capital</b>	<b>103,386.60</b>	96,262.64
<b>Capital and net debt</b>	<b>201,081.59</b>	193,594.23
<b>Gearing ratio</b>	<b>48.58%</b>	51.67%

### 48. Derivative financial instruments

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

## Notes to Consolidated Financial Statements

(a) Outstanding at the year- end as follows

Nature of Instruments	2019-20 Amount (FC in millions)	2019-20 Amount (₹ in Lakhs)	2018-19 Amount (FC in millions)	2018-19 Amount (₹ in Lakhs)
Forward Contracts - USD	-	-	-	-
Foreign currency options -USD	89.68	67753.24	31.50	20528.55
<b>Open foreign exchange exposures:</b>				
Packing Credit Net of Export debtors - USD	7.89	5960.90	2.42	1,674.37
Loans - USD	-	-	-	-
Payable - USD	-	-	-	-

(b) The Company has derivative instruments for hedging possible losses and exchange fluctuation losses. During the year company has incurred net off gain of ₹ 995.98 Lakhs (previous year ₹ 2849.91 Lakhs - Loss) out of which gain of ₹ 2028.48 Lakhs (previous year loss of ₹ 1635.15 Lakhs) relating to provision for mark to market gain/loss on account of outstanding financial transactions as on 31st March 2020.

### 49. Fair valuation techniques

The Company maintains policies and procedures to value financial assets or financial liabilities using the best and most relevant data available. The fair values of the financial assets and liabilities are included at the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

(₹ in Lakhs)

Particular	As at March 31, 2020		As at March 31, 2019	
	Carrying amount	Fair Value	Carrying Amount	Fair Value
(i) Financial Assets				
(a) At Amortized Cost				
Trade Receivable	56,872.22	56,872.22	32,201.96	32,201.96
Others	25,223.82	25,223.82	27,048.57	27,048.57
<b>Total (a) + (b)</b>	<b>82,096.04</b>	<b>82,096.04</b>	<b>59,250.53</b>	<b>59,250.53</b>
(ii) Financial Liabilities				
(a) At Fair value through Profit & Loss				
- Forward contract & Options	(2,028.48)	(2,028.48)	1,635.15	1,635.15
(b) At Amortized Cost				
- Borrowing	98,059.86	98,059.86	100,028.01	100,028.01
- Trade payable	72,202.55	72,202.55	74,336.38	74,336.38
- Others	35,410.37	35,410.37	25,353.14	25,353.14
<b>Total (a) + (b)</b>	<b>2,03,644.30</b>	<b>2,03,644.30</b>	<b>1,99,717.53</b>	<b>1,99,717.53</b>

## Notes to Consolidated Financial Statements

The following methods and assumptions were used to estimate the fair values:

- 1) Fair value of cash and deposits, trade receivables, trade payables, and other current financial assets and liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.
- 2) Fair value of borrowings from banks and other non-current financial liabilities, are estimated by discounting future cash flows using rates currently available for debt on similar terms and remaining maturities.
- 3) Other non-current receivables are evaluated by the Company, based on parameters such as interest rates, individual creditworthiness of the counterparty etc. Based on this evaluation, allowances are taken to account for the expected losses of these receivables.
- 4) The fair values of derivatives are calculated using the RBI reference rate as on the reporting date as well as other variable parameters.

### Fair Value hierarchy

All financial assets and liabilities for which fair value is measured in the financial statements are categorised within the fair value hierarchy, described as follows: -

Level 1 - Quoted prices in active markets.

Level 2 - Inputs other than quoted prices included within Level 1 that are observable, either directly or indirectly.

Level 3 - Inputs that are not based on observable market data.

The following table presents the fair value measurement hierarchy of financial assets and liabilities, which have been measured subsequent to initial recognition at fair value as at 31<sup>st</sup> March, 2020 and 31st March 2019:

(₹ in Lakhs)

Assets / Liabilities measured at fair value (Accounted)	As at March 31, 2020		
	Level 1	Level 2	Level 3
<b>Financial assets</b>	-		-
Derivatives -Forward contracts & Options		2,028.48	
<b>Financial liabilities</b>	-		-

(₹ in Lakhs)

Assets / Liabilities measured at fair value (Accounted)	As at March 31, 2019		
	Level 1	Level 2	Level 3
<b>Financial assets</b>	-	-	-
<b>Financial liabilities</b>			
Derivatives- Forward contracts & Options	-	1635.15	-

During the year ended March 31, 2020 and March 31, 2019, there were no transfers between Level 1 and Level 2 fair value measurements, and no transfer into and out of Level 3 fair value measurements. There is no transaction / balance under level 3.

50. In accordance with the Indian Accounting Standard (IND AS-36) on "Impairment of Assets" issued by the Institute of Chartered Accountants of India, in view of the management with respect to subsidiary SSAIL, no impairment loss on its fixed assets [including Capital Work in Progress of ₹ 1,368.38 Lakhs (Previous year ₹ 1368.38 Lakhs) is considered necessary at this stage, as its expected recoverable value is more than its carrying value.

### 51. Earnings per share (EPS)

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Net profit/ (loss) for the year attributable to equity shareholders (₹ in Lakhs)	11465.57	13261.41
Weighted average number of equity shares outstanding	3,09,61,500	3,09,61,500
Basic and diluted earnings per share (face value of ₹ 10 each) (₹)	37.03	42.83

### 52. Related Parties Disclosure (As identified by the management):

(i) Relationships::

A. Key Management Personnel



## Notes to Consolidated Financial Statements

- U. S. Bhartia (Chairman and Managing Director)
  - M. K. Rao (Executive Director) (Upto 30.11.2019)
  - Sudhir Agarwal (Executive Director) (w.e.f. 01.12.2019)
  - Jayshree Bhartia (Non – Executive Director)
  - Pradip Kumar Khaitan (Independent Director)
  - Jitender Balakrishnan (Independent Director)
  - Ravi Jhunjhunwala (Independent Director)
  - Jagmohan N. Kejriwal (Independent Director)
  - Ashwini Kumar Sharma (Till 31.08.2019) (Nominee Director of State Bank of India)
  - Sajeve Deora (w.e.f 01.05.2018) (Independent Director)
  - Rakesh Bhartia (Chief Executive Officer)
  - Anand Singhal (Chief Financial Officer)
  - Ankur Jain (Company Secretary)
- B. Relatives of Key Management Personnel
- Executors to the estate of Late Sajani devi Bhartia
  - Pragya Bhartia
  - Pooja Bhartia
  - Anand Singhal (HUF)
  - Rakesh Bhartia (HUF)
  - Smita Bhartia
- C. Enterprises over which Key Management Personnel have significant influence:
- Ajay Commercial Co. (P) Ltd.
  - J. B. Commercial Co. (P) Ltd.
  - Kashipur Holdings Limited
  - Polylink Polymers (India) Ltd.
  - Hindustan Wires Limited
  - Supreet Vyapaar (P) Ltd.
  - Mayur Barter (P) Ltd.
  - Facit Commosales (P) Ltd.
  - J. Boseck & Co. (P) Ltd.
  - IGL Infrastructure Private Limited. (IGL Infra)
  - Khaitan & Company
  - Khaitan & company LLP
  - Lund & Blockley Pvt. Ltd
  - Sukhvarsha Distributors Pvt. Ltd
- D. Joint venture enterprises
- Kashipur Infrastructure And Freight Terminal Private Limited (KIFTPL)
- E. Trust under company control
- India Glycols Limited Employees Group Gratuity Trust Scheme

## Notes to Consolidated Financial Statements

(₹ in Lakhs)

Related Party Transaction Summary	Significant Influence		Joint venture		Key Managerial Person		Relative of KMP	
	2020	2019	2020	2019	2020	2019	2020	2019
Purchase of Services	-	-	450.13	426.75	-	-	-	-
Sale of Material	574.53	474.19	-	-	-	-	-	-
Legal & Professional Fee	104.30	79.27	-	-	-	-	-	-
Directors sitting Fees	-	-	-	-	23.30	21.00	-	-
Dividend Paid	1921.82	640.61	-	-	81.33	27.11	263.78	88.55
Investment in Equity Shares			263.82	-	-	-	-	-
Commission Paid					848.49	78.95		
Reimbursement of Expenses made	40.73	33.69	-	-	-	-	-	-
Reimbursement of Expenses Received	10.34	23.96	12.16	4.01	-	-	-	-
ICD Received	3,750.00	2,000.00	-	-	-	-	-	-
ICD Paid Back	1950.00	1,000.00	-	-	-	-	-	-
Interest Expense	231.64	157.41	-	-	-	-	-	-
Rent & maintenance Paid	1,049.23	1,034.53	-	-	24.00	24.00	-	-
Vehicle Lease Rent	-	-	-	-	-	-	21.00	21.00
Salary Paid	-	-	-	-	319.77	300.03	28.01	27.29
Managerial Remuneration	-	-	-	-	679.03	352.48	-	-
Balance Outstanding			-	-	-	-	-	-
Payable			-	-	-	-	-	-
<b>ICD Payable(including interest accrued)</b>	<b>2054.02</b>	<b>91.16</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Others	129.01	20.18	-	28.71	18.94	47.11	1.72	1.17
Receivable(Unsecured)								
Capital Advance Given	-	-	-	-			-	-
Security Deposit	1,063.85	1,063.85	-	-	500.00	500.00	-	-
Others	4.73	-	6.96	-	10.28	0.67	-	-

(ii) (a) Remuneration/Salary paid to KMP

(₹ in Lakhs)

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Short-term employee benefits #	907.94	539.92
Post-employment benefits		
- Defined contribution plan \$	90.85	54.02
- Other long-term benefits *	-	-
Total	998.79	593.94

# Including value of perquisites.

\* As the liability for gratuity and leave encashment are provided on actuarial basis for the Company as a whole, amounts accrued pertaining to key managerial personnel are not included above.

\$ Employer Contribution of Provident Fund

## Notes to Consolidated Financial Statements

### (b) Detail of remuneration to KMP: -

- a) Chairman & Managing Director – ₹ 546.25 Lakhs (Previous Year ₹ 283.69 Lakhs)
- b) Chairman & Managing Director (Commission) - ₹ 748.49 Lakhs (Previous Year ₹ 63.00 Lakhs)
- c) Executive Director – ₹ 110.20 Lakhs (Previous Year ₹ 68.79 Lakhs) – 30th November 2019
- d) Executive Director – ₹ 22.58 Lakhs (Previous Year ₹ Nil) – 01 December 2019
- e) Chief Executive Officer – ₹ 203.43 Lakhs (Previous Year ₹ 195.13 Lakhs)
- f) Chief Financial Officer – ₹ 73.18 Lakhs (Previous Year ₹ 70.55 Lakhs)
- g) Company Secretary – ₹ 43.16 Lakhs (Previous Year ₹ 34.35 Lakhs)

### (iii) Detail of transaction India Glycols Limited Employees Group Gratuity Trust Scheme

(₹ in Lakhs)

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Contribution	50.00	160.79
Outstanding at the Year End	468.43	246.82

### (iv) Disclosure in respect of Material Related Party transactions during the year:

- a) Purchases of Services are from:
  - KIFTPL ₹ 450.13 Lakhs (Previous Year ₹ 426.75 Lakhs)
- b) Sales of Material are to:
  - Hindustan Wires Limited. ₹ 574.53 Lakhs (Previous Year ₹ 474.19 Lakhs).
- c) Legal & Professional fees:
  - Khaitan & Co. LLP 68.30 Lakhs (Previous Year ₹ 47.77 Lakhs).
  - Hindustan Wires Ltd ₹ 36.00 Lakhs (Previous Year ₹ 31.50 Lacs)
- d) Inter Corporate Deposit (ICD) Received includes :
  - Kashipur Holdings Ltd ₹ 1,500.00 Lakhs (Previous Year ₹ 500.00 Lakhs)
  - Hindustan Wires Ltd ₹ 2,250.00 Lakhs (Previous Year ₹ 1,500.00 Lakhs)
- e) Inter Corporate Deposit (ICD) Paid back includes :
  - Hindustan Wires Ltd ₹ 1,350.00 (Previous Year ₹ 600.00 Lakhs)
  - Kashipur Holdings Ltd ₹ 600.00 Lakhs (Previous Year ₹ 400.00 Lakhs)
- f) Interest Expense includes to :
  - J Boseck & Co. (P) Ltd ₹ 91.25 Lakhs (Previous Year ₹ 91.00 Lakhs)
  - Kashipur Holdings Ltd ₹ 24.55 Lakhs (Previous Year ₹ 40.08 Lakhs)
  - Hindustan Wires Ltd ₹ 115.84 Lakhs (Previous Year ₹ 26.33 Lakhs)
- g) Reimbursement of expense made.
  - Polylink Polymers (India) Ltd ₹ 29.48 Lakhs (Previous Year ₹ 27.19 Lakhs)
  - Hindustan Wires Limited ₹ 9.30 Lakhs (Previous Year ₹ 4.71 Lakhs)
  - Khaitan & Co LLP ₹ 1.95 Lakhs (Previous Year ₹ 1.79 Lakhs)
- h) Reimbursement of expense Received.
  - IGL Infrastructure ₹ 10.34 Lakhs (Previous Year ₹ 23.96 Lakhs)
  - KIFTPL ₹ 12.16 Lakhs (Previous Year ₹ 4.01 Lakhs)
- i) Rent & Maintenance Paid to :
  - Polylink Polymers (India) Ltd. ₹12.00 Lakhs (Previous Year ₹ 12.00 Lakhs)
  - Hindustan Wires Limited ₹ Nil (Previous Year ₹ 0.75 Lakhs)
  - IGL Infra ₹ 1,022.14 Lakhs (Previous Year ₹ 1,007.13 Lakhs)
  - Kashipur Holding Limited ₹ 10.41 Lakhs (Previous Year ₹ 9.98 Lakhs)
  - Ajay Commercial Co (P) Ltd ₹ 2.34 Lakhs (Previous Year ₹ 2.34 Lakhs)
  - J.B. Commercial Co (P) Ltd ₹ 2.34 Lakhs (Previous Year ₹ 2.34 Lakhs)
  - U.S Bhartia ₹ 24.00 Lakhs (Previous Year ₹ 24.00 Lakhs)

## Notes to Consolidated Financial Statements

- j) Vehicle Lease Paid to.
- Anand Singhal HUF ₹ 9.00 Lakhs (Previous Year ₹ 9.00 Lakhs )
  - Smita Bhartia ₹ 12.00 Lakhs (Previous Year ₹ 12.00 Lakhs)

### Balance Outstanding

- a) ICD Payable (including Accrued Interest) :
- Kashipur Holdings Ltd. ₹ 1,000.00 (Previous Year ₹ 0.16 Lacs)
  - Hindustan Wires Ltd. ₹ 900.00 (Previous Year ₹ 900.00 Lacs)
  - J Boseck & Co. (P) Ltd. ₹ 154.02 Lakhs (Previous Year ₹ 91.00 Lakhs)
- b) Others Payable includes:
- J.B. Commercial Co. (P) Limited ₹ 0.01 Lakhs (Previous Year ₹ 0.01 Lakhs)
  - Kashipur Holdings Ltd ₹ 13.67 Lakhs (Previous Year ₹ 0.36 Lakhs)
  - Polylink Polymers (India) Ltd ₹ 12.47 Lakhs (Previous Year ₹ 13.96 Lakhs)
  - Hindustan Wires Ltd ₹ 18.45 Lakhs (Previous Year ₹ 0.09 Lakhs)
  - IGL Infra Ltd ₹ 69.91 Lakhs (Previous Year ₹ 5.75 Lakhs)
  - Khaitan & Co. LLP ₹ 14.50 Lakhs (Previous Year ₹ Nil)
  - KIFTPL ₹ Nil (Previous Year ₹ 28.71 Lakhs)
  - U.S. Bhartia ₹ 0.74 Lakhs (Previous Year ₹ 44.52Lakhs)
  - M K RAO ₹ 16.02 Lakhs (Previous Year ₹ 0.53 Lakhs)
  - Sudhir Agarwal ₹ 0.26 Lakhs (Previous Year ₹ NIL)
  - Smita Bhartia ₹ 0.98 Lakhs (Previous Year ₹ Nil)
  - Anand Singhal ₹ 1.92 Lakhs (Previous Year ₹ 0.55 Lakhs)
  - Anand Singhal HUF ₹ 0.74 Lakhs (Previous Year ₹ NIL)
  - Ankur Jain ₹ Nil (Previous Year ₹ 1.51 Lakhs)
  - Pragya Bhartia ₹ Nil (Previous Year ₹ 1.17 Lakhs)
- c) Security Deposit recoverable:
- Ajay Commercial Co. (P) Limited ₹ 240.00 Lakhs (Previous Year ₹ 240.00 Lakhs)
  - J.B. Commercial Co. (P) Limited ₹ 240.00 Lakhs (Previous Year ₹ 240.00 Lakhs)
  - IGL Infra ₹ 583.85 Lakhs (Previous Year ₹ 583.5 Lakhs)
  - US Bhartia ₹ 500.00 Lakhs (Previous Year ₹ 500.00 Lakhs)
- d) Others Receivable includes:
- Hindustan Wires ₹ 4.73 Lakhs (Previous Year ₹ Nil)
  - KIFTPL ₹ 6.96 Lakhs (Previous Year ₹ Nil)
  - US Bhartia ₹ 2.56 Lakhs (Previous Year ₹ Nil)
  - Pragya Bhartia ₹ 0.32 Lakhs (Previous Year ₹ Nil)
  - Rakesh Bhartia ₹ 7.72 Lakhs (Previous Year ₹ 0.67 Lacs)

### 53. Dividend on Equity Share

#### Dividend on Equity shares declared and paid during the year (₹ in Lakhs)

Particulars	Year Ended March 31, 2020	Year Ended March 31, 2019
Final Dividend of ₹ 6 per share for FY 2018-19 (Previous Year 2017-18 - ₹ 4 per share)	1,857.69	1,238.44
Dividend Distribution Tax	381.75	254.56

#### Interim Dividend on Equity shares declared and paid during the year (₹ in Lakhs)

Particulars	Year Ended March 31, 2020	Year Ended March 31, 2019
Interim Dividend of ₹ 6 per share	1,857.69	-
Dividend Distribution Tax	381.75	-

## Notes to Consolidated Financial Statements

### Proposed Dividend on equity share not recognized as liability

(₹ in Lakhs)

Particulars	Year Ended March 31, 2020	Year Ended March 31, 2019
Dividend proposed for Equity shareholders of ₹ Nil per share (Previous Year 2018-19 - ₹ 6 per share)	-	1,857.69
Dividend Distribution Tax	-	381.75

Above is subject to approval of the shareholders in the Annual General Meeting.

54. (a) In compliance with Ind AS 112 on Disclosure of Interests in Other Entities, following disclosures are made in respect of jointly controlled entity - Kashipur Infrastructure and Freight Terminal Private Limited, in which the Company is a joint venturer :

(₹ in Lakhs)

Particulars	March 31, 2020	March 31, 2019
Country of Incorporation	India	
Percentage of Share in Joint Venture	42.31%	41.78%
Current Assets	282.11	254.43
Non- Current Assets	4,023.49	4,084.52
Current Liabilities	665.04	660.74
Non- Current Liabilities	1,005.97	1,260.94
Revenue	736.22	837.98
Profit/(Loss) for the period	(41.14)	(95.51)
Total Comprehensive Income	(41.14)	(95.51)
Capital Commitment (Net of advances)	7.21	39.12

### 55. Disclosures of leasing arrangements

Effective April 1, 2019, the Group adopted Ind AS 116 "Leases", as notified by the Ministry of Corporate Affairs (MCA) in the Companies (Indian Accounting Standard) Amendment Rules, 2019, using the modified retrospective method. Under this approach, the group has recognised lease liabilities and corresponding equivalent right- of- use assets. Impact on the profits of the group on the adoption of this standard are as under.

Particulars	(₹ in Lakhs)
Rent	671.43
Finance Cost	(236.52)
Depreciation and amortisation expense	(576.00)
Profit before Tax	(141.09)
Tax expenses	49.30
Profit After Tax	(91.79)

The Company has lease contracts for Head office premises in Noida for a period up to 5 years in its operations. Lease agreements are locked-in for a period of first 3 years (Non-Cancellable period) and subsequently, the lease can be maintained at the option of the Company (lessee) (cancellable period). There are escalation clauses every 3 years.

Set out below are the carrying amounts of right-of-use assets recognised and the movements during the period:

(₹ in Lakhs)

Particulars	Leasehold building
As at April 1, 2019	2299.27
Additions	--
Depreciation expense	576.00
As at March 31, 2020	1723.27

## Notes to Consolidated Financial Statements

Set out below are the carrying amounts of lease liabilities (included under interest-bearing loans and borrowings) and the movements during the period:

Particulars	(₹ in Lakhs)
	Lease Liability
As at April 1, 2019	2299.27
Additions	---
Accretion of interest	236.52
Payments	671.43
As at March 31, 2020	1864.36
Current	486.86
Non-current	1377.50

### 56. Segment Information:

#### Disclosures as required by Indian Accounting Standard (Ind AS) 108 Operating Segments

##### Identifications of Segments:

Segments have been identified in line with Indian Accounting Standard on 'Operating Segments' (Ind AS -108), taking into account the organizational structure as well as the differential risk and returns of this segment and as per the quantitative criteria specified under IND AS. The Company has identified the following segments:

##### Operating Segments:

Industrial Chemical Segment comprises Glycols, Specialty Chemicals, Natural Gum & other related goods etc.

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

Nutraceutical (Previously termed as Herbal) comprises manufacture and sale of Nutraceutical Products

Information about Operating Segments for the year ended March 31, 2020 & March 31, 2019 is as follows:- (₹ in Lakhs)

Particulars	Industrial Chemicals		Ethyl Alcohol (Potable)		Nutraceutical (perviously termed as Herbal)		Unallocable		Total	
	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019
<b>A REVENUE</b>										
1 Gross Segment Revenue (External Customers)	2,74,806.07	2,79,789.05	3,04,150.62	2,15,557.93	18,308.41	16,393.32	-	-	5,97,265.10	5,11,740.31
Inter- Segment	-	-	-	-	-	-	-	-	-	-
Total	2,74,806.07	2,79,789.05	3,04,150.62	2,15,557.93	18,308.41	16,393.32	876.53	1,690.85	5,97,265.10	5,11,740.31
2 Other Income									876.53	1,690.85
<b>B RESULTS</b>										
1 Segment Result (PBIT)	19,525.53	26,809.00	14,045.58	9,344.01	5,221.41	4,897.65	(7,019.01)	(5,295.22)	31,773.51	35,755.44
2 Share of Profit/(Loss) of Joint Venture									(41.14)	(95.51)
3 Interest Expense (Net)									14,341.43	14,347.99
4a Deferred Tax									5,925.37	8,050.53
4b Taxation provision of earlier year/MAT (Credit) Entitlement									-	-
5 Profit after Tax									11,465.57	13,261.41
<b>C Other information:</b>										
1 Segment Assets	3,08,508.82	2,97,262.99	52,347.13	26,368.12	28,708.81	30,487.03	19,058.57	24,314.20	4,08,623.34	3,78,432.34
2 Segment Liabilities	1,30,358.75	1,44,310.24	37,889.13	11,216.97	4,163.92	3,817.49	1,32,824.93	1,22,825.00	3,05,236.73	2,82,169.70
3 Depreciation and Amortization expenses	6,755.43	6,201.64	278.44	263.74	420.12	483.42	843.22	675.48	8,297.21	7,624.28
4 Capital Expenditure	11,791.16	11,242.38	1,761.99	899.58	1,966.88	1,933.60	-	-	15,520.03	14,075.56

Information about geographical areas:

Particulars	Domestic		Overseas		Total	
	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019
1. Gross Segment Revenue (External Customers)	5,20,393.61	4,25,855.86	76,871.49	85,884.45	5,97,265.10	5,11,740.31
<b>Overseas County- wise sales:</b>						
<b>Particulars</b>						
USA					2019-20	2018-19
Other Countries					21,589.38	23,642.09
<b>Total</b>					55,282.11	62,242.36
					76,871.49	85,884.45

There is no transaction with single external customer which amounts to 10% or more of the Company's revenue.

## Notes to Consolidated Financial Statements

### 57. Income Tax:

#### (A) Amounts recognized in Statement of Profit and Loss (₹ in Lakhs)

Particulars	2019-20	2018-19
Current Income Tax		
- Current year	2862.15	4415.51
- Adjustment in respect of current income tax of earlier year	-	-
MAT (Credit) Entitlement	(2862.15)	(4415.51)
Deferred Tax- Relating to origination and reversal of temporary differences	5925.37	8050.53
<b>Income tax expense reported in the statement of profit &amp; loss</b>	<b>5925.37</b>	<b>8050.53</b>

#### (B) Income Tax recognised in other comprehensive Income (₹ in Lakhs)

Particulars	2019-20	2018-19
Current Income Tax on Re-measurement losses on defined benefit plans	5.94	(0.08)
<b>Total</b>	<b>5.94</b>	<b>(0.08)</b>

#### (C) Reconciliation of effective tax rate (₹ in Lakhs)

Particulars	2019-20	2018-19
Accounting profit/(loss) before income tax	17432.08	21407.45
At Statutory Income Tax Rate @34.944%	6091.46	7480.62
In House R & D expenses	(241.10)	(115.07)
Related to Property, Plant & Equipment	(80.61)	(105.79)
Deferred tax Related to house property	(2.02)	(1.09)
Others	(567.89)	225.91
Deferred Tax Charge/(Credit) not recognized in subsidiary companies	725.53	565.95
Income Tax expense/(income) reported in Statement of P&L Account	5925.37	8050.53

#### (D) Reconciliation of deferred tax liabilities, net (₹ in Lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019
<b>Opening Balance</b>	<b>28,896.69</b>	<b>25261.89</b>
Deferred Tax expense recognised in :-		
Statement of profit & loss	5,925.37	8050.53
Other comprehensive income	(5.94)	0.08
MAT Credit Entitlement	(2,862.15)	(4415.51)
<b>Closing balance</b>	<b>31,953.57</b>	<b>28,896.69</b>

The The subsidiary Companies have been incurring taxable losses and deferred tax assets (net) amounting to ₹ 2,650.25 Lakhs (Previous Year ₹ 3,375.78 Lakhs) has not been recognized based on prudence by the subsidiary companies.



## Notes to Consolidated Financial Statements

58. Additional Information as required under schedule III of the Companies Act, 2013, of the enterprises consolidated as subsidiary & Joint Ventures for the Year 2019-20

(₹ in Lakhs)

Sl. No	Name of the entity	Net Assets (i.e., total assets minus total liabilities)		Share in profit or (loss)		Other Comprehensive Income		Total Comprehensive Income	
		As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount	As % of consolidated profit or loss	Amount	As % of consolidated profit or loss	Amount
<b>A</b>	<b>Parent</b>								
	India Glycols Limited	111.98%	1,15,777.40	111.87%	12,826.47	8.38%	(11.37)	113.11%	12,815.10
<b>B</b>	<b>Subsidiaries</b>								
<b>(a)</b>	<b>Indian</b>								
1	Shakumbari Sugar & Allied Industries Limited (SSAIL)	(14.27%)	(14,754.76)	(14.42%)	(1,653.28)	0.00%	-	(14.59%)	(1,653.28)
2	IGL Finance Limited	0.26%	270.40	0.00%	(0.56)	0.00%	0	0.00%	(0.56)
<b>(b)</b>	<b>Foreign</b>								
1	IGL Chem International PTE LTD	(0.41%)	(426.43)	(0.14%)	(15.50)	26.25%	(35.60)	(0.45%)	(51.10)
2	IGL Chem International USA LLC	(0.12%)	(128.05)	2.49%	285.04	17.49%	(23.72)	2.31%	261.32
<b>(C)</b>	<b>Minority Interest is insignificant and immaterial, hence not considered</b>								
<b>(D)</b>	<b>Joint Venture (as per Equity Consolidation Method)</b>								
<b>(a)</b>	<b>Indian</b>								
	Kashipur Infrastructure and Freight Terminal Private Limited (KIFTPL)	2.55%	2,634.72	(0.36%)	(41.14)	0.00%	0	(0.36%)	(41.14)
	Eliminations	0.01%	13.32	0.56%	64.54	47.88%	(64.94)	0.00%	(0.40)
	<b>TOTAL</b>	<b>100.00%</b>	<b>1,03,386.60</b>	<b>100.00%</b>	<b>11,465.57</b>	<b>100.00%</b>	<b>(135.63)</b>	<b>100.00%</b>	<b>11,329.94</b>

### 59. Event Occurring After Balance Sheet Date

The Board of Directors has recommended Equity dividend of ₹ Nil per share (previous year ₹ 6) for the financial year 2019-20.

60. World Health Organisation (WHO) declared outbreak of Coronavirus Disease (COVID-19) a global pandemic on March 11, 2020. Consequent to this, Government of India declared lockdown on March 23, 2020 and the Company temporarily suspended the operations in all the units in compliance with the lockdown instructions issued by the Central and State Governments. COVID-19 has impacted the normal business operations of the Company by way of interruption in production, supply chain disruption, unavailability of personnel, closure/lock down of production facilities etc. during the lock-down period which has been extended till May 17, 2020. However, production and supply of goods has commenced at all the manufacturing units of the company during the month of April 2020 on various dates after obtaining permissions from the appropriate government authorities.

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

61. The figures of the previous period/year have been restated/regrouped wherever necessary, to make them comparable.

As per our report of even date  
**For K N Gutgutia & Co.**  
 Chartered Accountants  
 Firm Registration no. 304153E

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

**Sudhir Agarwal**  
 Executive Director  
 DIN - 08602216

**B.R.Goyal**  
 Partner  
 Membership Number 12172  
 Place : Noida, UP  
 Date : June 24, 2020

**Ankur Jain**  
 Company Secretary

**Anand Singhal**  
 Chief Financial Officer

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