

- **BOARD OF DIRECTORS**
  - Mr. Nand Khemka**  
(Chairman cum Managing Director)
  - Mr. P. R. Khanna**
  - Mr. R. Parameswar**
  - Ms. Bindu Saxena**
  - Mr. Shiv Khemka**
  - Mr. Uday Khemka**
  - Mr. Harjiv Singh**  
(till September 12, 2017)
  - Mr. K. K. Kapur**  
(CEO & Whole-Time Director)
  
- **REGISTERED OFFICE**

11, Community Centre, Saket,  
New Delhi-110017
  
- **WORKS**
  1. Village Jhiriwala, Hadbast No. 73,  
Nalagarh, District Solan (HP) - 174101
  2. Plot No. SP 86, Industrial Area,  
Bhiwadi, Dist.Alwar, (Rajasthan) - 301019
  
- **BANKERS**

State Bank of India  
Kotak Mahindra Bank
  
- **STATUTORY AUDITORS**

Khanna & Annadhanam  
Chartered Accountants  
706, Akash Deep Building, 26-A,  
Barakhamba Road, New Delhi – 110001
  
- **INTERNAL AUDITORS**

Ernst & Young LLP  
Chartered Accountants  
Golf View Corporate Tower-B  
Sector-42, Sector Road, Gurgaon-122002
  
- **COST AUDITORS**

Shome & Banerjee  
Cost Accountants  
Pocket – C, Siddhartha Extension,  
New Delhi – 110014
  
- **SECRETARIAL AUDITORS**

RMG & Associates  
Company Secretaries  
207 Suchet Chambers  
1224/5 Bank Street, Karol Bagh,  
New Delhi – 110005

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## INDAG RUBBER LIMITED

CIN L74899DL1978PLC009038

Regd. Office: 11, Community Centre, Saket, New Delhi-110017.

Ph. No. 011-26963172/73; E-mail Id:- info@indagrubber.com; Website: www.indagrubber.com

### NOTICE

**NOTICE IS HEREBY GIVEN THAT THE THIRTY-NINTH ANNUAL GENERAL MEETING OF THE MEMBERS OF INDAG RUBBER LIMITED WILL BE HELD ON TUESDAY, AUGUST 14, 2018 AT 10:00 A.M. AT SAI INTERNATIONAL CENTRE, PRAGATI VIHAR, LODHI ROAD, NEW DELHI- 110003 TO TRANSACT THE FOLLOWING BUSINESS:**

#### AS ORDINARY BUSINESS:

1. To receive, consider and adopt the financial statements of the company, and, if thought fit, to pass with or without modification(s), the following resolution as an **ORDINARY RESOLUTION:**
  - a) Audited standalone financial statements of the company for the financial year ended March 31, 2018.  
"RESOLVED THAT the audited standalone financial statements of the Company including the balance sheet as on March 31, 2018, the statement of profit and loss, the cash flow statement for the year ended on that date and the reports of the Board of Directors and Auditors, thereon be and are hereby received, considered and adopted."
  - b) Audited consolidated financial statements of the company for the financial year ended March 31, 2018.  
"RESOLVED THAT the audited consolidated financial statements of the Company including the balance sheet as on March 31, 2018, the statement of profit and loss, the cash flow statement for the year ended on that date and the report of the Auditors thereon be and are hereby received, considered and adopted."
2. To appoint a Director in place of Mr. Shiv Khemka (DIN-01214671) who retires by rotation and being eligible, offers himself for re-appointment, and, if thought fit, to pass with or without modification(s) the following resolution as an **ORDINARY RESOLUTION:**  
"RESOLVED THAT pursuant to the provisions of Section 152 of the Companies Act, 2013, Mr. Shiv Khemka (DIN-01214671), who retires by rotation at this meeting and being eligible has offered himself for re-appointment, be and is hereby re-appointed as a Director of the Company, liable to retire by rotation."
3. To declare dividend and, if thought fit, to pass with or without modification(s), the following resolution as an **ORDINARY RESOLUTION:**  
"RESOLVED THAT pursuant to the recommendation of the Board of Directors, final dividend at the rate of Rs. 1.50/- per equity share of face value of Rs. 2/- each (75%), in addition to the interim dividend of Rs. 0.90/- per equity share of face value of Rs. 2/- each (45%) already paid, be and is hereby declared out of the current profits of the company and that the same be paid, to those Members whose names appear on the company's register of members as on August 14, 2018 (if shares held in physical form) and to those beneficial owners whose names are furnished by NSDL and CDSL as on the close of business hours on August 07, 2018 (if shares held in dematerialized form).

#### AS SPECIAL BUSINESS:

4. **Fixation of the remuneration of the Cost Auditors of the company for the financial year 2018-19.**  
To consider and, if thought fit, to pass with or without modification(s), the following resolution as an **ORDINARY RESOLUTION:**  
"RESOLVED THAT pursuant to the provisions of section 148(3) and all other applicable provisions, if any, of the Companies Act, 2013 and on the recommendation of the Board of Directors, consent of the members be and is hereby accorded for the payment of remuneration of Rs. 1,00,000/- plus service tax and out of pocket expenses and on terms and conditions as may be mutually agreed to between the Board of Directors and Shome & Banerjee, (Registration No. 000001) Cost Accountants, Cost Auditors of the Company for the financial year commencing from April 1, 2018 till March 31, 2019."

5. **Appointment of Mr. Harjiv Singh (DIN-00507695) as an Independent Director of the Company for second term.**

To consider and if thought fit, to pass with or without modification(s), the following resolution as a **SPECIAL RESOLUTION**:

“RESOLVED THAT pursuant to the provisions of section 149, 150, 152 and 161 and any other applicable provision of the Companies Act, 2013 and the rules made thereunder read with Schedule IV of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 including any statutory modifications or re-enactment thereof and as recommended by the Nomination and Remuneration Committee, consent of the members be and is hereby accorded for the appointment of Mr. Harjiv Singh (DIN-00507695) as an Independent Director of the company for a second term of 5 years with effect from May 24, 2018 till May 23, 2023, who was appointed as an Additional and Independent Director by the Board of Directors on May 24, 2018.

6. **Payment of Commission to Directors other than the Managing Director/ Whole-Time Director**

To consider and, if thought fit, to pass with or without modification(s) the following resolution as an **ORDINARY RESOLUTION**:

“RESOLVED THAT pursuant to the provisions of section 149(9) and 197 and other applicable provisions, if any, of the Companies Act, 2013, and rules thereunder (including any statutory modification(s) or re-enactment thereof, for the time being in force), consent of the members be and is hereby accorded for payment of profit related commission of a sum not exceeding in aggregate 1% (one percent) of the net profits of the company for each financial year commencing from April 1, 2018 computed in accordance with the provisions of Section 198 of the Companies Act, 2013 to its Directors (other than the Managing Director / Whole-Time Director), but including Independent Directors to be divided amongst them in such proportion as may be determined by the Board of Directors.”

“RESOLVED FURTHER THAT the above commission shall be in addition to fee payable to the director(s) for attending the meetings of the Board or Committee thereof or for rendering services of professional nature and reimbursement of expenses for participation in the Board and other meetings.”

7. **Re-classification of certain Promoters and Promoter Group category shareholders to Public category shareholders.**

To consider and if thought fit, to pass with or without modification(s), the following resolution as a **SPECIAL RESOLUTION**:

“RESOLVED THAT pursuant to the provisions of Regulation 31A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 including any statutory modifications or re-enactments thereof and other applicable laws and subject to necessary approvals from the SEBI, Stock Exchange and other appropriate statutory authorities as may be required, consent of the Members of the company be and is hereby accorded for re-classification of the following “Promoter and Promoter Group Category” shareholders of Company to “Public Category” shareholders, as the said Shareholders are neither involved in the decision making process of Company nor having any direct or indirect control on its affairs:

Sl. No.	Name of Promoters	No. of Equity Shares of Rs.2/- each	% of total equity share capital
1	Pankaj Dilip Private Limited	3,30,500	1.26
2	Khemka & Co. Agencies Pvt. Ltd.	27,688	0.11
3	Khemka Instruments Private Limited	5,000	0.02
4	Khemka Technical Services Private Limited	2,500	0.01
	<b>Total</b>	<b>3,65,688</b>	<b>1.40</b>

RESOLVED FURTHER THAT the aforesaid entities hold 1.40% of the total share capital of the Company in aggregate, being less than 10% of paid-up equity share capital of the Company and shall not have any special right through formal or informal arrangements and shall not directly or indirectly exercise control over the affairs of the company.

RESOLVED FURTHER THAT on approval of the SEBI/ Stock Exchange for the said re-classification, the company shall effect such re-classification in the Shareholding Pattern of the company from immediate succeeding quarter under Regulation 31 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and in compliance with SEBI (Substantial Acquisition of Shares and Takeovers) Regulation, 2015, SEBI (Prohibition of Insider Trading) Regulation, 2015 and other applicable laws.

RESOLVED FURTHER THAT Company Secretary and Compliance Officer or any other Key Managerial Personnel of the Company, be and is hereby singly and severally authorized to submit the application for re-classification to Bombay Stock Exchange, where the securities of the Company are listed or any other regulatory body, as may be required, and to take such steps expedient or desirable to give effect to this resolution and to do all such acts, deeds, matters and things as may be necessary or expedient and to settle any questions, difficulties or doubts that may arise in this regard without requiring to secure any further consent or approval of the members of the Company or of the Board.”

By Order of the Board of Directors  
For **Indag Rubber Limited**

Date : May 24, 2018  
Place: New Delhi

**Manali D Bijlani**  
Company Secretary  
F4704

## NOTES

As Indag Rubber Limited, being a listed company and having more than 1000 shareholders, is compulsorily required to provide remote e-voting facility or postal ballot to members in terms of Section 108 of the Companies Act 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, voting by show of hands will not be available to the members at the 39th AGM in view of the further provisions of Section 107 read with Section 114 of the Act.

**This notice is sent to all the members whose name appears as on July 06, 2018 in the Register of Members.**

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING IS ENTITLED TO APPOINT PROXY TO ATTEND AND VOTE ON A POLL INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. PROXIES, IN ORDER TO BE EFFECTIVE MUST BE RECEIVED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE TIME OF THE MEETING.
2. A person can act as proxy on behalf of members not exceeding fifty (50) and holding in the aggregate not more than ten percent of the total share capital of the Company. A proxy appointed by a member holding more than 10 percent of the total share capital of the Company carrying voting rights shall not act as proxy for any other member.
3. Members/ Proxies should bring the attendance slips duly filled-in for attending the meeting and deliver the same at the entrance of the meeting place. Members who hold shares in dematerialized form are requested to bring their Client ID and DP ID numbers for easy identification of attendance at the meeting.
4. The Register of Members and Share Transfer Books of the Company will remain closed from August 8, 2018 to August 14, 2018 (both days inclusive).
5. Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, which sets out details relating to Special Business at the meeting, is annexed hereto.
6. Final Dividend of Rs.1.50/- per equity share of face value of Rs. 2/- each (75%) has been recommended by the Board of Directors, subject to the approval of the members at the ensuing Annual General Meeting for the year ended on March 31, 2018 is proposed to be paid on and from August 24, 2018. Interim Dividend for the year 2017-2018 of Rs. 0.90/- per equity share of face value of Rs. 2/- each (45%), was declared on November 10, 2017 and paid on November 29, 2017.
7. Members holding the shares in electronic form are advised to get their bank mandate, email id, mobile no. and PAN No. updated with their respective Depository Participant as the bank particulars registered against their respective depository accounts will be used by the Company for the payment of dividend. Members holding the shares in physical form are requested to write to the Company for the registration or change of bank mandates for the payment of Dividend.
8. Members who have not encashed their dividend warrants are advised to write to the Company immediately claiming dividends declared by the Company, which are yet to be transferred to IEPF.
9. Securities Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in the Securities Market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding the shares in physical form can submit their PAN details to the Company.
10. Members seeking further information about the accounts are requested to write atleast 7 days before the date of the meeting so that it may be convenient to get the information ready at the meeting.
11. Members are requested to inform the Company's Registrar and Share Transfer Agent i.e. Skyline Financial Services Private Limited, D-153/A, 1st Floor, Okhla Industrial Area, Phase-I, New Delhi-110020 about the changes, if any, in their registered address along with the Pin Code, quoting their Folio Number and DP ID and email address. All correspondence relating to transfer of shares may be sent directly to the aforesaid Registrar and Share Transfer Agent of the Company.
12. Members are requested to bring their copies of Annual Report to the meeting, as the same will not be supplied again at the meeting as a measure of economy.

13. Members are requested to furnish or update their e-mail IDs with the Registrar for sending the soft copies of the Annual Report of the Company as required vide circular no. 17/2011 dated April 21, 2011 and circular no. 18/2011 dated April 29, 2011 issued by the Ministry of Corporate Affairs and to avail remote e-voting facility in respect of the resolutions which would be passed at the General Meetings of the Company.
14. Pursuant to the prohibition imposed vide Secretarial Standard on General Meetings (SS-2) issued by the ICSI and the MCA circular, no gifts/coupons shall be distributed at the Meeting.
15. Members are advised not to carry their personal belongings such as bags, eatables, laptops, mobile phones, arms, ammunitions or any other harmful/dangerous objects to the meeting venue.
16. Members may also note that the Notice of 39<sup>th</sup> Annual General Meeting and Annual Report for the year 2017-2018 is also available on the website of the Company [www.indagrubber.com](http://www.indagrubber.com) for their download.
17. Voting through electronic means
  - a) In compliance with provisions of section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is pleased to provide remote e-voting facility to the members of the Company to exercise their right to vote in respect of the resolutions to be passed at the 39<sup>th</sup> Annual General Meeting.
  - b) A person whose name is recorded in the Register of Members or in the Register of Beneficial Owners maintained by the depositories as on Wednesday, August 08, 2018 (the "Cut-off Date") only shall be entitled to vote through remote e-voting and at the AGM. The voting rights of members shall be in proportion to their share of the paid-up equity share capital of the Company as on the cut-off date.
  - c) At the venue of AGM, voting shall be done through ballot papers and the members attending AGM who have not cast their vote by remote e-voting shall be entitled to cast their vote through Ballot papers.
  - d) Instructions for e-voting are as under-
    - i. Launch internet browser by typing the following URL: <https://www.evoting.nsdl.com>
    - ii. Click on Shareholder – Login
    - iii. Enter your User ID and existing password. The User –id is your Demat account number which is (DP-ID + CLIENT-ID)
    - iv. Click Login
    - v. Home page of "e-Voting" appears. Click on e-Voting-Active Voting Cycles
    - vi. Select E-Voting Event Number (EVEN) of Indag Rubber Limited for casting vote in favour or against the Item(s) of business. (Kindly note that vote once cast cannot be modified. For an EVEN, you can log-in any number of times on e-voting platform of NSDL till you have voted on the resolution or till the end date of voting period i.e up to close of August 13, 2018, whichever is earlier).
    - vii. Now you are ready for 'e-Voting' as 'Cast Vote' page opens. Voting period commences on and from August 11, 2018 at 9:00 am and ends on August 13, 2018, at 5:00 pm.
    - viii. Cast your vote by selecting appropriate option and click on "Submit" and also "Confirm" when prompted.
    - ix. Once you have voted on the resolution, you will not be allowed to modify your vote.
    - x. Institutional shareholders (ie other than Individuals, HUF, NRI etc.) are also required to send scanned copy (PDF/ JPG format) of the relevant Board resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer through email at [scrutinizer@indagrubber.com](mailto:scrutinizer@indagrubber.com) with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in)
  - e) The remote e-voting period shall commence on Saturday, August 11, 2018, (9:00 am) to Monday, August 13, 2018 (5:00 pm). During this period the members of the Company, holding shares either in physical form or in dematerialized form, as on August 08, 2018 (cut-off date) may cast their vote electronically. Thereafter, the portal shall be disabled by the NSDL for voting. Members may note that once the vote on a resolution is cast, it cannot be changed subsequently.
  - f) Members attending the meeting who have not already cast their vote by remote e-voting shall be able to

exercise their right at the meeting and that the members who have cast their vote by remote e-voting prior to the meeting may also attend the meeting but shall not be entitled to cast their vote again.

- g) Persons who have acquired shares and become members of the Company after dispatch of Notice of AGM but before cut-off date of Wednesday, August 08, 2018 may obtain their USER ID and password for remote e-voting from Skyline Financial Services Pvt. Ltd., D-153/A, 1<sup>st</sup> Floor, Okhla Industrial Area, Phase – I, New Delhi-110020 or NSDL.
- h) In case of queries, you may refer the “Frequently Asked Questions (FAQs) for members and remote e-voting user manual for members” available at the ‘downloads’ section of [www.evoting.nsdl.com](http://www.evoting.nsdl.com). For any further grievance related to the remote e-voting, members may contact NSDL at the following contact information:  
Phone No. +91 22 24994600/24994738, Toll Free no. 1800222990
- i) The Board of Directors has appointed Mr. Kanishk Arora of M/s. Kanishk Arora & Co., Practicing Company Secretary, as the Scrutinizer for conducting remote e-voting in a fair and transparent manner.
- j) The Scrutinizer shall, immediately after the conclusion of voting at the AGM, first count the votes cast at the AGM by Ballot papers and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company. The Scrutinizer shall, within 24 hours from the conclusion of the AGM, prepare and present a consolidated report of the total votes cast in favour or against, if any, to the Chairman or any other Key Managerial Personnel who shall countersign the same and declare the results of the voting within 48 hours of conclusion of Annual General Meeting.
- k) The results declared alongwith the report of Scrutinizer shall be placed on the website of the Company [www.indagrubber.com](http://www.indagrubber.com) and on the website of NSDL immediately after the declaration of results by the Chairman or any other Key Managerial Personnel. The results shall also be forwarded to the Stock Exchange within 48 hours of the conclusion of Annual General Meeting.



18. Pursuant to Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the brief profile of Directors eligible for re-appointment vide item no. 2 and 5 is as follows:

Item No.	2	5
Particulars	<b>Mr. Shiv Khemka</b>	<b>Mr. Harjiv Singh</b>
Din	01214671	00507695
Date of Birth/ Age	19-08-1962/ 55 years	22-08-1970/ 47 years
Date of first Appointment on the Board	14-08-2015	09-08-2016
Qualifications	Educated at Eton College, Brown University, and the Lauder program at The Wharton School, University of Pennsylvania.	Masters in International Affairs in Economic Policy Management from Columbia University's School of International and Public Affairs. He has also done MBA in Marketing and Bachelor in Finance from the New York Institute of Technology.
Experience in specific functional areas	Mr. Shiv Khemka is Vice Chairman of the SUN Group. Mr. Khemka was elected as 'Global Leader for Tomorrow' (GLT) at the World Economic Forum in Davos in 1997; Serves on the Board of Overseers of The Wharton School, on the President's Leadership Council at Brown University, and on the International Advisory Board of the School of Oriental and African Studies (SOAS).	Mr. Harjiv Singh is the co-founder and co-CEO of <u>Gutenberg Communications</u> , a global strategic communications firm with offices in the U.S., U.K. and India, where he works extensively with clients across a diverse range of industries like technology, real estate, investment management, academic and the non-profit sectors. He has advised clients like U.S.-India Business Council, UK Trade & Investment, GE, HSBC, New York City Economic Development Corporation (NYCEDC) and Quest Diagnostics.
Terms and condition of appointment/ re-appointment	Re-appointment as Non-Executive Director, liable to retire by rotation.	Re-appointment as an Independent Director (Additional Director) for the second term of 5 years w.e.f May 24, 2018 to May 23, 2023
Details of remuneration last drawn (2017-18)	Nil	Rs.1.50 lacs was given as Commission.
No. of Board Meeting attended during the year	4 of 4	1 of 2
Directorship held in other listed entities	Nil	Nil
Membership/Chairmanship of Committees of listed entities (includes only Audit Committee and Stakeholders' Relationship Committee)	Nil	Nil
Number of shares held in the company	12,50,750 equity shares (jointly holding with Mrs. Urvashi Khemka)	Nil
Relationship with any Director(s), manager and other Key Managerial Personnel of the Company	Mr.Nand Khemka (Father) Mr.Uday Khemka (Brother)	Nil

## Explanatory Statement

(Pursuant to Section 102 of the Companies Act, 2013)

### Item No. 4: Fixation of remuneration of Shome & Banerjee, Cost Auditors.

Shome & Banerjee, Cost Accountants were appointed as Cost Auditors of the Company by the Board at its meeting held on May 24, 2018, for the financial year 2018-2019, as recommended by the Audit Committee.

Mr. Rakesh Singh, Partner of Shome & Banerjee, is a Fellow member of the Institute of Cost Accountants of India, and has held the highest post of "President" for the term 2012-13.

The Board of your company after considering the qualification and experience of Mr. Rakesh Singh, partner of Shome & Banerjee, thought fit to fix the remuneration of Rs. 1,00,000/- subject to the approval of the members.

Shome & Banerjee, Cost Accountants are not related to any director of the Company.

None of the directors, key managerial personnel of the company and their relatives, is interested in the resolution set out in the notice.

The Board of directors recommend the ordinary resolution for the approval of the members.

### Item No. 5: Appointment of Mr.Harjiv Singh (DIN-00507695) as an Independent Director for second term.

Mr.Harjiv Singh was appointed as an Independent Director of the Company on August 09, 2016 to hold office till March 31, 2019.

However, Mr.Harjiv Singh vacated the office w.e.f September 12, 2017 as he incurred disqualification under section 164(2) of the Companies Act, 2013. Mr.Harjiv Singh filed a Writ Petition before Hon'ble High Court of Delhi, which was disposed of in his favour on March 22, 2018 directing the stay on operation of list of disqualified director, in so far as the inclusion of his name.

During his tenure from August 09, 2016 till September 12, 2017, Mr.Harjiv Singh attended 5 out of 9 board meetings and exercised his judgment prudently without any conflict of interest. The contributions made by Mr.Harjiv Singh were towards the interest of the company.

Mr.Harjiv Singh holds a Masters in International Affairs in Economic Policy Management from Columbia University's School of International and Public Affairs and has done MBA in Marketing and Bachelors in Finance from the New York Institute of Technology. Mr.Harjiv Singh is the co-founder and co-CEO of Gutenberg Communications.

Considering vast and rich experience of Mr.Harjiv Singh and on the recommendation of Nomination and Remuneration Committee, the Board of Directors found it justified to reappoint Mr.Harjiv Singh as an Independent Director (Additional) of the Company, for a second term of 5 years i.e. from May 24, 2018 to May 23, 2023, not liable to retire by rotation and approved the same in their meeting held on May 24, 2018.

Company has received a declaration from Mr. Harjiv Singh to the effect that he meets the criteria of independence as provided in Section 149(6) of the Act and Regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and he is not debarred from holding the office pursuant to any SEBI order.

Further details of Mr.Harjiv Singh as required to be given pursuant to SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Secretarial Standards are already provided in this Notice.

In the opinion of the Board, Mr.Harjiv Singh fulfils the conditions specified in the Companies Act, 2013 and rules made thereunder for his appointment as Independent Director and he is independent of the management of the Company. Mr. Harjiv Singh is now not disqualified from being appointed as Director in terms of Section 164 of the Companies Act, 2013.

Mr. Harjiv Singh is interested in the resolution mentioned at Item No. 5 of the Notice. None of the other Directors or Key Managerial Personnel of the Company and their relatives are concerned or interested, financially or otherwise, in this resolution.

The Board of directors recommends the special resolution for the approval of the members.

**Item No.6: Payment of Commission to Directors other than the Managing Director/ Whole-Time Director.**

In the Annual General Meeting held on July 19, 2013, members had approved payment of commission not exceeding 1% of the net profits of the company computed in accordance with the provisions of the Companies Act, 1956 to its Directors (other than the Managing Director / Whole-Time Directors) to be divided amongst them in such proportion as may be determined by the Board of Directors from time to time, for a period of five (5) years commencing from April 1, 2013.

As recommended by the Nomination and Remuneration Committee and approved by the Board of Directors, it is proposed to seek approval of the members for payment of commission to Non-Executive Directors (including Independent Directors) for each financial year commencing from April 1, 2018, which would not exceed one percent of the net profits of the company computed in accordance with the provisions of Section 198 of the Companies Act, 2013.

Payment of commission shall be in addition to fees payable to the Directors for attending the meetings of the Board and Committees thereof as decided by the Board and reimbursement of expenses for participation in the Board and other meeting and for rendering services which are of professional nature.

Except Non-Executive Directors (including Independent Directors) none of the directors and/or key managerial personnel of the company and their relatives, is interested in the aforesaid resolution.

Board recommends the ordinary resolution set out in the notice for the approval of the members.

**Item No-7: Re-classification of certain Promoters and Promoter Group category shareholders to Public category shareholders pursuant to Regulation 31A(7) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.**

Company has been filing Shareholding Pattern with Bombay Stock Exchange (BSE) pursuant to the requirements of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, in which total of 12 members were appearing on March 31, 2018 in the Promoter and Promoter Group Category of Company.

Certain entities of the aforesaid Promoter and Promoter Group category, as stated hereunder, have tendered their application to Company to reclassify them from “Promoter and Promoter Group Category” to “Public Category” as they are neither involved in the decision making process of Company nor having any direct or indirect control on its affairs:

Sl. No.	Name of Promoters	No. of Equity Shares of Rs.2/- each	% of total equity share capital
1	Pankaj Dilip Private Limited	3,30,500	1.26
2	Khemka & Co. Agencies Pvt. Ltd.	27,688	0.11
3	Khemka Instruments Private Limited	5,000	0.02
4	Khemka Technical Services Private Limited	2,500	0.01
	<b>Total</b>	<b>3,65,688</b>	<b>1.40</b>

Board of Directors of the Company in their meeting held on May 24, 2018 has considered the request of the outgoing entities subject to the approval of the members, as none of the outgoing entities:

- holds more than 10% of the total share capital of the Company (either individually or in concert);
- holds any key managerial position in the Company;
- have any representations on the Board of Directors in the Company;
- is engaged in any management or day to day affairs of the Company;
- have any special right through formal or informal arrangements with the Company

The Board of Directors has accorded their approval to the said re-classification, subject to the approval of the members of the Company and relevant regulatory authorities.

Post re-classification the remaining members of the existing “Promoter and Promoter Group Category” of the Company will be as follows:

Sl. No.	Name of Promoters	No. of shares held	% of total equity share capital
1	Nand Lal Khemka	18,505	0.07
2	Jeet Nabha Khemka	87,65,005	33.39
3	Khemka Aviation Pvt Ltd	62,72,325	23.89
4	Uday Harsh Khemka	12,50,750	4.76
5	Urvashi Rajya Laxmi Rana Khemka	12,50,750	4.76
6	Unipatch Rubber Limited	11,87,415	4.52
7	Sun London Limited	3,76,000	1.43
8	Sun Securities Limited	1,37,000	0.52
	<b>Total</b>	<b>1,92,57,750</b>	<b>73.36</b>

Further, as per Rule 19A of the Securities Contract (Regulation) Rules, 1957, the public shareholding as on date of this notice already fulfills the minimum public shareholding requirement of atleast 25% of the total share capital.

Except Mr.Nand Khemka, Mr.Shiv Khemka and Mr.Uday Khemka being the relatives of the Directors/ Shareholders of outgoing entities, none of the directors and/ or key managerial personnel of the Company and their relatives are concerned or interested in the resolution set out in the notice.

Board of Directors recommends the special resolution for the approval of members.

By Order of the Board of Directors  
For **Indag Rubber Limited**

Date : May 24, 2018  
Place: New Delhi

**Manali D Bijlani**  
Company Secretary  
F4704

## NOTICE TO SHAREHOLDERS/INVESTORS FOR UNPAID DIVIDENDS

1. The Shareholders / Investors of Indag Rubber Limited are notified that in pursuance of the section 124 of the Companies Act, 2013 (the Act), the Company is required to transfer amount of Dividends that remain unclaimed / unpaid for a period of seven (7) years from the date of transfer to the company's Unpaid Dividend Account, to the Investor Education and Protection Fund (IEPF) established under Section 125 of the Companies Act, 2013.

Further, all shares in respect of which dividend has not been paid or claimed for seven (7) consecutive years or more shall also be transferred to the demat account of IEPF as notified by Ministry of Corporate Affairs.

2. Dividends, including Interim Dividends declared during the following Financial Years shall fall due for transfer to IEPF on completion of a period of seven years from the date of transfer of Final Dividend / Interim Dividend to Unpaid Dividend Account. A table containing the due dates for transfer to IEPF for various years is given below for the information of the Shareholders/Investors:

Financial Year	Dividend –Interim / Final	Due Dates for Transfer to IEPF
2010-11	Final	September 15, 2018
2011-12	Interim	November 16, 2018
2011-12	Final	August 20, 2019
2012-13	Interim	November 14, 2019
2012-13	Final	August 25, 2020
2013-14	Interim	December 04, 2020
2013-14	Final	August 31, 2021
2014-15	Interim	November 03, 2021
2014-15	Final	September 20, 2022
2015-16	Interim	December 10, 2022
2015-16	Final	July 02, 2023
2016-17	Interim	November 30, 2023
2016-17	Final	July 25, 2024
2017-18	Interim	December 17, 2024

3. Shareholders / Investors who have not encashed their Dividend Warrants including Interim Dividends, if any, for any of the aforesaid Financial Years, are requested to lodge their claims by quoting their respective Folio No./DP-Client ID with Company at:

**Company Secretary,  
Indag Rubber Limited  
Khemka House, 11, Community Centre, Saket  
New Delhi-110017  
Phone: 011-26963172-73, Email: [info@indagrubber.com](mailto:info@indagrubber.com)**

4. Shareholders are advised to ensure that their claims for unpaid / unclaimed dividend are lodged timely so as to reach the same before the date indicated against each year in the table at Sr. No.2 above. The claims received after these dates shall not be entertained and the amount outstanding shall be transferred to IEPF within 30 days of this date as per the relevant provisions of law.
5. It may also be noted that the company has transferred unclaimed dividend and equity shares (only those shares whose dividend was unclaimed since last 7 consecutive years) to IEPF account of MCA for the previous financial years, the details of which are available on our website [www.indagrubber.com](http://www.indagrubber.com).
6. Shareholders whose shares and unclaimed dividend have been transferred to IEPF may claim the shares or apply for refund by making an application to IEPF Authority in Form IEPF-5 (available on [www.iepf.gov.in](http://www.iepf.gov.in)).

## INDAG RUBBER LIMITED

CIN L74899DL1978PLC009038

**Regd. Office:** 11, Community Centre, Saket, New Delhi-110017.

Ph. No. 011-26963172/73; E-mail Id:- info@indagrubber.com; Website: www.indagrubber.com

### BOARD'S REPORT

**To  
The Members,**

Your Directors are pleased to present the 39th Annual Report of the Company together with the standalone and consolidated Audited Statements of Accounts for the year ended March 31, 2018.

#### FINANCIAL RESULTS

Particulars	Standalone		Consolidated	
	2017-18 (Rs. / lakhs)	2016-17 (Rs. / lakhs)	2017-18 (Rs. / lakhs)	2016-17 (Rs. / lakhs)
Sales and other Income (net of excise duty)	17103.19	18978.32	17524.89	19123.17
Profit before Finance Cost & Depreciation	2489.47	3514.56	2747.65	3592.69
Finance Cost	20.52	30.75	197.73	77.46
Profit before Depreciation	2468.95	3483.81	2549.92	3515.23
Depreciation	305.70	296.30	380.30	316.95
Profit before tax	2163.25	3187.51	2169.62	3198.28
Profit after tax (before minority)	1575.96	2187.32	1580.39	2193.39
Profit after tax (after minority)	1575.96	2187.32	1576.69	2187.29
Transfer to General Reserve	-	-	-	-
Interim Dividend	236.25	236.25	-	-
Proposed Final Dividend	393.75	393.75	-	-

#### PERFORMANCE REVIEW

During the year under review your Company had net revenue of Rs. 171.03 crores as against Rs. 189.78 crores in the previous year. The Profit before finance cost and depreciation amounted to Rs. 24.89 crores as against Rs. 35.14 crores in the previous year.

Profit before tax during the year worked out to Rs.21.63 crores as compared to Rs. 31.87 crores in the previous year.

#### DIVIDEND

During the year the Board of Directors had declared an Interim Dividend of Rs. 0.90 per equity share of face value of Rs. 2/- each (45%) on November 10, 2017 which has been paid to the members on November 29, 2017.

The Directors are pleased to recommend a final dividend of Rs. 1.50/- per equity share of face value of Rs. 2/- each (75%) for the financial year 2017-2018, thus making a total dividend of Rs.2.40/-per equity share of Rs. 2/- each (120%).

Subject to the approval of shareholders at the ensuing Annual General Meeting, the final dividend will be paid to those shareholders whose name appears on the Register of Members of the company as on close of business hours on August 14, 2018 if shares are held in physical form; in respect of shares held in dematerialized form it will be paid to those members whose names are furnished by NSDL and CDSL, as beneficial owners as on August 07, 2018.

#### INVESTOR EDUCATION AND PROTECTION FUND

Dividend which was declared by the company for the year ended March 31, 2011 at the Annual General Meeting held on August 09, 2011 and remained unclaimed will be transferred to the Investor Education and Protection Fund (IEPF) of the

Central Government on September 15, 2018 pursuant to the provisions of Companies Act, 2013. Thereafter no claim shall lie on dividend for the year ended March, 2011 from the shareholders. Notice for unpaid dividend is attached with this annual report.

Details of unclaimed dividend and equity shares in respect of which dividend remained unpaid for a period of 7 consecutive years were transferred to Investor Education and Protection Fund as under-

Year	Type	Amount transferred to IEPF	Date on which dividend transferred to IEPF	Number of shares transferred to IEPF	Date on which shares transferred to IEPF
2007-08	Final	192,820/-	22.08.2015	-	-
2008-09	Final	1,91,546/-	12.08.2016	1,87,430	04.12.2017
2009-10	Interim	1,15,182/-	30.11.2016	9,010	04.12.2017
2009-10	Final	2,24,825/-	29.09.2017	5,750	04.12.2017
2010-11	Interim	1,19,556/-	29.12.2017	3,998	04.01.2018

All future benefits on such shares would also be transferred to IEPF.

### TRANSFER TO RESERVES

There was no transfer to General Reserves during the financial year 2017-2018.

The appropriations for the year are:-

(Rs. / lakhs)

Particulars	Year ended March 31, 2018	Year ended March 31, 2017
Reserve at the beginning of the year	1,118.80	1,118.80
Transfer to General Reserve	-	-
Reserve at the end of the year	1,118.80	1,118.80
Balance of Profit & Loss account at the year end	16,062.07	15,244.37
Other comprehensive income at the year end	339.48	265.11

### MATERIAL CHANGES AFFECTING FINANCIAL POSITIONS OF THE COMPANY

No material changes have occurred and commitments made, affecting the financial position of the company, between the end of the financial year of the company and the date of this report.

There is no order passed by any regulator or court or tribunal against the company, impacting the going concern concept or future operations of the company.

### DIRECTORS AND KEY MANAGERIAL PERSONNEL

Pursuant to MCA notification, Mr. Harjiv Singh incurred disqualification under section 164(2) of Companies Act, 2013 and automatically vacated the office of Independent Director on September 12, 2017. Against this, a Writ Petition was filed by him before Hon'ble High Court of Delhi, which was disposed of in his favour on March 22, 2018.

On the recommendation of Nomination and Remuneration Committee, Board appointed Mr. Harjiv Singh as an Additional and Independent Director of the Company for a second term of five (5) consecutive years from May 24, 2018 till May 23, 2023.

As per the provisions of the Companies Act, 2013, Mr. Shiv Khemka will retire by rotation at the ensuing AGM and being eligible offered himself for re-appointment.

The information on the particulars of directors eligible for appointment in terms of Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 has been provided in the notes to the notice convening the Annual General Meeting. The Board recommends their appointment.

## INDEPENDENT DIRECTORS' DECLARATION

Independent Directors have confirmed and declared that they are not disqualified to act as an Independent Director in compliance with the provisions of Section 149 of the Companies Act, 2013 and the Board is also of the opinion that the Independent Directors fulfill all the conditions specified in the Companies Act, 2013 making them eligible to act as Independent Directors.

## BOARD MEETINGS

The details of number and dates of meetings held by the Board and its Committees, attendance of Directors and sitting fee/ commission/ remuneration paid to them is given separately in the attached Corporate Governance Report.

## EVALUATION OF THE BOARD'S PERFORMANCE

In compliance with the Companies Act, 2013 and Regulation 17(10) of SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015, the performance evaluation of the Board was carried out during the year under review. More details on the same are given in the Corporate Governance Report.

## NOMINATION AND REMUNERATION POLICY

The Remuneration Policy applies to directors and senior management personnel. The policy is approved by the Nomination and Remuneration Committee and the Board.

The policy is available on the company's website and web link for the same is <http://indagrubber.in/indag/wp-content/uploads/NRC-policy.pdf>. The policy is designed to attract, motivate and retain manpower by creating congenial work environment and inculcating a sense of belonging, besides offering appropriate remuneration package and superannuation benefits. The appointment and remuneration of Executive Directors is based on merit and seniority of person. Non-Executive Directors are paid sitting fee and commission in accordance with the Companies Act, 2013.

## STAKEHOLDER RELATIONSHIP COMMITTEE

Stakeholder Relationship Committee comprises of Mr. R. Parameswar as Chairman and Mr. Nand Khemka and Mr. K.K. Kapur as members. The details of terms of reference of the Committee, its composition, dates of meetings held and attendance of the Directors are given separately in the Corporate Governance Report.

## AUDIT COMMITTEE

Audit Committee comprises of Mr. R. Parameswar as Chairman and Mr. Nand Khemka, Mr. P.R. Khanna as members. The details of terms of reference of the Audit Committee, its composition, dates of meetings held and attendance of the Directors are given separately in the Corporate Governance Report.

## VIGIL MECHANISM

Company has a vigil mechanism for directors and employees to report their concerns about unethical behavior, actual or suspected fraud or violation of the company's Code of Conduct. The mechanism provides for adequate safeguards against victimization of directors and employees who avail of the mechanism. In exceptional cases, directors and employees have direct access to the Chairman of the Audit Committee.

Vigil Mechanism (Whistle Blower Policy) is available on the company's website.

## CODE OF CONDUCT

Directors, key managerial personnel and senior management of the company have confirmed compliance with the Code of Conduct applicable to the directors and employees of the company and the declaration in this regard made by the CEO & Whole Time Director is attached as **Annexure 'I'** which forms a part of this report of the directors. Code of Conduct is available on the company's website [www.indagrubber.com](http://www.indagrubber.com).

## DISCLOSURE UNDER SEXUAL HARRASMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

The company has a policy on prohibition, prevention and redressal of sexual harassment of women at workplace and matters connected therewith or incidental thereto covering all the aspects as contained under "Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013".



During the financial year 2017-18, no complaint was received under the policy.

### **PARTICULARS OF EMPLOYEES**

Information in accordance with the provisions of Section 134(3)(q) and Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, regarding employees is given in **Annexure 'II'**.

### **COMMITMENT TO QUALITY AND ENVIRONMENT**

Indag recognizes quality and productivity as a pre-requisite for its operations and has implemented ISO 9001:2008 standards and ISO 14001:2004 standards.

Anti-pollution systems are fully installed and operational. Continuous efforts to preserve the environment are pursued.

### **CORPORATE SOCIAL RESPONSIBILITY**

Corporate Social Responsibility Committee comprises of Mr. Nand Khemka as the Chairman and Mr.P.R.Khanna and Mr.K.K.Kapur as the members.

During the year, we continued CSR activities towards improving the quality of life interalia, of the community in and around Nalagarh through health and sanitation, education and vocational skill based training program. Details about CSR policy and initiatives taken by the Company during the year are available on company's website [www.indagrubber.com](http://www.indagrubber.com).

The web-link of the same is [http://indagrubber.in/indag/wp-content/uploads/2015/06/CSR\\_Policy.pdf](http://indagrubber.in/indag/wp-content/uploads/2015/06/CSR_Policy.pdf)

Report on CSR activities is given in **Annexure 'III'** forming part of this report.

### **AUDITORS**

Khanna & Annadhanam, Chartered Accountants, Statutory Auditors of the Company were appointed in the 38th Annual General Meeting held on June 19, 2017 to hold office until the conclusion of 43rd Annual General Meeting.

There are no qualifications or reservation or remarks made by the Auditors in their Report.

### **SECRETARIAL AUDIT**

A Secretarial Audit was conducted during the year by the Secretarial Auditor RMG & Associates, Practicing Company Secretaries. The Secretarial Auditors Report is attached as **Annexure 'IV'**. There are no qualifications or observations or remarks made by the Secretarial Auditor in their report.

### **COST AUDITORS**

Board has on the recommendation of Audit Committee, approved the appointment of Shome & Banerjee, Cost Accountants, as the Cost Auditors of the company for the year 2018-2019 at a remuneration of Rs. 1 lac plus out of pocket expenses. The proposed remuneration of the Cost Auditors would be approved by the members in the ensuing AGM.

Cost Audit Report for the financial year ended March 31, 2017 was filed on August 30, 2017.

### **REPORTING OF FRAUDS BY AUDITORS**

During the year under review, none of the Auditors have reported to the Audit Committee, or to the Board, under section 143(12) of the Companies Act, 2013, any instances of fraud committed against the Company by its officers or employees.

### **LOANS, GUARANTEES OR INVESTMENTS**

The company has made investments in securities of other body corporate(s) and given guarantees in the ordinary course of its business, the details of which are given in Note '11' to Financial Statements, which are within the limits prescribed under Section 186 of the Companies Act, 2013.

### **FIXED DEPOSIT**

Your company has not accepted any fixed deposit and, accordingly no amount was outstanding as at the Balance Sheet date.

### **SUBSIDIARIES**

The shareholding of the company in SUN-AMP Solar India Pvt. Ltd has come down to 51% as on March 31, 2018 against

75.84% holding earlier, due to conversion of compulsorily convertible debentures into equity shares by SUN-AMP Solar India (P) Ltd.

As on March 31, 2018 SUN-AMP Solar India (P) Ltd. holds 81.79% equity shares in Samyama Jyothi Solar Energy (P) Ltd. (step-down subsidiary). On May 4, 2018 Samyama Jyothi Solar Energy (P) Ltd. became wholly-owned subsidiary of SUN-AMP Solar India (P) Ltd.

A statement containing salient features of the financial statements of the Company's subsidiary in Form AOC-1 is attached as **Annexure 'V'** to this report.

The company has framed a Policy for determining Material Subsidiary.

## RELATED PARTY TRANSACTIONS

All related party transactions entered by the company during the financial year were in the ordinary course of business and at arm's length basis, which were not material in nature. All related party transactions were entered with the omnibus/prior approval of the Audit Committee and periodically placed before the Board for review. The details of the transactions with related party are provided in the company's financial statements in accordance with the Accounting Standards.

The company has a policy on materiality of and dealing with Related Party Transactions, as approved by the Board, which is available at its website [www.indagrubber.com](http://www.indagrubber.com)

## EXTRACT OF ANNUAL RETURN

The particulars required to be furnished under Section 134(3)(a) of the Companies Act, 2013 read with Companies (Management and Administration) Rules, 2014 as prescribed in Form No. MGT-9 is given in **Annexure 'VI'**.

## CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNING AND OUTGO

The particulars required to be furnished under Section 134(3)(m) of the Companies Act, 2013 read with Companies (Disclosure of particulars of Board of Directors) Rules, 1988 are set out in **Annexure 'VII'**, which forms part of the report.

## LISTING

The equity shares of your Company are listed with the Bombay Stock Exchange.

## DEMATERIALIZATION OF SHARES

The shares of your Company are being traded in electronic form and the Company has established connectivity with both the depositories i.e. National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL). In view of the numerous advantages offered by the depository system, members are requested to avail the facility of dematerialization of shares with either of the depositories as aforesaid. As on March 31, 2018, 98.66% of the share capital stands dematerialized.

## CORPORATE GOVERNANCE

A separate report of the Board of Directors of the Company on Corporate Governance is included in the Annual Report as **Annexure 'VIII'** and the Certificate from RMG & Associates, Practicing Company Secretaries confirming compliance with the requirements of Corporate Governance as stipulated in Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is annexed as **Annexure 'IX'**.

## COMPLIANCE WITH SECRETARIAL STANDARD

Secretarial Standard 1: Meetings of the Board of Directors and Secretarial Standard 2: General Meetings, as applicable have been complied by the company.

## MANAGEMENT DISCUSSION & ANALYSIS REPORT

Management Discussion and Analysis Report for the year under review, as stipulated under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, is annexed herewith as **Annexure 'X'** to this Report.

## ANNEXURES FORMING A PART OF BOARD'S REPORT

The Annexure referred to in this Report and other information which are required to be disclosed are annexed herewith and form a part of this Report:

Annexure	Particulars
I	CEO & Whole Time Director's Certificate under Schedule V Part D of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 on compliance of Code of Conduct
II	Particulars of Employees under Section 134(3)(q) and Section 197(12) of the Companies Act, 2013
III	Report on Corporate Social Responsibility
IV	Secretarial Audit Report
V	Form AOC-1
VI	MGT-9
VII	Particulars of Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo
VIII	Corporate Governance Report
IX	Certificate from Practicing Company Secretary on Corporate Governance Report
X	Management Discussion and Analysis Report

### CAUTIONARY STATEMENT

Statements in this report, describing the Company's objectives, expectations and/or anticipations may be forward looking within the meaning of applicable Securities Law and Regulations.

Actual results may differ materially from those stated in the statement. Important factors that could influence the Company's operations include global and domestic supply and demand conditions affecting selling prices of finished goods, availability of inputs and their prices, changes in the Government policies, regulations, tax laws, economic developments within the country and outside and other factors such as litigation and industrial relations.

The Company assumes no responsibility in respect of the forward-looking statements, which may undergo changes in future on the basis of subsequent developments, information or events.

### DIRECTOR'S RESPONSIBILITY STATEMENT

Your Directors wish to inform members that the Audited Accounts containing Financial Statements for the Financial Year 2017-18 are in conformity with the requirements of the Companies Act, 2013. They believe that the Financial Statements reflect fairly, the form and substance of transactions carried out during the year and reasonably present the Company's financial condition and results of operation.

In terms of provisions of Section 134(3)(c) of the Companies Act, 2013, your Directors further confirm as under:

- i) That in preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- ii) That the Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of financial period and of profit or loss of the Company for that period;
- iii) That the Directors had taken proper and sufficient care for the 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 fraud and other irregularities;
- iv) That the Directors have prepared the annual accounts on a "going concern basis".
- v) That the Directors had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively; and
- vi) That the Directors had devised proper system to ensure compliance with the provision of all applicable laws and that such systems were adequate and operating effectively.

The Company's Internal Auditors have conducted periodic audits to provide reasonable assurance that the Company's approved policies and procedures have been followed.

## APPRECIATIONS

Your Directors wish to place on record their appreciation for the continuous support received from the members, customers, suppliers, bankers, various statutory bodies of the Government of India and the Company's employees at all levels.

For and on behalf of the Board of Directors  
**Indag Rubber Limited**

Date : May 24, 2018  
Place : New Delhi

**Nand Khemka**  
Chairman & Managing Director  
DIN: 00211084

## ANNEXURE-I

### **Annual Compliance with the Code of Conduct for the Financial Year 2017-2018**

Pursuant to the Schedule V (Part D) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, I hereby confirm that the Company has received affirmations on compliance with the Code of Conduct for the financial year ended March 31, 2018 from all the Board Members and Senior Management Personnel.

For and on behalf of the Board of Directors  
**Indag Rubber Limited**

Date : May 24, 2018  
Place : New Delhi

**K. K. Kapur**  
CEO & Whole Time Director  
DIN: 00745117

### Particulars of Employees

#### PARTICULARS OF EMPLOYEES PURSUANT TO SECTION 134(3)(q) OF THE COMPANIES ACT, 2013 READ WITH RULE 5(1) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014

Requirements of Rule 5(1)	Details																																																												
(i) the ratio of the remuneration of each director to the median remuneration of the employees of the company for the financial year;	<table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 5%;">:</td> <td style="width: 65%;">Mr. Nand Khemka</td> <td style="width: 5%;">-</td> <td style="width: 10%;">922 : 22</td> <td style="width: 15%;">(4190%)</td> </tr> <tr> <td></td> <td>Mr. K K Kapur</td> <td>-</td> <td>922 : 22</td> <td>(4190%)</td> </tr> <tr> <td></td> <td>Mr. P R Khanna</td> <td>-</td> <td>67 : 22</td> <td>(305%)</td> </tr> <tr> <td></td> <td>Mr. R. Parameswar</td> <td>-</td> <td>67 : 22</td> <td>(305%)</td> </tr> <tr> <td></td> <td>Ms. Bindu Saxena</td> <td>-</td> <td>38 : 22</td> <td>(173%)</td> </tr> <tr> <td></td> <td>Mr. Harjiv Singh</td> <td>-</td> <td>13 : 22</td> <td>(59%)</td> </tr> <tr> <td></td> <td>Mr. Shiv Khemka</td> <td>-</td> <td>0 : 22</td> <td>(0%)</td> </tr> <tr> <td></td> <td>Mr. Uday Khemka</td> <td>-</td> <td>0 : 22</td> <td>(0%)</td> </tr> </table>	:	Mr. Nand Khemka	-	922 : 22	(4190%)		Mr. K K Kapur	-	922 : 22	(4190%)		Mr. P R Khanna	-	67 : 22	(305%)		Mr. R. Parameswar	-	67 : 22	(305%)		Ms. Bindu Saxena	-	38 : 22	(173%)		Mr. Harjiv Singh	-	13 : 22	(59%)		Mr. Shiv Khemka	-	0 : 22	(0%)		Mr. Uday Khemka	-	0 : 22	(0%)																				
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	Mr. Shiv Khemka	-	0 : 22	(0%)																																																									
	Mr. Uday Khemka	-	0 : 22	(0%)																																																									
(ii) the percentage increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year;	<table style="width: 100%; border-collapse: collapse;"> <tr> <td colspan="5"><b>Directors</b></td> </tr> <tr> <td style="width: 5%;">:</td> <td style="width: 65%;">Mr. Nand Khemka</td> <td style="width: 5%;">-</td> <td style="width: 10%;">(30.72%)</td> <td style="width: 15%;"></td> </tr> <tr> <td></td> <td>Mr. K K Kapur</td> <td>-</td> <td>(30.72%)</td> <td></td> </tr> <tr> <td></td> <td>Mr. P R Khanna</td> <td>-</td> <td>(8.57%)</td> <td></td> </tr> <tr> <td></td> <td>Mr. R. Parameswar</td> <td>-</td> <td>(8.57%)</td> <td></td> </tr> <tr> <td></td> <td>Ms. Bindu Saxena</td> <td>-</td> <td>1.81%</td> <td></td> </tr> <tr> <td></td> <td>Mr. Uday Harsh Khemka</td> <td>-</td> <td>(100%)</td> <td></td> </tr> <tr> <td></td> <td>Mr. Shiv Vikram Khemka</td> <td>-</td> <td>(100%)</td> <td></td> </tr> <tr> <td></td> <td>Mr. Harjiv Singh</td> <td>-</td> <td>(66.06)</td> <td></td> </tr> <tr> <td colspan="5"><b>Key Managerial Personnel</b></td> </tr> <tr> <td></td> <td>Mr. J.K Jain(CFO)</td> <td>-</td> <td>(46.32%)</td> <td></td> </tr> <tr> <td></td> <td>Mrs. Manali D Bijlani(CS)</td> <td>-</td> <td>(0.95%)</td> <td></td> </tr> </table>	<b>Directors</b>					:	Mr. Nand Khemka	-	(30.72%)			Mr. K K Kapur	-	(30.72%)			Mr. P R Khanna	-	(8.57%)			Mr. R. Parameswar	-	(8.57%)			Ms. Bindu Saxena	-	1.81%			Mr. Uday Harsh Khemka	-	(100%)			Mr. Shiv Vikram Khemka	-	(100%)			Mr. Harjiv Singh	-	(66.06)		<b>Key Managerial Personnel</b>						Mr. J.K Jain(CFO)	-	(46.32%)			Mrs. Manali D Bijlani(CS)	-	(0.95%)	
<b>Directors</b>																																																													
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	Mrs. Manali D Bijlani(CS)	-	(0.95%)																																																										
(iii) the percentage increase in the median remuneration of employees in the financial year;	: 6.69%																																																												
(iv) the number of permanent employees on the rolls of company;	: 318 employees as on 31.03.2018																																																												
(v) average percentile increase/decrease already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase/decrease in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration;	: Average Salary decrease of non-managerial employees is 5.46% Average Salary decrease of managerial employees is 30.72%																																																												
(vi) affirmation that the remuneration is as per the remuneration policy of the company.	: Remuneration paid during the year ended March 31, 2018 is as per the Remuneration Policy of the Company																																																												

**INFORMATION AS PER RULE 5(2) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014**



**LIST OF TOP 10 EMPLOYEES IN TERMS OF REMUNERATION DRAWN DURING THE YEAR**

Sl. No.	Name	Designation	% of equity shares	Relationship with other Directors	Nature of Employment, whether contractual or otherwise	Gross Remuneration received (Rs.)	Qualifications	Date of Commencement of Employment	Exp.	Age (in years)	Last Employment	
<b>A. Top ten employees in terms of remuneration drawn during the year, including those employed throughout the year and in respect of remuneration aggregating not less than Rs.1,02,00,000/- for the year ended March 31, 2018.</b>												
1	Mr.Nand Khemka	Chairman cum Managing Director	0.07	Relative of Mr.Shiv Khemka and Mr.Uday Khemka	Business Head (Contractual)	1,10,63,000	MS in Foreign trade and masters Degree in Business Administration from Columbia Unoversity, New York, USA	02.06.1978	Over 50 years	83	Promoter and Chairman of Indag Rubber Limited since incorporation	
2	Mr.K.K. Kapur	CEO & Whole Time Director	Nil	Nil	Business Head (Contractual)	1,10,63,000	Masters in Mathematics, CMA	09.04.2001	Over 50 years	81	Enron India Pvt. Ltd.	
3	Mr.Bijendra Kashyap	Sr.General Manager (Plant)	Nil	Nil	Regular	36,55,891	B.Sc.	01.12.2010	42 years	65	ATC Tyre Ltd.	
4	Mr.Ashok Aggarwal	Vice President (Marketing)	0.0009	Nil	Regular	31,91,739	B.Sc.	10.06.1983	38 years	69	J.K. Tyre Industries Ltd.	
5	Mr.J.K. Jain	Chief Financial Officer	0.00003	Nil	Regular	30,10,624	B Com , CA	01.07.2006	42 years	73	GAIL (India) Ltd.	
6	Mr.Krishan Kumar Awasthi	Sr.Deputy General Manager (Plant)	Nil	Nil	Regular	27,36,812	M.Sc Chemistry, LIRI	03.03.2015	43 years	61	Continental India Ltd.	
7	Mr.Arvind Dwivedi	General Manager (Sales & Marketing)	Nil	Nil	Regular	24,94,015	Dip in Elect, B.Sc, MBA	17.05.2010	27 years	51	J.K. Tyre Industries Ltd.	
8	Mr.Anil Kumar Bhardwaj	General Manager (F&A)	0.00003	Nil	Regular	23,01,815	B.Com., CMA	01.07.2010	27 years	49	Berger Paints Ltd.	
9	Ms.Manali D. Bijlani	Company Secretary	Nil	Nil	Regular	19,76,828	B.Sc (MICRO BIOLOGY- HONS) , F.C.S.,LL.B.	08.03.2004	21 years	46	Rajdoot Paints Ltd.	
10	Mr.Deepak Mehta	Deputy General Manager	Nil	Nil	Regular	17,19,269	B.Tech	01.02.1981	50 years	68	Indian Army	
11	Mr.Rajesh Malik	Sr.Deputy General Manager (Marketing)	0.0009	Nil	Regular	15,28,886	M.A, Dip. (Mech.Engg). Dip.-Mktg.	31.05.2007	39 years	58	NSC Polymers (P) Ltd.	
12	Mr.Y. Veeranjanyulu	Zonal Manager (Marketing)	Nil	Nil	Regular	14,63,588	B. Com	30.09.2008	49 years	69	GAIL (India) Ltd.	
<b>B. Employed for part of the year and in receipt of remuneration aggregating not less than Rs.8,50,000/- per month</b>												
	Nil											

**Report on CSR activities to be included in the Board's Report**

<p>1 A brief outline of the company's CSR policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programs.</p>	<p><b>BRIEF FEATURES OF CSR POLICY</b></p> <ol style="list-style-type: none"> <li>a) Company would spend not less than 2% of the average net profit of the company, calculated in accordance with Section 198 of the Companies Act, 2013, made during the three immediately preceding financial year.</li> <li>b) CSR activities shall be undertaken by the company as prescribed under Schedule VII of the Companies Act, 2013.</li> <li>c) Company will give preference to conduct CSR activities in Nalagarh (Himachal Pradesh) and National Capital Region and such other State(s) in India wherein the company has its operation; and</li> <li>d) Board may decide to undertake the activities either by itself or through a registered trust or a registered society or a company established by the company, or its holding or subsidiary or associate company under Section 8 of the Act or otherwise.</li> </ol> <p>Company has been carrying out CSR activities mainly in the field of promoting education, rural area development, empowerment of weaker section, environment sustainability, sanitation, healthcare, vocational skills and livelihood enhancement etc. The Board adopted the CSR policy, which is uploaded at Company website, the web link for the same is <a href="http://indagrubber.in/indag/wp-content/uploads/2015/06/CSR_Policy.pdf">http://indagrubber.in/indag/wp-content/uploads/2015/06/CSR_Policy.pdf</a></p> <p>Details of the CSR activities undertaken at Indag can be accessed at <a href="http://indagrubber.in/wp-content/uploads/CSR-activities-carried-during-year-the-2017-18.pdf">http://indagrubber.in/wp-content/uploads/CSR-activities-carried-during-year-the-2017-18.pdf</a>.</p>
<p>2 Composition of the CSR Committee</p>	<ol style="list-style-type: none"> <li>1. Mr. Nand Khemka (Executive/ Interested -Chairman)</li> <li>2. Mr. P.R.Khanna (Independent)</li> <li>3. Mr. K.K.Kapur (Executive/ Interested)</li> </ol>
<p>3 Average net profits of the company for last three financial years</p>	<p>Rs. 3860.85 Lacs</p>
<p>4 Prescribed CSR Expenditure (two per cent of the amount as in item 3 above)</p>	<p>Rs. 77.22 lacs</p>
<p>5 Amount unspent brought forward from the Financial Year 2016-2017</p>	<p>Rs. 50.63 lacs</p>
<p>6 Total CSR budget for Financial Year 2017-2018</p>	<p>Rs. 127.85 lacs</p>
<p>7 Details of CSR spent during the financial year:</p> <ol style="list-style-type: none"> <li>1. Total amount spent for the Financial Year</li> <li>2. Amount unspent, if any</li> <li>3. Manner in which the amount spent during the financial year</li> </ol>	<p>Rs. 89.82 lacs</p> <p>Rs. 38.03 lacs</p> <p>The manner in which the amount spent is detailed in the Annexure.</p>

**Manner in which the amount spent during the financial year 2017-18:**

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Sl. No.	CSR project or activity identified	Sector in which the project is covered	Projects or programs (1) Local area or other (2) Specify the State and District where projects or programs were undertaken	Amount outlay (budget) project or programs wise	Amount spent on the projects or programs Subheads: (1) Direct expenditure on projects or programs (2) Overheads	Cumulative expenditure up to the reporting period	Amount spent: Direct or through implementing agency
1.	Sanitation and Health awareness programmes	Healthcare	Nalagarh (HP)	Budget of Rs. 15.00 lacs for CSR projects (1), (2) & (3)	Amount spent to curtail practice of open defecation, integrating dairy farming with horticulture, vermi culture and application of scientific agriculture practices with water conservation.	Grant of Rs. 10.00 lacs spent on CSR projects (1), (2) & (3)	Through Youthreach
2.	Capacity building for farmers	Vocational skill/ livelihood enhancement					
3.	Promoting Dairy farming, Vermi culture and Mushroom farming	Vocational skill/ livelihood enhancement					
4.	Support to primary schools	Education	Nabha (Punjab)	Rs.66.64 lacs	Amount spent for supporting 5 Navi Disha Schools and Girls Primary School	Donation of Rs. 66.64 lacs	Through Nabha Foundation
5.	Nalagarh Education Project	Education	Nalagarh (HP)	Rs.11.25 lacs	Amount spent for imparting coaching facility for competitive exams to students of Govt. schools	Rs.8.00 lacs	Direct(Incurred through SDM & Education Committee, Nalagarh)
6.	Afforestation	Environmental sustainability	Nalagarh (HP)	Rs.1.00 lacs	Plantation of trees on Govt. land	Rs.1.10 lacs	Direct (Through DFO Nalagarh)
7.	Promote rural sports	Rural development	Nalagarh (HP)	Rs.1.00 lacs	Sports ground developed to enhance rural sports	Rs.0.95 lacs	Direct
8.	Reducing inequalities among socially and economically backward groups	Promoting equality/ empowerment	Nalagarh (HP)	Rs. 2.50 lacs	Orphan children pension distribution program for upliftment of economically backward groups alongwith cash prize distribution to students of Govt. school.	Rs. 1.95 lacs	Direct
9.	Promoting education	Education	Nalagarh (HP)	Rs.0.30 lacs	Capacity building for Govt. school at Rehru	Rs.0.21 lacs	Direct
10.	Contribution to Chief Minister Relief Fund	Relief Fund	Nalagarh (HP)	Rs.1.00 lacs	Disaster relief fund	Rs.0.97 lacs	Direct
			<b>Total</b>	<b>Rs.98.69 lacs</b>		<b>Rs.89.82 lacs</b>	



- a) Reason for not spending the 2% of the average net profit of the last three financial years-  
Against amount of Rs.77.22 lacs, being 2% of average net profit of last three financial years, the company has spent Rs.89.82 lacs and partly utilized carried forward unspent amount from previous years.  
Company has initiated long term CSR activities for the welfare of community members at Nalagarh and Nabha, which would be continued during the financial year 2018-19.
- b) CSR Committee confirms that the implementation and monitoring of the CSR policy is in compliance with the CSR objectives and policy of the company.

<p><b>K K Kapur</b> Chief Executive Officer</p>	<p><b>Nand Khemka</b> Chairman - CSR Committee</p>
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**FORM NO. MR - 3**

**SECRETARIAL AUDIT REPORT**

FOR THE FINANCIAL YEAR ENDED ON MARCH 31, 2018

[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]

**The Members**

**Indag Rubber Limited**

**CIN: L74899DL1978PLC009038**

**11, Community Centre, Saket New Delhi- 110017**

We have conducted the secretarial audit of the compliance of the applicable statutory provisions and the adherence to good corporate practices by **Indag Rubber Limited** (hereinafter referred as 'the Company'), having its Registered Office at 11, Community Centre, Saket, New Delhi - 110017. Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minutes 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, 2018**, 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, 2018 according to the provisions of:

- I. The Companies Act, 2013 ('the Act') and the rules made thereunder;
- II. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- III. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- IV. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- V. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
  - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 including the provisions with regard to disclosures and maintenance of records required under the said Regulations;
  - (b) 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, 2009 [**Not Applicable as the Company has not issued any further share capital during the period under review**];
  - (d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 [**Not applicable as the Company has not offered any shares or granted any options pursuant to any employee benefit scheme during the period under review**];
  - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 [**Not applicable as the Company has not issued and listed any debt securities during the Financial Year under review**];
  - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
  - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 [**Not applicable**]

**as the Company has not delisted/proposed to delist its equity shares from any Stock Exchange during the Financial Year under review];**

- (h) **The Securities and Exchange Board of India (Buy Back of Securities) Regulations, 1998 [Not applicable as the Company has not bought back/proposed to buy-back any of its securities during the Financial Year under review].**

VI. Laws specifically applicable to the industry to which the Company belongs, as identified by the management, that is to say:

1. Indian Boilers Act, 1923
2. Indian Boiler Regulations, 1950

For the compliances of Environmental Laws, Labour Laws & other General Laws vis-à-vis The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, our examination and reporting is based on the documents, records and files as produced and shown to us and the information and explanations as provided to us, by the officers and management of the Company and to the best of our judgment and understanding of the applicability of the different enactments upon the Company, in our opinion there are adequate systems and processes exist in the Company to monitor and ensure compliance with applicable Environmental Laws, Labour Laws & other General Laws.

The compliance by the Company of applicable financial laws, like direct and indirect tax laws, has not been reviewed in this audit since the same have been subject to review by the statutory financial auditor and other designated professionals.

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

1. Secretarial Standards with respect to Meetings of Board of Directors (SS-1) and General Meetings (SS-2) issued by the Institute of Company Secretaries of India. However, the stricter applicability of the Secretarial Standards is to be observed by the Company.
2. Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards etc. mentioned above subject to the observations elsewhere given in this report. The Company has constituted the Corporate Social Responsibility Committee in accordance to Section 135(1) of the Act. The Company has further proposed to carry forward the unspent amount, out of the total budget as allocated for CSR activities for the Financial Year 2017-2018, to the coming Financial Years.

**We further report that**

The Board of Directors of the Company is constituted with proper balance of Executive Directors, Non-Executive Directors, Independent Directors and Woman Director except that during the period under review, office of one of the Independent Director was vacated due to appearing of his name in the list of disqualified Directors issued by the Registrar of the Companies on September 12, 2017 under the provisions of Section 167(1)(a) read with Section 164(2) of the Act. Further, the Company had also made due compliance in this regard. However it was informed by the management of the Company that the Independent Director filed a Writ Petition before the Hon'ble High Court of Delhi, which was disposed of vide order dated March 22, 2018 directing the stay on operations of List of disqualified Director in so far as the inclusion of name of the Independent Director was concerned and now, it has been decided to appoint the Independent Director on the Board of the Company in the forthcoming Board Meeting subject to the approval of shareholders in the ensuing General Meeting.

Adequate notice(s) were given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent generally seven days in advance to all Directors 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.

As per the minutes of the meetings of the Board and Committees of the Board is signed by the Chairman, all the decisions of the Board were adequately passed and dissent on any subject matter was not observed in the minutes.

As per the records, the Company generally filed all the forms, returns, documents and resolutions as were required to be filed with the Registrar of Companies and other authorities and all the formalities relating to the same is in compliance with the Act.

**We further report that** there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

**We further report that** during the audit period the Board of Directors of the Company in its Meeting held on November 10, 2017 declared an interim dividend of Rs. 0.90/- per equity share of Rs. 2/- each for the Financial Year 2017-2018 and November 24, 2017 was fixed record date for this purpose.

**For RMG & Associates**  
Company Secretaries

Date : May 24, 2018  
Place : New Delhi

**CS Manish Gupta**  
Partner  
FCS : 5123; C.P. No.: 4095

**Note:** This report is to be read with 'Annexure 1' attached herewith and forms an integral part of this report.

### **Annexure - I**

The Members

#### **Indag Rubber Limited**

1. Maintenance of secretarial records 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 the random 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 Account of the Company.
4. Where ever required, we have obtained the management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on random 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 RMG & Associates**  
Company Secretaries

Date : May 24, 2018  
Place : New Delhi

**CS Manish Gupta**  
Partner  
FCS : 5123; C.P. No.: 4095

**Form AOC-1**

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

**Statement containing salient features of the financial statements of subsidiaries/ associates companies/ joint ventures**
**Part "A"- Subsidiaries**
**(In Rupees)**

Sl. No.	Particulars	Details	
		1	2
1.	Sl.No.	1	2
2.	Name of the subsidiary	SUN-AMP Solar India (P) Limited (subsidiary of the Company)	Samyama Jyothi Solar Energy Private Limited (Subsidiary of SUN-AMP Solar India (P) Ltd)
3.	The date since when subsidiary was acquired	October 13, 2016	October 13, 2016
4.	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	-	-
5.	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	NA	NA
6.	Share Capital	73,300,000	55,611,130
7.	Reserves and surplus	(15,418,098)	3,623,857
8.	Total assets	62,388,795	192,725,880
9.	Total liabilities	4,506,893	133,490,893
10.	Investments	46,323,000	-
11.	Turnover	-	41,749,725
12.	Profit (loss) before taxation	(462,886)	833,283
13.	Provision for taxation	-	193,949
14.	Profit (loss) after taxation	(462,886)	639,334
15.	Proposed dividend	-	-
16.	% of shareholding	51%	81.79% equity shares are held by SUN-AMP Solar India (P) Ltd.

The audited financial statements of the above subsidiaries have been drawn up to the same reporting date as that of the company i.e. March 31, 2018.

- Names of subsidiaries which are yet to commence operations- Not Applicable
- Names of subsidiaries which have been liquidated or sold during the year- Not Applicable

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

There are no Associates and Joint Ventures. Hence, it is not applicable.

As per our report of even date

**For and on behalf of the Board of Directors**

**For Khanna & Annadhanam**

Chartered Accountants

ICAI Firm's Registration No.: 001297N

**Sanjeev Srivastava**

Partner

Membership No. 502238

Place: New Delhi

Date: May 24, 2018

**Nand Khemka**

Chairman cum Managing Director

**Manali D Bijlani**

Company Secretary

**K. K. Kapur**

CEO and Whole Time Director

**J.K. Jain**

Chief Financial Officer

**Form No. MGT-9  
EXTRACT OF ANNUAL RETURN**

**As on the financial year ended on March 31, 2018**

[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:**

i)	CIN: -	<b>L74899DL1978PLC009038</b>
ii)	Registration Date:	<b>June 2, 1978</b>
ii)	Name of the Company:	<b>Indag Rubber Limited</b>
iv)	Category/Sub-Category of the Company:	<b>Public Company/Limited by share</b>
v)	Address of the registered office and contact details:	<b>Indag Rubber Limited, 11, Community Centre, Saket, New Delhi-110017 Phone. 011-26963172/73 Email: <a href="mailto:info@indagrubber.com">info@indagrubber.com</a> Website: <a href="http://www.indagrubber.com">www.indagrubber.com</a></b>
vi)	Whether listed company:	<b>Yes</b>
vii)	Name, Address and Contact details of Registrar and Transfer Agent, if any:	<b>Skyline Financial Services Pvt. Ltd. D-153/A, 1st Floor, Okhla Industrial Area, Phase -I, New Delhi-110020 Phone: 011-26812682/83 Email: <a href="mailto:admin@skylinerta.com">admin@skylinerta.com</a> Website: <a href="http://www.skylinerta.com">www.skylinerta.com</a></b>

**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:-

Sl. No.	Name and Description of main products/ services	NIC Code of the Product/ service	% to total turnover of the company
1	Precured Tread Rubber	22191	84.64%

**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
1	SUN-AMP Solar India (P) Ltd.	U74140DL2015PTC279028	Subsidiary	51%	Section 2(87)

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

Category of Shareholders	No. of Equity Shares of Rs.2/- each held at the beginning of the year (April 1, 2017)				No. of Equity Shares of Rs.2/- each held at the end of the year (March 31, 2018)				% Change during the year
	Demat	Phy.	Total	% of Total Shares	Demat	Phy.	Total	% of Total Shares	
<b>A. Promoters</b>									
<b>1) Indian</b>									
a) Individual/HUF	11285010	-	11285010	42.99	11285010	-	11285010	42.99	-

b) Central Govt	-	-	-	-	-	-	-	-	-
c) State Govt (s)	-	-	-	-	-	-	-	-	-
d) Bodies Corp.	7825428	-	7825428	29.81	7825428	-	7825428	29.81	-
e) Banks / FI	-	-	-	-	-	-	-	-	-
f) Any Other	-	-	-	-	-	-	-	-	-
<b>Sub-total (A) (1)</b>	<b>19110438</b>	<b>-</b>	<b>19110438</b>	<b>72.80</b>	<b>19110438</b>	<b>-</b>	<b>19110438</b>	<b>72.80</b>	<b>-</b>
<b>2) Foreign</b>									
a) NRIs - Individuals	-	-	-	-	-	-	-	-	-
b) Other – Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corp.	513000	-	513000	1.95	513000	-	513000	1.95	-
d) Banks / FI	-	-	-	-	-	-	-	-	-
e) Any Other	-	-	-	-	-	-	-	-	-
<b>Sub-total (A) (2)</b>	<b>513000</b>	<b>-</b>	<b>513000</b>	<b>1.95</b>	<b>513000</b>	<b>-</b>	<b>513000</b>	<b>1.95</b>	<b>-</b>
<b>Total shareholding of Promoter (A) = (A)(1)+(A)(2)</b>	<b>19623438</b>	<b>-</b>	<b>19623438</b>	<b>74.76</b>	<b>19623438</b>	<b>-</b>	<b>19623438</b>	<b>74.76</b>	<b>-</b>
<b>B. Public Shareholding</b>									
<b>1. Institutions</b>									
a) Mutual Funds	-	2250	2250	0.01	-	-	-	-	(0.01)
b) Banks / FI	-	-	-	-	-	-	-	-	-
c) Central Govt	-	-	-	-	-	-	-	-	-
d) State Govt(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIs	58355	-	58355	0.22	101334	-	101334	0.39	0.17
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others (specify)	-	-	-	-	-	-	-	-	-
<b>Sub-total (B)(1)</b>	<b>58355</b>	<b>2250</b>	<b>60605</b>	<b>0.23</b>	<b>101334</b>	<b>0</b>	<b>101334</b>	<b>0.39</b>	<b>0.16</b>
<b>2. Non-Institutions</b>									
a) Bodies Corp.									
i) Indian	832631	17250	849881	3.24	522954	17250	540204	2.06	(1.18)
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	3225105	406075	3631180	13.83	2806976	333245	3140221	11.96	(1.87)
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	1268434	-	1268434	4.83	1747549	-	1747549	6.66	1.83
c) NBFCs Registered with RBI	320000	-	320000	1.22	326400	-	326400	1.24	0.02
d) Others (specify)									
- N.R.I.(REPT & NON-REPT)	282521	1500	284021	1.08	246626	750	247376	0.94	(0.14)

- Hindu Undivided Family	201448	-	201448	0.77	201838	250	202088	0.77	0.00
- Clearing Members	10993	-	10993	0.04	115202	-	115202	0.44	0.40
- Investor Education and Protection Fund Authority Ministry of Corporate Affairs	-	-	-	-	206188	-	206188	0.79	0.79
<b>Sub-total (B)(2)</b>	<b>6141132</b>	<b>424825</b>	<b>6565957</b>	<b>25.01</b>	<b>6173733</b>	<b>351495</b>	<b>6525228</b>	<b>24.86</b>	<b>-</b>
<b>Total Public Shareholding (B)= (B)(1)+ (B)(2)</b>	<b>6199487</b>	<b>427075</b>	<b>6626562</b>	<b>25.24</b>	<b>6275067</b>	<b>351495</b>	<b>6626562</b>	<b>25.24</b>	<b>-</b>
<b>C. Shares held by Custodian for GDRs &amp; ADRs</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Grand Total (A+B+C)</b>	<b>25822925</b>	<b>427075</b>	<b>26250000</b>	<b>100</b>	<b>25898505</b>	<b>351495</b>	<b>26250000</b>	<b>100</b>	<b>-</b>

## (ii) Shareholding of Promoters

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in share holding during the year
		No. of Equity Shares of Rs.2/- each	% of total Shares of the company	% of Shares Pledged/ encumbered to total shares	No. of Equity Shares of Rs.2/- each	% of total Shares of the company	% of Shares Pledged/ encumbered to total shares	
1	Jeet Nabha Khemka	8765005	33.39	Nil	8765005	33.39	Nil	-
2	Khemka Aviation Pvt Ltd	6272325	23.89	Nil	6272325	23.89	Nil	-
3	Uday Harsh Khemka	1250750	4.76	Nil	1250750	4.76	Nil	-
4	Urvashi Rajya Laxmi Rana Khemka	1250750	4.76	Nil	1250750	4.76	Nil	-
5	Unipatch Rubber Limited	1187415	4.52	Nil	1187415	4.52	Nil	-
6	Sun London Limited	376000	1.43	Nil	376000	1.43	Nil	-
7	Pankaj Dilip Private Limited	330500	1.26	Nil	330500	1.26	Nil	-
8	Sun Securities Limited	137000	0.52	Nil	137000	0.52	Nil	-
9	Khemka and Co. Agencies Pvt Ltd	27688	0.11	Nil	27688	0.11	Nil	-
10	Nand Lal Khemka	18505	0.07	Nil	18505	0.07	Nil	-
11	Khemka Instruments Private Limited	5000	0.02	Nil	5000	0.02	Nil	-
12	Khemka Technical Services Pvt Ltd	2500	0.01	Nil	2500	0.01	Nil	-



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

Sl. No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of equity shares of Rs.2/- each	% of total shares of the company	No. of equity shares of Rs.2/- each	% of total shares of the company
1.	At the beginning of the year	19623438	74.76		
2.	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):			No change	No change
3.	<b>At the end of the year</b>			<b>19623438</b>	<b>74.76</b>

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

Sl. No. and name of the shareholder	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of equity shares of Rs.2/- each	% of total shares of the company	No. of equity shares of Rs.2/- each	% of total shares of the company
i) Shivani Tejas Trivedi	At the beginning of the year	4,72,347	1.80	4,72,347	1.80
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc):			05.05.2017 Purchase of 4,658 shares	0.02
				12.05.2017 Purchase of 10,500 shares	0.04
				26.05.2017 Purchase of 19,947 shares	0.07
				09.06.2017 Purchase of 6,050 shares	0.02
				16.06.2017 Purchase of 8,684 shares	0.03
				28.07.2017 Purchase of 15,000 shares	0.05
				25.08.2017 Purchase of 19,340 shares	0.07
				01.09.2017 Purchase of 14,919 shares	0.05
				08.09.2017 Purchase of 13,156 shares	0.05
				15.09.2017 Purchase of 12,771 shares	0.05
				22.09.2017 Purchase of 12,210 shares	0.04
				29.09.2017 Purchase of 2,211 shares	0.008
				13.10.2017 Purchase of 28,731 shares	0.11

				20.10.2017 Purchase of 21,470 shares	0.08
				27.10.2017 Purchase of 1,151 shares	0.004
				17.11.2017 Purchase of 10,088 shares	0.04
	At the end of the year (or on the date of separation, if separated during the year)			<b>6,73,233</b>	<b>2.56</b>
<b>ii) Infina Finance Private Limited</b>	At the beginning of the year	3,20,000	1.22	3,20,000	1.22
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc):			No change	No change
	At the end of the year ( or on the date of separation, if separated during the year)			<b>3,20,000</b>	<b>1.22</b>
<b>iii) Priya Singh Aggarwal</b>	At the beginning of the year	2,49,000	0.95	2,49,000	0.95
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc):			22.12.2017 Sale of 2,000 shares	(0.01)
				05.01.2018 Sale of 1,000 shares	(0.004)
				12.01.2018 Sale of 8,500 shares	(0.03)
	At the end of the year ( or on the date of separation, if separated during the year)			<b>2,37,500</b>	<b>0.90</b>
<b>iv) Tejas Bhalchandra Trivedi</b>	At the beginning of the year	2,25,800	0.86	2,25,800	0.86
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc):			15.09.2017 Purchase of 20,611 shares	0.09
				22.09.2017 Purchase of 5,965 shares	0.02
	At the end of the year ( or on the date of separation, if separated during the year)			<b>2,52,376</b>	<b>0.96</b>
<b>v) Seema Jain</b>	At the beginning of the year	2,07,887	0.79	2,07,887	0.79
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc):			24.11.2017 Sale of 2,07,887 shares	(0.79)
	At the end of the year ( or on the date of separation, if separated during the year)			<b>0</b>	<b>0</b>

<b>vi) Misbah Jan .</b>	At the beginning of the year	1,13,400	0.43	1,13,400	0.43
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc):			No change	No change
	At the end of the year ( or on the date of separation, if separated during the year)			<b>1,13,400</b>	<b>0.43</b>
<b>vii) Anshu Govil</b>	At the beginning of the year	75,000	0.28	75,000	0.28
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc):			No change	No change
	At the end of the year ( or on the date of separation, if separated during the year)			<b>75,000</b>	<b>0.28</b>
<b>viii) Sanjay Amilal Shah</b>	At the beginning of the year	74,000	0.28	74,000	0.28
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc):			12.05.2017 Purchase of 2,000 shares 19.05.2017 Purchase of 1,075 shares 26.05.2017 Purchase of 3,000 shares 09.06.2017 Purchase of 1,000 shares 07.07.2017 Purchase of 2,040 shares 21.07.2017 Purchase of 1,000 shares 28.07.2017 Purchase of 50 shares 13.10.2017 Sale of 20,000 Shares	0.01 0.003 0.01 0.003 0.01 0.003 0.0002 (0.07)
	At the end of the year ( or on the date of separation, if separated during the year)			<b>64,165</b>	<b>0.24</b>
<b>ix) Surender Kumar Jain</b>	At the beginning of the year	64,985	0.25	64,985	0.25
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc):			24.11.2017 Sale of 64,985 shares	(0.25)
	At the end of the year ( or on the date of separation, if separated during the year)			<b>0</b>	<b>0</b>

<b>x) Mukul Chadda</b>	At the beginning of the year	64,096	0.24	64,096	0.24
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc):			15.09.2017 Sale of 9,096 shares (0.03) 22.09.2017 Sale of 5,000 shares (0.02) 15.12.2017 Sale of 4,611 shares (0.02) 22.12.2017 Sale of 389 shares (0.001) 29.12.2017 Sale of 899 shares (0.003) 05.01.2018 Sale of 4,101 shares (0.02) 12.01.2018 Sale of 32,653 shares (0.12) 19.01.2018 Sale of 1,040 shares (0.003) 09.03.2018 Sale of 450 shares (0.001) 16.03.2018 Sale of 5,857 shares (0.02)	
	At the end of the year ( or on the date of separation, if separated during the year)			0	0

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

Sl. No.	For Each of the Directors and KMP	Shareholding at the beginning of the year		Date wise increase/ decrease in shareholding during the year	Cumulative Shareholding at the end of the year	
		No. of equity shares of Rs.2/- each	% of total shares of the company		No. of equity shares of Rs.2/- each	% of total shares of the company
1.	Nand Lal Khemka	18,505	0.07	No change	18,505	0.07
2.	Uday Harsh Khemka (joint holding with Mrs.Nitya Khemka)	12,50,750	4.76	No change	12,50,750	4.76
3.	Shiv Vikram Khemka (joint holding with Mrs.Urvashi Khemka)	12,50,750	4.76	No change	12,50,750	4.76
4.	J K Jain	10	0.00003	No change	10	0.00003

## V. INDEBTEDNESS

### Indebtedness of the Company including interest outstanding/accrued but not due for payment

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year</b>				
i) Principal Amount	Nil	Nil	Nil	Nil
ii) Interest due but not paid	Nil	Nil	Nil	Nil
iii) Interest accrued but not due	Nil	Nil	Nil	Nil
<b>Total (i+ii+iii)</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>
<b>Change in Indebtedness during the financial year</b>				
• Addition	Nil	Nil	Nil	Nil
• Reduction	Nil	Nil	Nil	Nil
<b>Net Change</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>
<b>Indebtedness at the end of the financial year</b>				
i) Principal Amount	Nil	Nil	Nil	Nil
ii) Interest due but not paid	Nil	Nil	Nil	Nil
iii) Interest accrued but not due	Nil	Nil	Nil	Nil
<b>Total (i+ii+iii)</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>

## VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

Sl. No.	Particulars of Remuneration	Name of MD/WTD/ Manager		Total Amount
		Nand Khemka	K. K. Kapur	
1	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	96,00,000	84,00,000	1,80,00,000
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	1,03,000	1,03,000
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	-
2	Stock Option	-	-	-
3	Sweat Equity	-	-	-
4	Commission			
	- as % of profit	14,63,000	15,52,000	30,15,000
	- others, specify...	-	-	-
5	Others, please specify			
	- PF	-	10,08,000	10,08,000
	<b>Total (A)</b>	<b>1,10,63,000</b>	<b>1,10,63,000</b>	<b>2,21,26,000</b>
	<b>Ceiling as per the Act</b>	<b>1,10,63,000</b>	<b>1,10,63,000</b>	<b>2,21,26,000</b>

**B. Remuneration to other directors:**

Sl. No.	Particulars of Remuneration	Name of Directors				Total Amount (in Rs.)
		P R Khanna	R Parameswar	Harjiv Singh	Bindu Saxena	
1	<b>Independent Directors</b>					
	• Fee for attending Board / Committee Meetings	5,90,000	7,70,000	1,00,000	3,90,000	18,50,000
	• Commission	8,06,500	8,06,500	1,50,000	4,50,000	22,13,000
	• Others, please specify	Nil	Nil	Nil	Nil	Nil
	<b>Total (1)</b>					<b>40,63,000</b>
2	<b>Other Non-Executive Directors</b>	<b>Shiv Khemka</b>	<b>Uday Khemka</b>			
	• Fee for attending Board / Committee Meetings	Nil	Nil			Nil
	• Commission	Nil	Nil			Nil
	• Others, please specify	Nil	Nil			Nil
	<b>Total (2)</b>					
	<b>Total (B)=(1+2)</b>					<b>40,63,000</b>
	<b>Total Managerial Remuneration</b>					<b>22,13,000</b>
<b>Overall Ceiling as per the Act</b>					<b>22,13,000</b>	

**C. Remuneration to Key Managerial Personnel other than MD/Manager/WTD**

Sl. No.	Particulars of Remuneration	Key Managerial Personnel		
		CFO	Company Secretary	Total
		J. K. Jain	Manali D. Bijlani	
1	Gross salary			
	a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	27,68,877	17,43,982	45,12,859
	b) Value of perquisites u/s 17(2) Income-tax Act, 1961	32,400	97,394	1,29,794
	c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	-
2	Stock Option	-	-	-
3	Sweat Equity	-	-	-
4	Commission			
	- as % of profit	-	-	-
	- others, specify...	-	-	-
5	Others-please specify			
	- PF	1,92,547	1,18,652	311,199
	- Incentive	-	-	-
	- Bonus	16,800	16,800	33,600
	<b>Total</b>	<b>30,10,624</b>	<b>19,76,828</b>	<b>49,87,452</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	Nil	Nil	Nil	Nil	Nil
Punishment	Nil	Nil	Nil	Nil	Nil
Compounding	Nil	Nil	Nil	Nil	Nil
<b>B. DIRECTORS</b>					
Penalty	Nil	Nil	Nil	Nil	Nil
Punishment	Nil	Nil	Nil	Nil	Nil
Compounding	Nil	Nil	Nil	Nil	Nil
<b>C. OTHER OFFICERS IN DEFAULT</b>					
Penalty	Nil	Nil	Nil	Nil	Nil
Punishment	Nil	Nil	Nil	Nil	Nil
Compounding	Nil	Nil	Nil	Nil	Nil

**A. Conservation of Energy**
**(i) Steps taken or impact on conservation of energy are as under-**

- All fluorescent tubes and bulbs were changed to LED lights at plant.

**(ii) Steps undertaken by the company for utilizing alternate source of energy:**

- Solar power rooftop of 35 KV is being used at Nalagarh plant as an alternate source of energy.

**(iii) Capital investment on energy conservation equipments:**

During the current financial year, no capital expenditure has been incurred on energy conservation equipments.

**B. Technology Absorption, Research and Development (R&D)**

The company has not imported any technology during the last three years.

**C. Research and development (R&D):**

Sustained R&D efforts are being made by the Company to improve product quality.

Sl. No.	Particulars	Amount in Rs. lakhs
1	Capital expenditure in R&D	8.51
2	Revenue expenditure in R&D	2.16
3	Expenditure on Salary with respect to R&D	1.78

**D. Foreign Exchange Earning and Outgo**

During the year the Company has exported retreading material of Rs. 956.70 lacs

**Total Foreign Exchange used and earned:**

Particulars	2017-18(Rs. / lakhs)	2016-17 (Rs. / lakhs)
Foreign Exchange earned	155.81	241.56
Foreign Exchange used	51.13	202.76



## REPORT ON CORPORATE GOVERNANCE

(Pursuant to Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

**In accordance with Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and some of the best practices followed internationally on Corporate Governance, the report containing the details of corporate governance systems and processes at Indag Rubber Limited is as under:**

### I. Company's Philosophy on Code of Governance

The Company recognizes the importance of good Corporate Governance, which is a tool for building a strong and everlasting beneficial relationship with the customers, suppliers, bankers and more importantly with the investors.

The Company believes that its key decisions must serve the underlying goals of enhancing shareholders' value over a sustained period of time, and achieving the definite and measurable performance targets.

### II. Board of Directors

#### (a) Composition of the Board

As on March 31, 2018, the Board comprised of seven directors, which include two executive directors and five non-executive directors. The Board is primarily responsible for the overall management of the Company's business.

Mr.Harjiv Singh (Non-Executive, Independent Director) was disqualified by MCA under section 164(2) of the Companies Act, 2013 and automatically vacated the office of Independent Director from the company on September 12, 2017.

The composition of the Board of Directors as on March 31, 2018 with their attendance at the Board Meetings held during the year 2017-18 and at the last Annual General Meeting is given below:

DIN	Name of the Directors	Categories of Directors	Number of Board Meetings during F.Y.(17-18)	Attendance at the last AGM held on 19.06.2017	No. of other Directorship(s) held in Public Companies*	No. of Membership(s)/ Chairmanship in Committees (including INDAG)**	Relationship with other Directors	Number of shares and convertible instruments held by non-Executive Directors
00211084	Mr.Nand Khemka (Chairman cum Managing Director)	Executive Promoter (Interested)	3 of 4	Yes	1	2	Relative of Mr. Shiv Khemka and Mr. Uday Khemka	-
00048800	Mr.P.R. Khanna	Non-Executive (Independent)	3 of 4	Yes	4	7 (including 4 as Chairman)	Nil	Nil
01879913	Mr.R. Parameswar	Non-Executive (Independent)	4 of 4	Yes	Nil	2 (both as Chairman)	Nil	Nil
00167802	Ms.Bindu Saxena	Non-Executive (Independent)	3 of 4	No	1	1	Nil	Nil
00507695	Mr.Harjiv Singh***	Non-Executive (Independent)	1 of 2	No	1	Nil	Nil	Nil
00323609	Mr.Uday Khemka	Non-Executive (Interested)	3 of 4	No	Nil	Nil	Relative of Mr. Nand Khemka and Mr.Shiv Khemka	12,50,750 (Joint Holding with Mrs.Nitya Khemka)
01214671	Mr.Shiv Khemka	Non-Executive (Interested)	4 of 4	No	Nil	Nil	Relative of Mr. Nand Khemka and Mr.Uday Khemka	12,50,750 (joint holding with Mrs. Urvashi Khemka)

00745117	Mr. K. K. Kapur (Whole-time Director)	Executive (Interested)	4 of 4	Yes	Nil	1	Nil	-
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\* It does not include Alternate Directorship, Directorship in foreign companies, companies registered under Section 8 of the Companies Act, 2013 and private limited companies.

\*\* Membership / Chairmanship of only Audit Committee and Stakeholder Relationship Committee in all public limited companies (including Indag Rubber Limited) have been considered.

\*\*\* Mr. Harjiv Singh was disqualified by MCA, vide its notification dated September 12, 2017, under Section 164(2) of the Companies Act, 2013.

#### (b) Board Meetings

Four meetings of the Board of Directors were held during the year, viz. on May 05, 2017, August 14, 2017, November 10, 2017 and February 02, 2018.

#### (c) Separate Meeting of Independent Directors

As stipulated by the Code of Independent Directors under the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a separate meeting of the Independent Directors of the Company was held on February 02, 2018. All Independent Directors were present in the meeting.

#### (d) Familiarization Programmes imparted to Independent Directors

Independent Directors of the Board are familiarized through updates on nature of industry in which the company operates, company's performance and future outlook related to business, operations, expansion, strategy, budgets, financial statements, besides relevant regulatory updates. The web link of the Familiarization Programmes imparted to Independent Directors is <http://indagrubber.in/wp-content/uploads/Familiarisation-Programme-2017-18.pdf>

#### (e) Evaluation of the Board's Performance

Board has a formal mechanism for evaluating its performance and as well as that of its Committees and individual directors, including the Chairman of the Board based on the criteria laid down by Nomination and Remuneration Committee.

The evaluation process for the financial year 2017-18 has been completed.

### III. Audit Committee

#### (a) Brief description of terms of reference

Audit Committee assists the Board in its responsibility of overseeing the quality and integrity of the accounting, auditing and reporting practices of the Company and its compliance with the legal and regulatory requirements. The Committee's purpose is to oversee the accounting and financial process of the Company, the audits of the Company's financial statements, the appointment, independence, performance and remuneration of the statutory auditors including the cost auditors, the performance of internal auditors and the Company's risk management policies. The terms of reference of Audit Committee cover the areas mentioned under Part C of Schedule II of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as well as Section 177 of the Companies Act, 2013.

Audit Committee invites CEO & Whole Time Director, Chief Financial Officer, representative of Statutory Auditors, Internal Auditors and Cost Auditors for meeting(s), to provide inputs on issues relating to accounts, taxation, internal audit finding, internal controls, risk managements etc.

#### (b) Composition, meeting and attendance

Audit Committee comprised of three directors as on March 31, 2018 out of which two were non-executive (independent) directors and one was executive director having financial management expertise. Chairman of the committee, Mr. R. Parameswar, (Independent Director) was present at the last Annual General Meeting.

Company Secretary acts as the secretary to the Audit Committee.

Four meetings of the Audit Committee were held during the year viz. on May 04, 2017, August 11, 2017,

November 09, 2017 and February 01, 2018 respectively. The details of the members and their attendance at the meetings are as follows:

Name of the Director	Position	Category	No. of meetings attended
Mr. R. Parameswar	Chairman	Non-Executive Independent Director	4 of 4
Mr. P. R. Khanna	Member	Non-Executive Independent Director	4 of 4
Mr. Nand Khemka	Member	Executive Promoter Director	3 of 4

#### IV. Nomination and Remuneration Committee

##### (a) Brief description of terms of reference

The Nomination and Remuneration Committee assists the Board in overseeing the method, criteria and quantum of compensation for directors and senior management based on their performance and defined assessment criteria. The Committee formulates the criteria for evaluation of the performance of Independent Directors & the Board of Directors; identifying the persons who are qualified to become directors, and who may be appointed in senior management and recommend to the Board their appointment and removal. The terms of the reference of Nomination and Remuneration Committee cover the areas mentioned under Part D of Schedule II of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as well as section 178 of the Companies Act, 2013.

##### (b) Composition, meeting and attendance

Two meetings of the Nomination and Remuneration Committee were held during the year viz. on May 05, 2017 and February 02, 2018. The composition of the Nomination and Remuneration Committee and details of their attendance at the meetings are as follows:

Name of the Director	Position	Category	No. of meetings attended
Mr. P. R. Khanna	Chairman	Non-Executive Independent Director	2 of 2
Mr. R. Parameswar	Member	Non-Executive Independent Director	2 of 2
Ms. Bindu Saxena	Member	Non-Executive Independent Director	2 of 2
Mr. Nand Khemka	Member	Executive Promoter Director	1 of 2

Mr.P.R. Khanna, Chairman of the Nomination and Remuneration Committee was present at the last Annual General Meeting.

##### (c) Performance evaluation criteria for Independent Directors-

Broad parameters for evaluating the performance of Independent Directors amongst other include their qualification, experience, participation at the Board/ Committee meetings, understanding and discharging their roles and responsibilities, ability to function a team, exercise of independent judgment, prudence, commitment and ability to contribute and monitor corporate governance practices, adherence to the code of conduct, maintaining independence and integrity.

#### V. Remuneration of Directors

(a) There was no pecuniary relationship or transaction between the non-executive directors and the company during the financial year 2017-2018.

##### (b) Criteria of making payments to Non-Executive Directors

Sitting fees and profit related commission is paid to non-executive directors based on their contribution and participation in the meeting of the Board or Committees, thereof.

Payment criteria of non-executive directors are given in the Nomination and Remuneration Policy. The web link for the same is <http://indagrubber.in/indag/wp-content/uploads/NRC-policy.pdf>.

- c. **Details of remuneration to directors:** Company has paid following remuneration to directors during the year under review, which is in accordance with the section 178(4) of the Companies Act, 2013.

**(i) Non-Executive Directors**

The non-executive directors are paid sitting fee and profit related commission. In terms of approval of the members at the 34<sup>th</sup> Annual General Meeting of the Company held on July 19, 2013, profit related commission of a sum not exceeding one percent of the net profits of the Company calculated in accordance with the provisions of section 197 and 198 of the Companies Act, 2013 is divided amongst the non-executive directors as recommended by the Nomination and Remuneration Committee and determined by the Board broadly on the basis of contribution made at the Board meeting(s) as well as various Committee meeting(s) and the time spent on operational matters.

Non-executive directors are paid sitting fee of Rs. 1,00,000/- for attending the Board meetings, Rs.50,000 for Audit Committee Meetings and Independent Directors meeting and Rs. 20,000/- per meeting for attending other Committee meetings. No sitting fee is paid for attending the meetings of CSR Committee, as decided by the Board.

**(ii) Executive Director**

The appointment and payment of remuneration of the executive directors is governed by resolutions passed by the shareholders of the company. A separate service contract is not entered into by the company with executive directors.

**(iii) Elements of remuneration paid to the executive and non-executive directors during the financial year 2017-18 are given below-**

Name of Director	Salary (in Rs.)	Perquisite (in Rs.)	Contribution to PF (in Rs.)	Sitting fee (in Rs.)	Bonus/ Profit related commission for the year 2017-18 (in Rs.)	Total (in Rs.)
<b>Category A- Executive Directors</b>						
Mr. Nand Khemka Chairman cum Managing Director	96,00,000	-	-	-	14,63,000	1,10,63,000
Mr.K.K.Kpaur CEO & Whole Time Director	84,00,000	1,03,000	10,08,000	-	15,52,000	1,10,63,000
<b>Category B- Non Executive Directors</b>						
Mr.P.R.Khanna Independent Director	-	-	-	5,90,000	8,06,500	13,96,500
Mr.R.Parameswar Independent Director	-	-	-	7,70,000	8,06,500	15,76,500
Ms.Bindu Saxena Independent Director	-	-	-	3,90,000	4,50,000	8,40,000
Mr.Harjiv Singh Independent Director	-	-	-	1,00,000	1,50,000	2,50,000
Mr.Shiv Khemka	-	-	-	Nil	Nil	Nil
Mr.Uday Khemka	-	-	-	Nil	Nil	Nil

- (iv) The office of the Managing Director or Whole Time Director can be terminated with three months notice from either side.
- (v) No severance fee is payable to any director.
- (vii) Stock option details - Company does not have any stock option scheme.

## VI. Stakeholders' Relationship Committee

- (i) Stakeholders' Relationship Committee looks into shareholders' and investors' grievances. Mr.R.Parameswar, Non-executive Independent Director is the Chairman of the Committee. The Board has designated Ms. Manali D. Bijlani, Company Secretary as the Compliance Officer.

### (ii) Composition and attendance-

Sl. No.	Name of the Director	Category	No. of meetings attended
1	Mr.R Parameswar (Chairman)	Non-Executive Independent Director	4 of 4
2	Mr.Nand Khemka	Executive (Interested)	3 of 4
3	Mr.K.K.Kapur	Executive (Interested)	4 of 4

- (iii) No. of investors' complaints received by the RTA/ Company during the year: 1  
 No. of complaints not solved to the satisfaction of shareholders during the year: Nil  
 No. of complaints pending as at March 31, 2018: Nil

## VII. General Body Meetings

### (a) The details of the last three Annual General Meetings held are as under:

AGM	Day	Date	Time	Venue	Whether Special Resolution passed
36 <sup>th</sup>	Friday	August 14, 2015	10.00 A.M.	Sai International Centre, Pragati Vihar, Lodhi Road, New Delhi-110003	None
37 <sup>th</sup>	Friday	May 27, 2016	10.00 A.M.	Sai International Centre, Pragati Vihar, Lodhi Road, New Delhi-110003	Reappointment of Mr.K.K.Kapur as a whole time director for a period of three years with effect from June 1, 2016.
38 <sup>th</sup>	Monday	June 19, 2017	10:00 A.M.	Sai International Centre, Pragati Vihar, Lodhi Road, New Delhi-110003	To maintain and keep the Company's registers and copies of annual returns or any one or more of them, at a place other than Company's Registered Office.

### (b) Details on Postal Ballot

Sl. No.	Particular	Status
1.	Whether any special resolution passed last year through postal ballot – details of voting pattern	Nil
2.	Person who conducted the postal ballot exercise	Not applicable
3.	Whether any special resolution is proposed to be conducted through postal ballot	If a need arises, it may be conducted
4.	Procedure for postal ballot	As given in Section 110 of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements), Regulations 2015.

### VIII. Means of Communication

Sl. No.	Particular	Status
a.	Quarterly results	Quarterly / half-yearly/ annual financial results are e-filed with BSE
b.	Newspaper wherein results normally published	Business Standard or Financial Express
c.	Website where displayed	Placed on company's website <a href="http://www.indagrubber.com">www.indagrubber.com</a>
d.	Whether website displays official news release	Financial information, shareholding pattern, codes & polices etc. are updated on website <a href="http://www.indagrubber.com">www.indagrubber.com</a>
e.	Presentation made to institutional investors or analyst	Uploaded on company website and also filed with Bombay Stock Exchange

### IX. General Shareholders' Information

**(i) Annual General Meeting to be held:**

Day	:	Tuesday
Date	:	August 14, 2018
Time	:	10:00 A.M.
Venue	:	Sai International Centre, Pragati Vihar, Lodhi Road, New Delhi-110003

**(ii) Financial Year** : April 01, 2017 to March 31, 2018

**(iii) Dividend Payment Date** : August 24, 2018

**(iv) Stock Exchanges on which the Company's Shares are listed**

The Bombay Stock Exchange,  
Phiroze Jeejeebhoy Towers,  
Dalal Street, Fort, Mumbai – 400 001

The Listing Fees as applicable have been paid within prescribed time period.

**(v) Stock Code**

ISIN under depository system	INE802D01023
The Stock Exchange, Mumbai	509162

**(vi) Market Price Data: High/Low during each month during the financial year 2017-2018**

The details of Monthly High and Low price(s) on Bombay Stock Exchange for the financial year 2017-2018 are as under:

Month	Monthly High	Monthly Low	S&P BSE SENSEX Monthly High	S&P BSE SENSEX Monthly Low
April, 2017	224.80	200.00	30,184.22	29,241.48
May, 2017	235.00	197.00	31,255.28	29,804.12
June, 2017	229.00	200.10	31,522.87	30,680.66
July, 2017	222.00	195.00	32,672.66	31,017.11
August, 2017	209.60	167.25	32,686.48	31,128.02
September, 2017	194.90	171.15	32,524.11	31,081.83
October, 2017	181.00	168.15	33,340.17	31,440.48
November, 2017	185.05	168.00	33,865.95	32,683.59
December, 2017	187.50	165.00	34,137.97	32,565.16
January, 2018	200.00	173.00	36,443.98	33,703.37
February, 2018	195.00	162.50	36,256.83	33,482.81
March, 2018	175.20	154.50	34,278.63	32,483.84

**(vii) In case the securities are suspended from trading, reason thereof-** No order was passed for company's securities being suspended from trading.

**(viii) Registrar & Share Transfer Agent:**

Skyline Financial Services (P) Limited,  
D-153/A, 1<sup>st</sup> Floor, Okhla Industrial Area, Phase-1,  
New Delhi-110020  
Phone No.: 011-26812682-83  
E-mail id- grievances@skylinerta.com  
Website- www.skylinerta.com

**(ix) Share Transfer System:**

In order to expedite the process of share transfers, the Board has delegated the power to approve share transfers to senior executives, who attend to share transfer formalities fortnightly. The Company has appointed Skyline Financial Services (P) Limited as Registrar and Share Transfer Agents for physical transfer of securities as well as dematerialization/ rematerialization of securities.

**(x) Distribution of Shareholding as on March 31, 2018:**

No. of equity shares held	Number of Shareholder	% to total numbers	Share holding amount (Rs.)	% to total amount
Up To 5,000	5843	95.57	3470432	6.61
5,001 To 10,000	120	1.96	880498	1.68
10,001 To 20,000	65	1.06	921812	1.76
20,001 To 30,000	27	0.44	652008	1.24
30,001 To 40,000	9	0.15	327612	0.62
40,001 To 50,000	7	0.11	321630	0.61
50,001 To 1,00,000	20	0.33	1471352	2.8
1,00,000 and Above	23	0.38	44454656	84.68
<b>Total</b>	<b>6114</b>	<b>100</b>	<b>52500000</b>	<b>100</b>

**(xi) Categories of Shareholding as on March 31, 2018:**

Category	No. of Shares held	% of Shareholding
<b>Promoter and Promoter Group</b>		
Individuals	11285010	42.99
Bodies Corporate	7825428	29.81
Foreign Promoters-Bodies Corporate	513000	1.95
<b>Public</b>		
Individuals shareholders	4887770	18.62
Bodies Corporate	469674	1.79
NBFCs Registered with RBI	326400	1.24
Non Resident Indians	247376	0.94
Resident Indian HUF	202088	0.77
Clearing Members/ House	115202	0.44
Foreign Portfolio Investors	101334	0.39
Investor Education and Protection Fund Authority Ministry of Corporate Affairs	206188	0.78
Unclaimed Suspense Account	70530	0.27
<b>Total</b>	<b>26250000</b>	<b>100</b>

**(xii) Dematerialization of shares and liquidity**

Company has established connectivity with both the depositories i.e. National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) to handle dematerialization of shares.

As on March 31, 2018, a total of 25898005 equity shares which form 98.66% of the share capital stand dematerialized. The equity shares are frequently traded on Bombay Stock Exchange and hence provide liquidity to the investors.

**(xiii) Outstanding GDRs/ ADRs/ Warrants/ Convertible instruments**

The Company has not issued Global Depository Receipts or American Depository Receipt or Warrants or any Convertible instruments.

**(xiv) Commodity Price Risk/ Foreign Exchange Risk and Hedging**

The Company did not engage in hedging activities.

**(xv) Plant Location :**

(a) Village Jhiriwala, Hadbast No.-73, Nalagarh, District Solan, Himachal Pradesh - 174101

(b) Plot No.-86, Industrial Area, Bhiwadi, Distt.-Alwar, Rajasthan – 301019 – (DORMANT)



**(xvi) Address for Correspondence:**

- (a) For Transfer of physical shares, request for dematerialization of shares, change of mandates/ address or any other query : Skyline Financial Services (P) Limited  
D-153/A, 1<sup>st</sup> Floor, Okhla Industrial Area,  
Phase-1, New Delhi-110020  
Phone No.: 011-26812682-83  
E-mail id: grievances@skylinerta.com  
Website: www.skylinerta.com
- (b) For any investor grievance : The Company Secretary  
Indag Rubber Limited  
11, Community Centre, Saket,  
New Delhi – 110 017  
Phone no.: 011-26963172-73  
info@indagrubber.com

**X. Other Disclosures**

- (i) During the financial year ended March 31, 2018 there were no materially significant related party transactions that may have potential conflict with the interests of the Company at large.
- (ii) No penalties were imposed, and no strictures were passed by Stock Exchange or SEBI or any statutory authority on any capital market related matters during the last three years.
- (iii) The Company has announced Whistle Blower policy. All the personnel of the company have the access to the Audit Committee.
- (iv) The Company has complied with the mandatory requirements of the Listing Regulations, 2015. The Company has adopted various non-mandatory requirements as well, as discussed under relevant headings.
- (v) The Company has framed a Material Subsidiary Policy and the same is placed on the Company's website and the web link for the same is <http://indagrubber.in/indag/wp-content/uploads/Policy-for-determining-Material-Subsidiary.pdf>.
- (vi) The company has framed Related Party Transaction Policy and is placed on the Company's website and the web link for the same is <http://indagrubber.in/indag/wp-content/uploads/Policy-on-materiality-of-Related-Party-Transaction.pdf>.
- (vii) During the financial year ended March 31, 2018 the company did not engage in commodity hedging activities.

**XI. Non-compliance of any requirement of Corporate Governance Report**

During second half of the financial year 2017-18, the Board of Directors did not consist of optimal number of Independent directors, as Mr.Harjiv Singh automatically vacated the office due to disqualification under Section 164(2) of the Companies Act, 2013.

**XII. ADOPTION OF DISCRETIONARY REQUIREMENTS****I. Shareholder Rights**

Half yearly financial results are forwarded to the Stock Exchanges and uploaded on the website of the Company like quarterly results.

**II. Audit Qualifications**

During the year under review, there was no audit qualification in the Auditors' Report on the Company's financial statements.

**III. Separate posts of Chairman and Chief Executive Officer**

The post of the Chairman of the Company and the CEO are held by different persons.

**IV. Reporting of Internal Auditor**

The Internal Auditor of the Company is a permanent invitee to the Audit Committee Meeting and regularly attends the Meeting for reporting their findings of the internal audit to the Audit Committee.

**XIII. Compliance of corporate governance requirements specified in Regulation 17 to 27 and clause (b) to (i) of sub-regulation (2) of Regulation 46 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015**

Except for Regulation 17(1) (b) and Regulation 25(6), the company has complied with the requirements of SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015.

**XIV. Credit Risk Rating**

During the F.Y.2017-18, the Company has obtained rating from ICRA which has re-affirmed its long term rating of “[ICRA]A+” on the Rs.8 crores long term fund based and also re-affirmed a short-term rating of “[ICRA]A1+” on the Rs.47 crores (including Rs.2 crore unallocated limits) non fund based facilities. The outlook on the long term rating has been revised from ‘Stable’ to ‘Negative’.

**XV. Disclosure of Accounting Treatment**

Company has followed the treatment laid down in the Accounting Standards prescribed by the Institute of Chartered Accountants of India, in the preparation of financial statements. There are no audit qualifications in the Company’s financial statements for the year under review.

**XVI. Disclosure with respect to Demat Suspense Account/Unclaimed Suspense Account-**

Particulars	No. of Shareholders	No. of Shares
A. Aggregate number of shareholders and the outstanding shares in the suspense account lying at the beginning of the year	617	236955
B. Number of shareholders who approached listed entity for transfer of shares from suspense account during the year	09	10500
C. Number of shareholders to whom shares were transferred from suspense account during the year	09	10500
D. Number of shareholders who have not claimed dividend for last 7 years, and whose shares have been transferred to IEPF account of MCA from Demat Suspense Account	429	155925
E. Aggregate number of shareholders and the outstanding shares in the suspense account lying at the end of the year The voting rights on these shares shall remain frozen till the rightful owner of such shares claim the shares	179	70530

**COMPLIANCE CERTIFICATE****To****The Members  
Indag Rubber Limited**

We have examined the compliance of conditions of Corporate Governance by Indag Rubber Limited ('the Company'), for the year ended on 31<sup>st</sup> March, 2018, as per the relevant provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") as applicable.

The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination was limited to a review of procedures and implementation thereof, adopted by the Company for ensuring compliance with the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Regulations, as applicable except that the Company was not in compliance of Regulation 17(1) (b) and Regulation 25(6) of Listing Regulations with respect to constitution of the Board as office of one of the Independent Director was vacated due to appearing of his name in the list of disqualified Directors issued by the Registrar of the Companies on 12<sup>th</sup> September, 2017 under the provisions of Section 167(1)(a) read with Section 164(2) of the Companies Act, 2013.

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

**For RMG & Associates**  
Company Secretaries

Date : May 24, 2018  
Place : New Delhi

**CS Manish Gupta**  
Partner  
FCS: 5123; C.P. No.: 4095

## MANAGEMENT DISCUSSION AND ANALYSIS REPORT

### Industry Structure and Developments

The Indian retreading industry has had to deal with several headwinds in the last couple of years. These headwinds resulted from increase in radialisation in the last few years. Demonetisation, GST and Radialisation delayed the availability of tyres for first retreading.

### Opportunities and Threats

Reduction of the impact of Chinese tyre sales which rose dramatically in financial year 2016-17 slowed down post demonetization and imposition of anti-dumping duty on tyres imported or produced from China. This has created a level playing field which we anticipate will help strengthen the domestic retreading industry.

The entry of major multinational and Indian tyre companies in the retreading industry has led to higher competition.

### Segment-wise or Product-wise Performance

Indag has only one business segment, that is, manufacture of precured tread rubber (PTR) and allied items, hence segment wise reporting is not required.

### Outlook

The outlook for the retreading industry has some tailwinds that we anticipate will improve the overall transport, tyre and retreading industry. These will come from initiatives like the Logistics Efficiency Enhancement Programme (LEEP) of Govt. of India and development of multi modal logistics parks, Super Expressways, better roads and development of infrastructure.

Retreading industry has been focusing on improving efficiency and optimizing costs in the production process, so as to push the market towards more premium products. Budget retreading is being taken over by quality premium retreading among large fleet owners, who demand reliable performance and improved durability. Indag with its focus on quality and durability is well positioned to take advantage of this trend.

### Risks and Concerns

The company has laid down a well defined risk management mechanism covering the risk mapping and trend analysis, risk exposure, potential impact and risk mitigation process. A detailed exercise is being carried out to identify, evaluate, manage and monitor various risks. The Audit Committee and the Board periodically review the risks and suggest steps to be taken to manage/ mitigate the same through a properly defined framework.

During the year, a risk analysis and assessment was conducted and no major risks were noticed, which may threaten the existence of the company.

### Internal Control Systems and Their Adequacy

The Company has adequate internal control systems and procedures designed to effectively control the operations at its Head Office, Plants and Depots. The internal control systems are designed to ensure that the financial and other records are reliable for the preparation of financial statements and for maintaining assets. The Company has well designed Standard Operating Procedures.

Independent Internal Auditors conduct audit covering a wide range of operational matters and ensure compliance with specified standards. Planned periodic reviews are carried out by Internal Audit. The findings of Internal Audit are reviewed by the top management and by the Audit Committee of the Board of Directors.

Based on the deliberations with Statutory Auditors to ascertain their views on the financial statements including the Financial Reporting System and Compliance to Accounting Policies and Procedures, the Audit Committee was satisfied with the adequacy and effectiveness of the Internal Controls and Systems followed by the company.

### Discussion on Financial Performance with respect to Operational Performance

The financial performance of the Company has been explained in the Board Report.

## Human Resource Development and Industrial Relations

During the year the Company had cordial relations with workers, staff and officers. The shop floor management is done through personal touch, using various motivational tools and meeting their training needs. The company has taken steps for safety of employees and implemented regular safety audit, imparted machine safety training, wearing protective equipments etc.

The Company believes in empowering its employees through greater knowledge, team spirit and developing greater sense of responsibility. On the job training as well as classroom training by way of seminars, conventions, functional and managerial programs for capability development and building technical expertise were attended by respective functions such as Sales & Marketing, Finance & Accounts, Procurement, Supply Chain, HR etc. There were 318 regular employees as at March 31, 2018.



## Indag Rubber Limited

CIN L74899DL1978PLC009038

Regd. Off. 11, Community Centre, Saket, New Delhi-110017

Ph. No. 011-26963172/73; E-mail Id:- info@indagrubber.com; Website: www.indagrubber.com

### ECS MANDATE FORM

<b>(In case of Shareholding in Physical form)</b> To, Skyline Financial Services (P) Limited D-153/A, 1st Floor, Okhla Industrial Area, Phase-I, New Delhi-110020 Phone no.: 0-11-26812682-83 Email id:- info@skylinerta.com	<b>(In case of shareholding in Electronic form)</b> To The Depository Participant
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#### **Subject: ECS Mandate for Dividend Payment**

Dear Sir,  
Unit-Indag Rubber Limited

Folio No. : ...../Client ID: ....., DP ID: .....

Kindly note the following NECS mandate with respect to my above cited Folio No/ Client ID/ DP ID-

Folio No.	
Name of the First named Shareholder	
PAN*	
CIN/Registration No.* (applicable to Corporate Shareholders)	
Tel No. with STD Code	
Mobile No.	
Email Id	

\*Self attested copy of the document(s) enclosed

IFSC: (11 digit)	MICR: (9 digit)
Bank A/c type:	Bank A/c No.:
Name of the Bank:	
Bank Branch Address:	

\* Please enclose cancelled / photocopy of cheque to enable verification of bank details.

I hereby declare that the particulars given above are correct and complete. If the transaction is delayed or credit is not affected at all for any reason, I would not hold the Company responsible. In case of NECS facility not being available for any reason, the account detail provided above may be incorporated in the payment instrument.

Place : .....  
Date : ..... (Signature of the First Holder)

#### **Certification by the Bank**

Certified that the Bank details furnished above are correct as per our records.

Date : ..... Signature of authorized official of the Bank

Place : ..... Bank Stamp with Official Address:

## **INDEPENDENT AUDITOR'S REPORT**

### **To the Members of Indag Rubber Limited**

#### **Report on the Standalone Ind AS Financial Statements**

We have audited the accompanying standalone Ind AS financial statements of Indag Rubber Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2018, the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information.

#### **Management's Responsibility for the Standalone Ind AS Financial Statements**

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the Indian Accounting Standards (Ind AS) prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, and other accounting principles generally accepted in India.

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 Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

#### **Auditor's Responsibility**

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

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

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the standalone Ind AS financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the standalone Ind AS financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the standalone Ind AS financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the standalone Ind AS financial statements.

We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the standalone Ind AS financial statements.

#### **Opinion**

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2018, and its profit, total comprehensive income, its cash flows and the changes in equity for the year ended on that date.

## Other Matter

The comparative financial information of the Company for the year ended March 31, 2017 and the transition date opening balance sheet as at April 1, 2016 included in these standalone Ind AS financial statements, are based on the statutory financial statements prepared in accordance with the Companies (Accounting Standards) Rules, 2006 audited by the predecessor auditor whose report for the year ended March 31, 2017 and March 31, 2016 dated May 05, 2017 and April 14, 2016 respectively expressed an unmodified opinion on those standalone financial statements. The adjustments to those financial statements for the differences in accounting principles adopted by the Company on transition to the Ind AS have been audited by us.

Our opinion is not modified in respect of this matter.

## 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 paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, we report that:
  - a) we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
  - b) 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 books of account;
  - d) in our opinion, the aforesaid standalone Ind AS financial statements comply with the Indian Accounting Standards prescribed under section 133 of the Act;
  - e) on the basis of the written representations received from the directors as on March 31, 2018 and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2018 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";
  - g) with respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
    - i. The Company has disclosed the impact of pending litigations on its financial position in its standalone Ind AS financial statements. Refer Note 36 to the standalone Ind AS financial statements;
    - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
    - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
    - iv. The disclosures regarding details of specified bank notes held and transacted during November 08, 2016 to December 30, 2016 has not been made since the requirement does not pertain to the financial year ended March 31, 2018.

## For Khanna & Annadhanam

Chartered Accountants  
(Firm's Regn. No. 001297N)

## (Sanjeev Srivastava)

Partner  
Membership No.502238

Place: New Delhi  
Date: May 24, 2018



## ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT

Referred to in paragraph 'Report on Other Legal and Regulatory Requirements' of our report of even date to the members of Indag Rubber Limited on the standalone Ind AS financial statements as of and for the year ended March 31, 2018

- i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) All fixed assets have not been physically verified by the management during the year but there is a regular programme of verification which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.
- (c) Based on our audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to information and explanations given by the management, the title deeds of immovable properties are held in the name of the Company.
- ii) The management has conducted physical verification of inventory at reasonable intervals during the year and no material discrepancies were noticed on such physical verification.
- iii) According to the information and explanations given to us, the Company has not granted any 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, the provisions of clause 3(iii)(a), (b) and (c) of the Order are not applicable to the Company and hence not commented upon.
- iv) In our opinion and according to the information and explanations given to us, there are no loans and securities granted in respect of which provisions of Section 185 and 186 of the Companies Act, 2013 are applicable. In our opinion and according to the information and explanations given to us, the Company has complied with provisions of section 186 of the Companies Act, 2013 in respect of guarantees given and investments made.
- v) The Company has not accepted any deposits from the public.
- vi) We have broadly reviewed the books of account maintained by the Company pursuant to the rules made by the Central Government for the maintenance of cost records under Section 148(1) of the Companies Act, 2013, related to the manufacture of products, and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained. We have not, however, made a detailed examination of the same.
- vii) (a) The Company is generally regular in depositing with appropriate authorities undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, wealth-tax, service tax, customs duty, excise duty, goods and service tax, value added tax, cess and other material statutory dues applicable to it.
- (b) According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees' state insurance, income-tax, sales-tax, wealth-tax, service tax, customs duty, excise duty, goods and service tax, value added tax, cess and other material statutory dues were outstanding at the year end, for a period of more than six months from the date they became payable.
- (c) According to the records of the Company, the dues outstanding of income-tax, sales-tax, wealth-tax, service tax, customs duty, excise duty, goods and service tax, value added tax and cess on account of any dispute, are as follows:

Name of the statute	Nature of dues	Amount (Rs. in lakh)	Period to which the amount relates	Forum where dispute is pending
Income Tax Act, 1961	Income tax demand	139.15	A.Y.1998-99	Delhi High Court
Himachal Pradesh Tax on entry of Goods into Local Area Act, 2010	Entry Tax	793.35	March 2011, 2011-12, 2012-2013, 2013-2014, 2014-2015, 2015-2016, 2016-2017 and April to June 2017.	Shimla High Court

Name of the statute	Nature of dues	Amount (Rs. in lakh)	Period to which the amount relates	Forum where dispute is pending
Central Excise Act, 1944	Excise Duty	6.71	April 2006 to March 2009	Commissioner (Appeals), Central Excise & Service Tax, Chandigarh-II
Gujrat Sales Tax Act, 1969	Non-Submission of C Forms	25.95	F.Y. 2002-03	Deputy Commissioner, Vadodara
Karnataka VAT Act, 2003	Non-Submission of C Forms	12.94	F.Y. 2013-14	Assistant Commissioner, Commercial Taxes, Karnataka

- viii) Based on our audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to information and explanations given by the management, we are of the opinion that the Company has not defaulted in repayment of dues to any bank. Further, the Company does not have any debentures and loan from financial institution or government.
- ix) Based on our audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by the management, the Company has not raised any money by way of initial public offer / further public offer / debt instruments and term loans and hence, reporting under clause is not applicable to the Company and hence not commented upon.
- x) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by the management, we report that no fraud on or by the officers and employees of the Company has been noticed or reported during the year.
- xi) Based on our audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by the management, we report that the managerial remuneration has been paid / provided in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Companies Act, 2013.
- xii) In our opinion, the Company is not a Nidhi company. Therefore, the provisions of clause 3(xii) of the Order are not applicable to the Company and hence not commented upon.
- xiii) Based on our audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by the management, transactions with the related parties are in compliance with Section 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the notes to the financial statements, as required by the applicable accounting standards.
- xiv) According to the information and explanations given to us and on an overall examination of the balance sheet, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review and hence not commented upon.
- xv) Based on our audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by the management, the Company has not entered into any non-cash transactions with directors or persons connected with him.
- xvi) According to the information and explanations given to us, the provisions of Section 45-IA of the Reserve Bank of India Act, 1934 are not applicable to the Company.

**For Khanna & Annadhanam**

Chartered Accountants  
(Firm Regn. No. 001297N)

**(Sanjeev Srivastava)**

Partner  
Membership No.502238

Place: New Delhi  
Date: May 24, 2018

## **ANNEXURE B TO THE INDEPENDENT AUDITOR'S REPORT**

**Referred to in paragraph 'Report on Other Legal and Regulatory Requirements' of our report of even date to the members of Indag Rubber Limited on the standalone Ind AS financial statements as of and for the year ended March 31, 2018**

**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")**

We have audited the internal financial controls over financial reporting of Indag Rubber Limited ("the Company") as of March 31, 2018 in conjunction with our audit of the standalone Ind AS financial statements of the Company for the year ended on that date.

### **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. 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 Act.

### **Auditor's Responsibility**

Our responsibility is to express an opinion on the internal financial controls over financial reporting of the Company based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. 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.

### **Opinion**

In our opinion, 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, 2018, 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.

### **For Khanna & Annadhanam**

Chartered Accountants  
(Firm Regn. No. 001297N)

### **(Sanjeev Srivastava)**

Partner  
Membership No.502238

Place: New Delhi

Date: May 24, 2018

## Balance Sheet as at 31 March, 2018

	Note No.	As at 31 March 2018 (Rs. / lakh)	As at 31 March 2017 (Rs. / lakh)	As at 1 April 2016 (Rs. / lakh)
<b>ASSETS</b>				
<b>Non-current assets</b>				
a.	3	2,841.50	3,059.04	2,744.59
b.		20.78	19.44	428.75
c.	4	30.43	19.15	6.38
d.				
i.	5	10,177.45	6,302.54	5,312.87
ii.	6	3.60	9.81	2.82
iii.	8	126.22	62.47	47.35
e.	7	20.00	20.00	29.90
f.	9	3.07	28.79	46.90
		<b>13,223.05</b>	9,521.24	8,619.56
<b>Current assets</b>				
a.	10	3,278.61	4,142.48	2,935.06
b.				
i.	11	515.28	2,965.14	3,042.13
ii.	12	2,890.12	2,900.16	3,011.70
iii.	13	300.55	299.11	246.59
iv.	14	111.55	205.65	184.64
v.	6	19.90	17.75	20.77
vi.	8	539.05	491.36	506.56
c.	7	-	8.93	-
d.	9	150.12	169.68	118.50
		<b>7,805.18</b>	11,200.26	10,065.95
		<b>21,028.23</b>	20,721.50	18,685.51
<b>EQUITY AND LIABILITIES</b>				
<b>Equity</b>				
a.	15	525.00	525.00	525.00
b.	16	18,116.21	17,108.57	15,177.65
		<b>18,641.21</b>	17,633.57	15,702.65
<b>Liabilities</b>				
<b>Non-current liabilities</b>				
a.	17	364.40	390.02	287.14
		<b>364.40</b>	390.02	287.14
<b>Current liabilities</b>				
a.				
i.	18	1,426.06	1,801.86	1,673.44
ii.	19	259.36	236.40	252.58
b.	20	108.16	99.31	74.98
c.	7	63.07	49.76	41.17
d.	21	165.97	510.58	653.55
		<b>2,022.62</b>	2,697.91	2,695.72
		<b>2,387.02</b>	3,087.93	2,982.86
		<b>21,028.23</b>	20,721.50	18,685.51

See accompanying notes to the financial statements

As per our report of even date

**For and on behalf of the Board of Directors**

**For Khanna & Annadhanam**

Chartered Accountants

ICAI Firm's Registration No.: 001297N

**Sanjeev Srivastava**

Partner

Membership No. 502238

Place: New Delhi

Date: May 24, 2018

**Nand Khemka**

Chairman cum Managing Director

**Manali D Bijlani**

Company Secretary

**K. K. Kapur**

CEO and Whole Time Director

**J.K. Jain**

Chief Financial Officer

## Statement of profit and loss for the year ended 31 March, 2018

		Note No.	Year ended 31 March 2018 (Rs. / lakh)	Year ended 31 March 2017 (Rs. / lakh)
<b>I</b>	Revenue from operations	22	16,783.72	20,383.06
<b>II</b>	Other income	23	706.40	620.01
<b>III</b>	<b>Total income (I+II)</b>		<b>17,490.12</b>	<b>21,003.07</b>
<b>IV</b>	<b>Expenses</b>			
	Cost of raw materials consumed	24	10,067.82	11,499.41
	Purchase of stock in trade		15.27	29.25
	Changes in inventories of finished goods, stock-in-trade and work in progress	25	657.88	(740.07)
	Excise duty on sale of goods		386.93	2,024.75
	Employee benefits expense	26	1,608.32	1,936.03
	Finance costs	28	20.52	30.75
	Depreciation and amortisation expense	27	305.70	296.30
	Other expenses	29	2,264.43	2,739.14
	<b>Total expenses (IV)</b>		<b>15,326.87</b>	<b>17,815.56</b>
<b>V</b>	<b>Profit before tax (III-IV)</b>		<b>2,163.25</b>	<b>3,187.51</b>
<b>VI</b>	<b>Tax expense</b>			
	Current tax	32	644.50	896.44
	Deferred tax	17	(73.10)	102.48
	Income tax adjustment for earlier year	32	15.89	1.27
			<b>587.29</b>	<b>1,000.19</b>
<b>VII</b>	<b>Profit for the year (V-VI)</b>		<b>1,575.96</b>	<b>2,187.32</b>
<b>VIII</b>	<b>Other comprehensive income ('OCI')</b>			
	i. Items that will not be reclassified subsequently to the statement of profit and loss			
	a. Gain on change in fair valuation of equity instruments carried at fair value through OCI		208.49	215.32
	b. Gain on sale of equity and equity related instruments		13.14	292.74
	c. Remeasurement gain on defined benefit obligations (net)		24.15	1.16
			<b>245.78</b>	<b>509.22</b>
	ii. Income tax relating to items that will not be reclassified subsequently to statement of profit and loss			
	a. Current tax	32	8.36	6.97
	b. Deferred tax	17	47.48	0.40
			<b>55.84</b>	<b>7.37</b>
	<b>Total other comprehensive income (VIII)</b>		<b>189.94</b>	<b>501.85</b>
<b>IX</b>	<b>Total Comprehensive income for the year (VII+VIII)</b>		<b>1,765.90</b>	<b>2,689.17</b>
<b>X</b>	<b>Earnings per equity share</b>			
	Basic and diluted (Rs.) [Nominal value of share Rs. 2]	30	<b>6.00</b>	<b>8.33</b>

See accompanying notes to the financial statements

As per our report of even date

**For and on behalf of the Board of Directors**

**For Khanna & Annadhanam**

Chartered Accountants

ICAI Firm's Registration No.: 001297N

**Sanjeev Srivastava**

Partner

Membership No. 502238

Place: New Delhi

Date: May 24, 2018

**Nand Khemka**

Chairman cum Managing Director

**Manali D Bijlani**

Company Secretary

**K. K. Kapur**

CEO and Whole Time Director

**J.K. Jain**

Chief Financial Officer

## Statement of changes in equity for the year ended 31 March, 2018

	Amount (Rs. / lakh)
<b>a. Equity share capital</b>	
Balance as at 1 April, 2016	525.00
Changes in equity share capital during the year	-
Balance as at 31 March, 2017	525.00
Balance as at 1 April, 2017	525.00
Changes in equity share capital during the year	-
<b>Balance as at 31 March, 2018</b>	<b>525.00</b>

### b. Other equity

	Reserve and surplus				Other comprehensive income (Rs. / lakh)	Total equity attributable to share holders of the Company (Rs. / lakh)
	Capital reserve (Rs. / lakh)	Securities premium reserve (Rs. / lakh)	General reserve (Rs. / lakh)	Retained earnings (Rs. / lakh)		
<b>Balance as at 1 April, 2016</b>	<b>0.29</b>	<b>450.00</b>	<b>1,148.80</b>	<b>13,815.30</b>	<b>(236.74)</b>	<b>15,177.65</b>
Profit for the year	-	-	-	2,187.32	-	2,187.32
Other comprehensive income for the year, net of income tax	-	-	-	-	501.85	501.85
Total comprehensive income	-	-	-	<b>2,187.32</b>	<b>501.85</b>	<b>2,689.17</b>
Dividend paid (including taxes)	-	-	-	758.25	-	758.25
	-	-	-	<b>1,429.07</b>	<b>501.85</b>	<b>1,930.92</b>
<b>Balance as at 31 March, 2017</b>	<b>0.29</b>	<b>450.00</b>	<b>1,148.80</b>	<b>15,244.37</b>	<b>265.11</b>	<b>17,108.57</b>
<b>Balance as at 1 April, 2017</b>	<b>0.29</b>	<b>450.00</b>	<b>1,148.80</b>	<b>15,244.37</b>	<b>265.11</b>	<b>17,108.57</b>
Profit for the year	-	-	-	1,575.96	-	1,575.96
Other comprehensive income for the year, net of income tax	-	-	-	-	189.94	189.94
Total comprehensive income	-	-	-	<b>1,575.96</b>	<b>189.94</b>	<b>1,765.90</b>
Dividend paid (including taxes)	-	-	-	758.26	-	758.26
	-	-	-	<b>817.70</b>	<b>189.94</b>	<b>1,007.64</b>
<b>Balance as at 31 March, 2018</b>	<b>0.29</b>	<b>450.00</b>	<b>1,148.80</b>	<b>16,062.07</b>	<b>455.05</b>	<b>18,116.21</b>

See accompanying notes to the financial statements

As per our report of even date

**For and on behalf of the Board of Directors**

**For Khanna & Annadhanam**

Chartered Accountants

ICAI Firm's Registration No.: 001297N

**Sanjeev Srivastava**

Partner

Membership No. 502238

**Nand Khemka**

Chairman cum Managing Director

**K. K. Kapur**

CEO and Whole Time Director

Place: New Delhi

Date: May 24, 2018

**Manali D Bijlani**

Company Secretary

**J.K. Jain**

Chief Financial Officer

## Cash flow statement for the year ended 31 March, 2018

	Year ended 31 March 2018 (Rs. / lakh)	Year ended 31 March 2017 (Rs. / lakh)
<b>A. Cash flow from operating activities</b>		
Profit before tax	2,163.25	3,187.51
<b>Adjustments for:</b>		
Depreciation and amortisation expense	305.70	296.30
Loss/(Gain) on disposal of property, plant and equipment (net)	0.95	(11.58)
Provision for doubtful debts	27.94	-
Provision for doubtful debts written back	-	(1.57)
Liability no longer required written back	(120.64)	-
Unrealised Loss/(Gain) on foreign exchange fluctuation	(1.17)	3.22
Gain arising on financial assets designated through FVTPL	(190.05)	(273.01)
Gain on disposal of debt instruments at FVTPL	(70.14)	(81.56)
Dividend income from investments	(251.82)	(187.55)
Interest expense	16.78	25.73
Interest income earned on financial assets	(70.76)	(59.43)
<b>Operating profit before working capital changes</b>	<b>1,810.04</b>	<b>2,898.06</b>
<b>Adjustments for changes in working capital:</b>		
<b>Adjustments for operating assets:</b>		
Decrease/(Increase) in trade receivables	(16.73)	109.89
Decrease/(Increase) in inventories	863.87	(1,207.42)
Decrease/(Increase) in loans	4.06	(3.97)
Decrease/(Increase) in other financial assets	(111.18)	1.72
Decrease/(Increase) in other assets	16.49	(50.38)
<b>Adjustments for operating liabilities:</b>		
(Decrease)/Increase in trade payables	(255.16)	128.42
(Decrease)/Increase in other liabilities	(344.62)	(142.97)
(Decrease)/Increase in financial liabilities	26.00	8.68
(Decrease)/Increase in provisions	33.00	25.49
<b>Cash generated from operating activities</b>	<b>2,025.77</b>	<b>1,767.52</b>
Income taxes paid (Net)	(646.51)	(895.12)
<b>Net cash flow from operating activities</b>	<b>1,379.26</b>	<b>872.40</b>
<b>B. Cash flow from investing activities</b>		
Purchase of Property plant and equipments	(83.74)	(243.58)
Proceeds from sale of Property plant and equipments	3.39	25.22
<b>Current investments:</b>		
Purchase	(4,098.93)	(7,392.99)
Proceeds from sale/maturity	4,640.39	8,867.15
<b>Non current investments:</b>		
Purchase	(2,056.33)	(4,006.42)
Proceeds from sale/maturity	570.62	2,481.18
Bank balance not considered as Cash and cash equivalents	94.10	(21.01)
Interest received	69.84	60.51
Dividend received	253.51	185.86
<b>Net cash (used in) investing activities</b>	<b>(607.15)</b>	<b>(44.08)</b>



	Year ended 31 March 2018 (Rs. / lakh)	Year ended 31 March 2017 (Rs. / lakh)
<b>C. Cash flow from financing activities</b>		
Interest paid	(19.10)	(23.53)
Dividend paid	(623.31)	(624.02)
Tax on dividends paid	(128.26)	(128.25)
<b>Net cash (used in) financing activities</b>	<b>(770.67)</b>	<b>(775.80)</b>
<b>Net increase in cash and cash equivalents (A+B+C)</b>	<b>1.44</b>	<b>52.52</b>
Cash and cash equivalents at the beginning of the year	299.11	246.59
<b>Cash and cash equivalents at the end of the year</b>	<b>300.55</b>	<b>299.11</b>
<b>Components of cash and cash equivalents:</b>		
Cash on hand	3.58	1.66
Balances with banks:		
- on current accounts	241.88	220.86
- on cash credit accounts	55.09	76.59
<b>Total cash and cash equivalents</b>	<b>300.55</b>	<b>299.11</b>

See accompanying notes to the financial statements

As per our report of even date

**For and on behalf of the Board of Directors**

**For Khanna & Annadhanam**

Chartered Accountants

ICAI Firm's Registration No.: 001297N

**Sanjeev Srivastava**

Partner

Membership No. 502238

**Nand Khemka**

Chairman cum Managing Director

**K. K. Kapur**

CEO and Whole Time Director

Place: New Delhi

Date: May 24, 2018

**Manali D Bijlani**

Company Secretary

**J.K. Jain**

Chief Financial Officer

## Notes to financial statements for the year ended 31 March 2018

### 1. Corporate information

Indag Rubber Limited (hereinafter referred to as “the Company”) is a Public Limited Company incorporated and domiciled in India. The registered office of the Company is located at 11 Community Center, Saket, New Delhi-110017, India. The Company’s CIN is - L74899DL1978PLC009038.

The Company’s shares are listed on Bombay Stock Exchange (‘BSE’). The Company is engaged in the manufacturing and selling of Precured Tread Rubber and allied products.

These financial statements were approved by the Board of Directors and authorised for issue on May 24, 2018.

### 2. Significant accounting policies

#### 2.1 Statement of compliance and basis of preparation and presentation

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards (“Ind AS”) notified under the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standard) (Amendment) Rules, 2016. The Company has prepared these financial statements to comply in all material respects with the Accounting Standards notified under Section 133 of the Companies Act, 2013 (“the Act”).

The Company had prepared its financial statements in accordance with the requirements of previous GAAP up to the year ended 31 March, 2017, which includes Standards notified under the Companies (Accounting Standards) Rules, 2006. The date of transition to Ind AS is 1 April, 2016.

Previous periods financial statements have been restated to Ind AS. In accordance with Ind AS 101 First-time Adoption of Indian Accounting Standard, the Company has presented a reconciliation from the presentation of financial statements under Accounting Standards notified under the Companies (Accounting Standards) Rules, 2006 (“Previous GAAP”) to Ind AS of Shareholders’ equity as at 31 March, 2017 and 1 April, 2016 and of the comprehensive net income for the year ended 31 March, 2017.

The financial statements have been prepared on historical cost basis except for certain financial instruments which are measured at fair value at the end of each reporting period as explained in the accounting policies below.

The financial statements of the Company are presented in Indian Rupee (Rs.) and all values are rounded to the nearest lakh, except when otherwise indicated.

#### 2.2 Basis of classification of Current and Non-Current

All assets and liabilities have been classified as current or non-current as per the Company’s normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013. Based on the nature of products and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current/non-current classification of assets and liabilities.

Deferred tax assets and liabilities are classified as non-current assets or liabilities.

#### 2.3 Use of estimates

The preparation of these financial statements, in conformity with the recognition and measurement principles of Ind AS, requires the management of the Company to make judgments, estimates and assumptions that affect application of accounting policies and the reported amount of assets and liabilities, disclosures relating to contingent assets and liabilities as at the date of the financial statements and the reported amounts of income and expenses for the periods presented. Actual results may differ from these estimates. Accounting estimates could change from period to period.

Estimates and underlying assumptions are reviewed on ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and future periods are affected. Changes in estimates are reflected in the financial statements in the period in which changes are made, if material, their effects are disclosed in the notes to the financial statements.

Key source of estimation of uncertainty at the date of the financial statements, which may cause a material adjustment

to the carrying amounts of assets and liabilities within the next financial year, is in respect of valuation of deferred tax assets, Property plant and equipments, impairment of investments, provisions and contingent liabilities.

## 2.4 Revenue Recognition

Revenue is recognised to the extent it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, regardless of when the payment is received. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government. The following specific criteria must also be met before revenue is recognised:

### i) Sale of goods

Revenue from sale of goods is recognized when all the significant risks and rewards of ownership of the goods have been passed to the buyer, usually on delivery of the goods. Revenue is recognised when collectability of the resulting receivables is reasonably assured.

### ii) Sale of services

Revenue from sale of services is recognised as and when the services are rendered and the stage of completion can be measured reliably.

### iii) Dividend and interest income

Dividend income from investments is recognised when the right to receive dividend is established by the reporting date.

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time proportion basis, with reference to the principal outstanding and at the effective interest rate, which is the rate that exactly discounts estimated future cash receipts over the expected life of the financial asset to that asset's net carrying amount on initial recognition.

## 2.5 Operating leases

Operating leases comprises lease arrangements where the risks and rewards incidental to ownership of the leased asset substantially vest with the lessor. Operating Lease payments are recognized on a straight-line basis over the lease term in the statement of profit and loss unless the lease agreement explicitly states that increase is on account of inflation.

## 2.6 Foreign currency

These financial statements are presented in Indian rupees (Rs. / lakh), which is the Company's functional and presentation currency.

Transactions in foreign currencies are recorded at the exchange rate prevailing on the date of transaction. Foreign currency denominated monetary assets and liabilities are re-measured into the functional currency at the exchange rate prevailing on the balance sheet date.

Exchange differences are recognized in the Statement of Profit and Loss.

## 2.7 Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the respective asset. All other borrowing costs are recognized in the Statement of Profit and Loss in the period in which they are incurred.

Borrowing costs include interest and amortisation of ancillary costs incurred in connection with the arrangement of borrowings.

## 2.8 Employee benefits

(i) Retirement benefit in the form of provident fund (where contributed to the Regional PF Commissioner) is a

defined contribution scheme. The Company has no obligation, other than the contribution payable to the provident fund. The Company recognises contribution payable to the provident fund scheme as expenditure, when an employee renders the related service. If the contribution payable to the scheme for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognized as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the balance sheet date, then excess is recognized as an asset to the extent that the pre payment will lead to, for example, a reduction in future payment or a cash refund.

Retirement benefits in the form of provident fund contributed to the Trust set up by the employer is a defined benefit scheme and is provided for on the basis of actuarial valuation of projected unit credit method made at the end of each financial year. The difference between the actuarial valuation of the provident fund of employees at the year end and the balance of own managed funds is provided for as liability in the books by the Company.

- (ii) Gratuity liability under the Payment of Gratuity Act is a defined benefit obligation and is provided for on the basis of an actuarial valuation on projected unit credit method made at the end of each financial year. The gratuity plan has been funded by policy taken from Life Insurance Corporation of India. Actuarial gains and losses are recognised in full in the other comprehensive income for the period in which they occur. Past service cost both vested and unvested is recognised as an expense at the earlier of
  - (a) When the plan amendment or curtailment occurs; and
  - (b) When the entity recognises related restructuring costs or termination benefits.
- (iii) Accumulated leave, which is expected to be utilized within the next 12 months, is treated as short-term employee benefit. The Company measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date.
- (iv) The Company treats accumulated leave expected to be carried forward beyond twelve months, as long-term employee benefit for measurement purposes. Such long-term compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the year-end. Actuarial gains/losses are immediately taken to the statement of profit and loss and are not deferred. The Company presents the entire leave as a current liability in the balance sheet, since it does not have an unconditional right to defer its settlement for 12 months after the reporting date.

## 2.9 Income Taxes

Income tax expense represents the sum of the tax currently payable and deferred tax.

### Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from 'profit before tax' as reported in the statement of profit and loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible.

The Company's current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

### Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

### Current and deferred tax for the year

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively.

## 2.10 Property, plant and equipment

For transition to Ind AS the Company has elected to continue with the carrying value of all of its plant and equipment (including freehold land) as at the transition date i.e. April 01, 2016 measured as per the previous GAAP and use that carrying value as its deemed cost as of the transition date.

Property, plant and equipment, capital work in progress are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. The cost comprises purchase price, borrowing costs if capitalization criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use. Any trade discounts and rebates are deducted in arriving at the purchase price.

When significant parts of plant and equipment are required to be replaced at intervals, the Company depreciated them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognized in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognized in the statement of profit and loss as incurred. The present value of the expected cost for the decommissioning of an asset after its use is included in the cost of respective asset if the recognition criteria for a provision are met.

An item of Property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the assets.

Gains or losses arising from disposal or retirement of property, plant and equipment are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is derecognized.

## 2.11 Depreciation on property, plant and equipment

Leasehold land is amortised on a straight line basis over the period of lease i.e., 95/99 years. Freehold land is not depreciated.

Depreciation on property, plant and equipment including stores and spares transferred from inventory is calculated on a straight-line basis using the rates arrived at, based on the useful lives estimated by the management, which are equal to the useful lives prescribed under Schedule II to the Companies Act, 2013.

Estimated useful lives of the assets are as follows:

S. No.	Assets	Useful lives in years
i.	Buildings	Ranging from 5 to 60 Years
ii.	Plant and equipment	Ranging from 3 to 15 Years
iii.	Furniture and Fixtures	10 years
iv.	Office equipment	Ranging from 3 to 6 Years
v.	Vehicles	Ranging from 8 to 10 Years

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at the end of each reporting period with the effect of any change in estimate accounted for on a prospective basis.

## 2.12 Intangible assets

The Company has elected to continue with the carrying value of all of its intangible assets as at the transition date i.e. April 01, 2016 measured as per the previous GAAP and use that carrying value as its deemed cost as of the transition date.

Intangible assets purchased are measured at cost as of the date of acquisition less accumulated amortisation and accumulated impairment, if any.

Intangible assets consist of rights under licensing agreement and software licenses which are amortised over license period which equates the useful life ranging between 2-4 years on a straight-line basis or actual life of license whichever is earlier.

## 2.13 Impairment of non-financial assets

The Company assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) net selling price and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining net selling price, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used.

The Company bases its impairment calculation on detailed budgets and forecast calculations which are prepared separately for each of the Company's cash-generating units to which the individual assets are allocated.

Impairment losses, including impairment on inventories, are recognized in the statement of profit and loss. After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.

## 2.14 Inventories

Inventories are valued as follows:

Raw materials, stores and spares and packing materials

Lower of cost and net realizable value. However, materials and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated, are expected to be sold at or above cost. Cost is determined on moving weighted average method.

Work in progress and finished goods (own manufactured)

Lower of cost and net realizable value. Cost includes direct materials and labour and a proportion of manufacturing overheads based on normal operating capacity. Cost is determined on monthly moving weighted average basis.

Traded goods

Lower of cost and net realizable value. Cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on moving weighted average basis.

Net realisable value is the estimated selling price in the ordinary course of business less estimated cost of completion and estimated costs necessary to make the sale.

## 2.15 Provisions

Provision is recognized when the Company has a present obligation (legal or constructive) as a result of past event and 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. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

## 2.16 Financial instruments

### i. Classification, initial recognition and measurement

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. Financial assets other than equity instruments are classified into two categories: financial assets at fair value through profit or loss and at amortised cost. Financial assets that are equity instruments are classified at fair value through other comprehensive income. Financial liabilities are classified into financial liabilities at fair value through profit or loss.

Financial instruments are recognized on the balance sheet when the Company becomes a party to the contractual provisions of the instrument.

Initially, a financial instrument is recognized at its fair value. Transaction costs directly attributable to the acquisition or issue of financial instruments are recognized in determining the carrying amount, if it is not classified as at fair value through profit or loss. Subsequently, financial instruments are measured according to the category in which they are classified.

**Financial assets at amortised cost:** Financial assets having contractual terms that give rise on specified dates to cash flows that are solely payments of principal and interest on the principal outstanding and that are held within a business model whose objective is to hold such assets in order to collect such contractual cash flows are classified in this category. Subsequently, these are measured at amortized cost using the effective interest rate method less any impairment losses.

**Equity investments at fair value through other comprehensive income:** These include financial assets that are equity instruments and are irrevocably designated as such upon initial recognition. Subsequently, these are measured at fair value and changes therein are recognized directly in other comprehensive income, net of applicable income taxes.

Dividends from these equity investments are recognized in the Statement of Profit and Loss when the right to receive payment has been established. When the equity investment is derecognized, the cumulative gain or loss in equity is transferred to retained earnings.

**Financial assets at fair value through profit or loss:** Financial assets are measured at fair value through profit or loss unless it is measured at amortised cost or at fair value through other comprehensive income on initial recognition. The transaction costs that are directly attributable to the acquisition of financial assets, which are measured at fair value through profit or loss, are immediately recognised in profit or loss.

**Cash and cash equivalents:** Cash and cash equivalents 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.

**Equity instruments:** An equity instrument is any contract that evidences residual interests in the assets of the Company after deducting all of its liabilities. Equity instruments issued by the Company are recorded at the proceeds received, net of direct issue costs.

**Financial liabilities at fair value through profit or loss:** Derivatives, including embedded derivatives separated from the host contract, unless they are designated as hedging instruments, for which hedge accounting is applied, are classified into this category. These are measured at fair value and changes in fair value are recognized in the Statement of Profit and Loss.

**Financial guarantee contracts:** These are initially measured at fair value and are subsequently measured at the higher of the amount of loss allowance determined or the amount initially recognized, less the cumulative amount of income recognized.

**Other financial liabilities:** These are measured at amortized cost using the effective interest rate method.

### ii. Determination of fair value:

The fair value of a financial instrument on initial recognition is normally the transaction price (fair value of the consideration given or received). Subsequent to initial recognition, the Company determines the fair value of financial instruments, that are quoted in active markets, using the quoted bid prices (financial assets held) or quoted ask prices (financial liabilities held) and using valuation techniques for other instruments. Valuation techniques include discounted cash flow method and other valuation models.

### iii. **Derecognition of financial assets and financial liabilities:**

The Company derecognizes a financial asset only when the contractual rights to the cash flows from the asset expires or it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognizes its retained interest in the asset and an associated liability for amounts it may have to pay. If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognize the financial asset and also recognizes a collateralized borrowing for the proceeds received.

Financial liabilities are derecognised when these are extinguished, which is when the obligation is discharged, cancelled or expired.

### iv. **Impairment of financial assets:**

The Company recognizes a loss allowance for expected credit losses on a financial asset that is at amortized cost. Loss allowance in respect of financial assets is measured at an amount equal to life time expected credit losses and is calculated as the difference between their carrying amount and the present value of the expected future cash flows discounted at the original effective interest rate.

### v. **Derivative financial instruments**

The Company does not hold any derivative and embedded derivative financial instruments.

## 2.17 **Fair value measurement**

Fair value is the price 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, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability, if market participants would take those characteristics into account, when pricing the asset or liability at the measurement date.

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2, or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1: Quoted (unadjusted) market prices in active markets for identical assets or liabilities.
- Level 2: Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.
- Level 3: Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

## 2.18 **Segment reporting**

The Operating Segment have been reported in a manner consistent with the internal reporting provided to the Chief Financial Officer and the Chief Executive Officer who are the Chief Operating Decision Maker (CODM). The Company is engaged in the manufacturing of the Precured Tread Rubber, Bonding Repair and Extrusion Gum and Rubber Cement, which are used for retreading of tyres and providing tyre retreading service. These products do not have any different risk and returns and thus the CODM performs review based on one operating segment.

The company prepares its segment information in conformity with the accounting policies adopted for preparing and presenting the financial statements of the company as a whole.

## 2.19 **Investments in subsidiary**

Investments in subsidiary are measured at cost as per Ind AS-27 – Separate financial statements.

## 2.20 **Earnings per share**

Basic earnings per share are computed by dividing profit/loss for the period by the weighted average number of shares outstanding during the year. Partly paid up shares are included as fully paid equivalents according to the fraction paid up. Diluted earnings per share are computed using the weighted average number of shares and dilutive potential shares, except where the result would be anti-dilutive.



## 2.21 Government grants and subsidies

Grants and subsidies from the government are recognized when there is reasonable assurance that (i) the Company will comply with the conditions attached to them, and (ii) the grant/ subsidy will be received.

Where the grant or subsidy relates to revenue, it is recognized as income on a systematic basis in the statement of profit and loss over the periods necessary to match them with the related costs, which they are intended to compensate. Where the grant relates to an asset, it is recognized as deferred income and released to income in equal amounts over the expected useful life of the related asset.

## 2.22 Contingent liabilities

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Company does not recognize a contingent liability but discloses its existence in the financial statements.

## 2.23 Recent accounting pronouncements

- i) IND AS 115- Revenue from contract with customers: On March 28, 2018, Ministry of Corporate Affairs (“MCA”) has notified the Ind AS 115, Revenue from Contract with Customers.
- ii) Appendix B to Ind AS 21, foreign currency transactions and advance consideration: On March 28, 2018, Ministry of Corporate Affairs (“MCA”) has notified the Companies (Indian Accounting Standards) Amendment Rules, 2018 containing Appendix B to Ind AS 21.

The Company has not considered above pronouncements in these financial statements as the same will come into force from April 1, 2018.

### 3. Property, Plant and Equipment

(Rs. / lakh)

	Freehold Land	Leasehold Land	Buildings	Plant and Equipment	Furniture and fixtures	Office equipment	Vehicles	Total
<b>Cost or deemed cost</b>								
<b>As at 01.04.2016</b>	<b>80.37</b>	<b>15.79</b>	<b>1,020.26</b>	<b>1,531.13</b>	<b>8.32</b>	<b>47.28</b>	<b>41.44</b>	<b>2,744.59</b>
Additions	-	-	24.80	583.82	0.06	10.95	-	619.63
Deductions	-	-	-	12.61	0.01	0.49	1.41	14.52
<b>As at 31.03.2017</b>	<b>80.37</b>	<b>15.79</b>	<b>1,045.06</b>	<b>2,102.34</b>	<b>8.37</b>	<b>57.74</b>	<b>40.03</b>	<b>3,349.70</b>
Additions	-	-	0.94	53.02	0.10	16.72	12.16	82.94
Deductions	-	-	-	1.04	-	0.13	4.85	6.02
<b>As at 31.03.2018</b>	<b>80.37</b>	<b>15.79</b>	<b>1,046.00</b>	<b>2,154.32</b>	<b>8.47</b>	<b>74.33</b>	<b>47.34</b>	<b>3,426.62</b>
<b>Depreciation</b>								
<b>As at 01.04.2016</b>								
Charge for the year	-	0.18	43.85	221.83	1.63	16.75	7.30	291.54
Deductions	-	-	-	0.70	-	0.05	0.13	0.88
<b>As at 31.03.2017</b>	<b>-</b>	<b>0.18</b>	<b>43.85</b>	<b>221.13</b>	<b>1.63</b>	<b>16.70</b>	<b>7.17</b>	<b>290.66</b>
Charge for the year	-	0.19	43.83	229.38	1.03	14.28	7.43	296.14
Deductions	-	-	-	0.23	-	0.04	1.41	1.68
<b>As at 31.03.2018</b>	<b>-</b>	<b>0.37</b>	<b>87.68</b>	<b>450.28</b>	<b>2.66</b>	<b>30.94</b>	<b>13.19</b>	<b>585.12</b>
<b>Net block</b>								
As at 01.04.2016	80.37	15.79	1,020.26	1,531.13	8.32	47.28	41.44	2,744.59
As at 31.03.2017	80.37	15.61	1,001.21	1,881.21	6.74	41.04	32.86	3,059.04
<b>As at 31.03.2018</b>	<b>80.37</b>	<b>15.42</b>	<b>958.32</b>	<b>1,704.04</b>	<b>5.81</b>	<b>43.39</b>	<b>34.15</b>	<b>2,841.50</b>

#### Notes:

- i. The information regarding gross block of assets and accumulated depreciation under previous GAAP is as follows:

(Rs. / lakh)

	As at 1 April, 2016							
	Freehold Land	Leasehold Land	Buildings	Plant and Equipment	Furniture and fixtures	Office equipment	Vehicles	Total
Gross block	80.37	18.63	1,428.65	3,366.31	34.44	145.73	63.00	5,137.13
Accumulated depreciation	-	2.84	408.39	1,835.18	26.12	98.45	21.56	2,392.54
<b>Net block</b>	<b>80.37</b>	<b>15.79</b>	<b>1,020.26</b>	<b>1,531.13</b>	<b>8.32</b>	<b>47.28</b>	<b>41.44</b>	<b>2,744.59</b>

(Rs. / lakh)

	As at 31 March, 2017							
	Freehold Land	Leasehold Land	Buildings	Plant and Equipment	Furniture and fixtures	Office equipment	Vehicles	Total
Gross block	80.37	18.63	1,453.45	3,914.08	34.35	152.07	57.78	5,710.73
Accumulated depreciation	-	3.02	452.24	2,032.87	27.61	111.03	24.92	2,651.69
<b>Net block</b>	<b>80.37</b>	<b>15.61</b>	<b>1,001.21</b>	<b>1,881.21</b>	<b>6.74</b>	<b>41.04</b>	<b>32.86</b>	<b>3,059.04</b>

- ii. The leasehold land comprises land obtained on lease from Rajasthan State Industrial & Mineral Development Corporation Limited for 99 years and land obtained from Government of Himachal Pradesh for 95 years.

#### 4 Other intangible assets

	Software (Rs. / lakh)	Total (Rs. / lakh)
<b>Cost or deemed cost</b>		
<b>As at 01.04.2016</b>	<b>6.38</b>	<b>6.38</b>
Additions	17.53	17.53
<b>As at 31.03.2017</b>	<b>23.91</b>	<b>23.91</b>
Additions	20.84	20.84
Deductions	-	-
<b>As at 31.03.2018</b>	<b>44.75</b>	<b>44.75</b>
<b>Amortisation</b>		
<b>As at 01.04.2016</b>	-	-
Charge for the year	4.76	4.76
Deductions	-	-
<b>As at 31.03.2017</b>	<b>4.76</b>	<b>4.76</b>
Charge for the year	9.56	9.56
Deductions	-	-
<b>As at 31.03.2018</b>	<b>14.32</b>	<b>14.32</b>
<b>Net block</b>		
As at 01.04.2016	6.38	6.38
As at 31.03.2017	19.15	19.15
<b>As at 31.03.2018</b>	<b>30.43</b>	<b>30.43</b>

**Notes:**

- i. The information regarding gross block of assets and accumulated depreciation under previous GAAP is as follows:

	As at 1 April 2016		
	Software	Website development	Total
Gross block	76.95	1.41	78.36
Accumulated depreciation	70.57	1.41	71.98
<b>Net block</b>	<b>6.38</b>	-	<b>6.38</b>

	As at 31 March 2017		
	Software	Website development	Total
Gross block	94.48	1.41	95.89
Accumulated depreciation	75.33	1.41	76.74
<b>Net block</b>	<b>19.15</b>	-	<b>19.15</b>

## 5 Investments

	As at 31 March 2018			As at 31 March 2017			As at 1 April, 2016		
	Face value per share/unit	Numbers	(Rs. / lakh)	Face value per share/unit	Numbers	(Rs. / lakh)	Face value per share/unit	Numbers	(Rs. / lakh)
<b>Non-current</b>									
<b>A. Investments carried at cost</b>									
<b>Unquoted</b>									
<b>i. Investment in subsidiary</b>									
Equity shares of SUN-AMP Solar India Private Limited	10	3,738,300	295.35	10	3,738,300	295.35	-	-	-
			<u>295.35</u>			<u>295.35</u>			<u>-</u>
<b>B. Investments carried at Fair value through other comprehensive income</b>									
<b>i. Equity shares [Fully paid-up (Quoted)]</b>									
IDFC Limited	10	16,770	8.18	10	32,370	17.64	10	32,370	13.08
IDFC Bank Limited	-	-	-	10	32,370	19.20	10	32,370	15.62
Lupin Limited	2	1,372	10.10	2	2,368	34.21	2	2,300	34.02
Divi's Laboratories Limited	-	-	-	-	-	-	2	2,800	27.64
Idea Cellular Limited	-	-	-	10	9,000	7.73	10	9,000	9.92
AIA Engineering Limited	2	593	8.46	-	-	-	2	2,536	23.83
Motherson Sumi Systems Limited	-	-	-	-	-	-	1	8,500	22.65
HDFC Bank Limited	-	-	-	-	-	-	2	6,177	66.17
Larsen and Toubro Limited	2	2,128	27.90	2	3,619	57.09	2	3,619	44.01
Tata Consultancy Services Limited	-	-	-	1	775	18.85	1	775	19.53
Sun Pharmaceutical Industries Limited	-	-	-	1	1,750	12.04	1	1,750	14.35
Tata Motors Limited	-	-	-	2	5,275	24.57	2	9,638	37.23
CG Power and Industrial Solutions Limited	-	-	-	2	27,860	21.62	2	27,860	13.71
Crompton Greaves Consumer Electricals Limited	-	-	-	-	-	-	2	27,860	-
Titan Company Limited	-	-	-	1	4,000	18.51	1	4,000	13.56
Bajaj Finserv Limited	-	-	-	-	-	-	5	798	13.60
Engineers India Limited	5	4,370	6.92	5	4,370	6.31	5	2,185	3.72
Hero Motocorp Limited	-	-	-	-	-	-	2	1,174	34.56
Axis Bank Limited	2	1,468	7.48	2	1,468	7.20	2	6,763	30.04
Havells India Limited	-	-	-	-	-	-	1	8,500	27.31
South Indian bank Limited	-	-	-	1	50,000	10.68	1	50,000	8.83
Ultratech Cement Limited	-	-	-	-	-	-	10	900	29.06
Bata India Limited	-	-	-	5	3,691	20.95	5	3,691	18.77
Infosys Limited	-	-	-	5	2,650	27.09	5	2,650	32.28
Asian Paints Limited	-	-	-	-	-	-	1	1,700	14.77
Grasim Industries Limited	-	-	-	-	-	-	10	600	23.05
ICICI Bank Limited	2	6,858	19.09	2	6,235	17.28	2	6,235	14.75
Tech Mahindra Limited	5	3,610	23.06	5	3,610	16.59	5	3,610	17.16
United Spirits Limited	10	603	18.87	10	603	13.11	10	603	15.07
Wipro Limited	2	7,364	20.70	2	3,682	18.98	2	3,682	20.74
Bank of Baroda	-	-	-	2	10,000	17.30	2	10,000	14.70
Bharat Forge Limited	-	-	-	2	2,100	21.88	2	2,100	18.34
Voltas Limited	-	-	-	-	-	-	1	6,600	18.35
Maruti Suzuki Limited	-	-	-	-	-	-	5	344	12.79
Cipla Limited	2	2,220	12.11	2	2,220	13.15	2	2,220	11.37
Kotak Mahindra Bank Limited	-	-	-	-	-	-	5	2,500	17.02
Mahindra CIE Automotive Limited	10	2,450	5.28	10	2,450	5.20	10	2,450	4.78
Mayur Uniquoters Limited	-	-	-	5	685	2.59	5	685	2.65
P.I. Industries Limited	1	1,199	10.65	1	935	7.83	1	935	5.31
Supreme Industries Limited	2	627	7.47	2	627	6.84	2	627	4.63
City Union Bank Limited	1	8,853	15.28	-	-	-	1	6,725	6.38
Indusind Bank Limited	-	-	-	10	650	9.16	10	650	6.29
ITC Limited	-	-	-	1	2,638	7.40	1	1,759	5.77
Persistent Systems Limited	10	1,867	12.90	10	888	5.29	10	888	6.76
Shriram City Union Finance Limited	-	-	-	-	-	-	10	347	5.21
Tata Motors Limited - DVR	-	-	-	2	1,990	5.61	2	1,990	5.74
TVS Motor Company Limited	1	978	6.03	1	978	4.22	1	978	3.16
La Opala RG Limited	2	2,846	8.08	2	1,232	6.63	-	-	-
Eastern Treads Limited	10	11,100	8.72	10	11,100	12.58	-	-	-
Vamshi Rubber Limited	10	4,664	2.28	10	4,664	2.11	-	-	-
PVR Limited	10	1,079	13.12	-	-	-	-	-	-
Torrent Pharmaceuticals Limited	5	1,063	13.27	-	-	-	-	-	-
Page Industries Limited	10	49	11.12	-	-	-	-	-	-
Amrutanjan Health care Limited	2	1,228	6.60	-	-	-	-	-	-
Cadila Healthcare Limited	1	1,214	4.60	-	-	-	-	-	-
Cholamandalam investment and finance company Limited	10	923	13.38	-	-	-	-	-	-
Garware wall ropes Limited	10	840	7.72	-	-	-	-	-	-
Kajaria Ceramics Limited	1	2,061	11.69	-	-	-	-	-	-
			<u>321.06</u>			<u>497.44</u>			<u>808.28</u>

	As at 31 March 2018			As at 31 March 2017			As at 1 April, 2016		
	Face value per share/unit	Numbers	(Rs. / lakh)	Face value per share/unit	Numbers	(Rs. / lakh)	Face value per share/unit	Numbers	(Rs. / lakh)
<b>ii. Equity mutual funds (Unquoted)</b>									
HDFC Prudence Fund-Direct Plan-Dividend	10	282,433.93	98.58	10	282,433.93	101.24	10	282,433.93	86.13
HDFC Mid Cap Opportunities Fund-Direct Plan-Dividend	-	-	-	-	-	-	10	930,424.61	255.00
HDFC Top 200 Fund-Direct Plan-Dividend	10	490,313.60	243.51	10	490,313.60	253.55	10	490,313.60	211.08
ICICI Prudential Balanced Fund-Direct Plan-Dividend	10	394,706.74	120.38	10	394,706.74	116.95	10	394,706.74	96.15
ICICI Prudential Balanced Fund-Direct Plan-Growth	-	-	-	-	-	-	10	2,787.69	2.57
Birla Sun Life Frontline Equity Fund-Dividend-Direct Plan-Payout	-	-	-	-	-	-	10	703,222.99	250.84
ICICI Prudential Value Discovery Fund Regular Plan Dividend	10	60,864.27	17.62	10	60,864.27	18.90	10	60,864.27	17.24
HDFC Equity Fund-Dividend Plan	-	-	-	-	-	-	10	115,764.28	49.79
Kotak Select Focus Fund-Regular Plan-Dividend	10	363,612.17	82.50	10	363,612.17	79.57	10	363,612.17	65.17
SBI Blue Chip Fund Regular Plan-Dividend	10	271,815.81	57.56	10	271,815.81	51.93	10	110,881.34	18.57
ICICI Prudential Multi Cap Fund Regular Plan-Dividend	10	218,254.51	48.17	10	218,254.51	54.00	10	218,254.51	44.79
Kotak Equity Arbitrage Fund Direct Plan-Monthly Dividend	-	-	-	-	-	-	10	2,753,636.01	299.88
ICICI Prudential Equity Arbitrage Fund-Direct Plan-Dividend	10	744,097.22	107.48	10	2,094,695.97	305.55	10	2,072,498.06	294.62
Reliance Arbitrage Advantage Fund Direct Monthly Dividend Plan	10	4,717,163.38	512.23	10	4,717,163.38	509.14	10	3,777,578.68	401.12
Franklin India High Growth Companies Fund-Direct -Dividend Payout	10	202,815.07	52.68	10	202,815.07	51.61	10	202,815.07	44.11
ICICI Prudential Business Cycle Fund Series 1 Regular Plan Dividend Payout	10	1,000,000.00	101.50	10	1,000,000.00	118.00	10	1,000,000.00	95.40
DSP Black Rock Focus 25 Fund-Regular Plan- Dividend	10	317,944.81	42.60	10	317,944.81	44.16	10	317,944.81	39.32
Franklin India Prima Plus-Dividend payout	10	82,310.69	30.80	10	82,310.69	30.82	-	-	-
UTI Spread Fund - Direct Plan-Dividend Payout	10	7,252,333.92	1,209.04	-	-	-	-	-	-
Kotak Equity Arbitrage Fund	10	499,316.93	127.40	-	-	-	-	-	-
Avendus Enhanced Return Fund	-	-	101.66	-	-	-	-	-	-
JM Balanced Fund - Annual Dividend Option	-	623,610.52	118.78	-	-	-	-	-	-
			<u>3,072.49</u>			<u>1,735.42</u>			<u>2,271.78</u>
<b>iii. Capital venture fund (unquoted)</b>									
Zodius Technology Fund (refer note (i) below)	10	852,535.92	90.36	10	995,029.00	126.00	10	795,029.00	106.40
IIFL Special Opportunities Fund Series 4 (refer note (i) below)	10	1,258,214.05	125.26	-	-	-	-	-	-
India Small and Mid Cap Gems fund	100	100,000.00	97.71	-	-	-	-	-	-
India Whizdom Fund (refer note (i) below)	-	-	222.70	-	-	107.61	-	-	-
			<u>536.03</u>			<u>233.61</u>			<u>106.40</u>
<b>iv. Investment in Compulsory convertible preference shares (Unquoted)</b>									
SRL 142 Holdings Limited (These preference shares are fully paid up and will be compulsory converted into equity shares after eight years from the date of issue.)	\$1	1,800,000	1365.00	\$1	1,800,000	1201.95	-	-	-
Lithium Urban Technologies Private Limited (These preference shares are mandatorily convertible into equity shares on or before 31 Jan 2019)	1000	20,000	250.00	-	-	-	-	-	-
			<u>1,615.00</u>			<u>1,201.95</u>			<u>-</u>
			<u>5,544.58</u>			<u>3,668.42</u>			<u>3,186.46</u>

	As at 31 March 2018			As at 31 March 2017			As at 1 April, 2016		
	Face value per share/unit	Numbers	(Rs. / lakh)	Face value per share/unit	Numbers	(Rs. / lakh)	Face value per share/unit	Numbers	(Rs. / lakh)
<b>C. Investments carried at Fair value through profit and loss (Unquoted)</b>									
UTI Fixed Maturity Plan-Yearly FMP Series YMFP (03/14)- Direct Growth Plan	-	-	-	-	-	-	10	9,750,000.00	1,153.67
UTI Fixed Term Income Fund Series XXII-VI (1098 Days)-Growth Plan	-	-	-	10	1,000,000.00	119.62	10	1,000,000.00	107.01
UTI Fixed Term Income Fund Series XXIV-V (1132 Days)-Direct Growth Plan	10	4,535,108.70	539.05	10	4,535,108.70	501.33	10	4,535,108.70	455.80
LIC MF Bond Fund - Growth Plan	10	729,047.18	335.75	10	729,047.18	324.69	-	-	-
BOI AXA Corporate Credit Spectrum Fund - Regular Plan Growth	10	1,768,940.94	236.12	10	1,768,940.94	216.86	-	-	-
BSL Medium Term Plan - Growth Regular Plan	10	1,035,646.97	227.61	10	1,035,646.97	211.37	-	-	-
Kotak Income Opportunities Fund Direct Growth Plan	10	1,063,925.99	213.57	-	-	-	-	-	-
UTI Income Opportunities Direct Growth Plan	10	1,269,285.20	214.30	-	-	-	-	-	-
Reliance Corporate Bond Fund - Direct Growth Plan	10	1,477,317.64	213.91	-	-	-	-	-	-
UTI Fixed Term Income Fund - Series XXVII - VI (1113 Days) Direct Growth Plan	10	3,000,000.00	310.04	-	-	-	-	-	-
ICICI Prudential Real Estate AIF-1 (refer note (i) below) (paid up Rs 93 per unit, as at 31-03-2017 Rs 93 per unit, as at 01-04-16 Rs 65 per unit)	100	200,000.00	200.00	100	200,000.00	189.43	100	200,000.00	133.43
UTI-Fixed Term Income Fund - Series XXVIII-II (1210 Days ) Direct Growth Plan	10	2,000,000.00	204.07	-	-	-	-	-	-
Reliance Dynamic Bond Fund- Direct-Growth Plan	10	2,032,394.04	487.71	-	-	-	-	-	-
UTI Fixed Term Income Fund - Series XXVIII-XIII ( 1134 Days)	10	3,000,000.00	300.94	-	-	-	-	-	-
			<u>3,483.07</u>			<u>1,563.30</u>			<u>1,849.91</u>
<b>D. Investments carried at amortised cost (Unquoted)</b>									
<b>i. Tax free Bonds</b>									
7.40% IIFCL (HNI) 22-Jan-33 (Tax Free)	1,000	18,250	187.55	1,000	18,250	187.88	1,000	18,250	188.22
8.26% IIFCL 23-Aug-28 (Tax Free)	1,000,000	8	86.90	1,000,000	8	87.59	1,000,000	8	88.28
			<u>274.45</u>			<u>275.47</u>			<u>276.50</u>
<b>ii. Investment in preference shares</b>									
7.5% Cumulative Redeemable Preference Shares of Tata Capital Limited (Cumulative redeemable preference shares are fully paid up and are redeemable at par after 7 years from the date of allotment.)	1000	50,000.00	500.00	1000	50,000.00	500.00	-	-	-
6% Zee Preference Shares (Cumulative redeemable preference shares are fully paid up and are redeemable at par)	10	1,000,000.00	80.00	-	-	-	-	-	-
			<u>580.00</u>			<u>500.00</u>			<u>-</u>
			<u>854.45</u>			<u>775.47</u>			<u>276.50</u>
			<u>10,177.45</u>			<u>6,302.54</u>			<u>5,312.87</u>
Measured at fair value through profit or loss			3,483.07			1,563.30			1,849.91
Measured at amortised cost			854.45			775.47			276.50
Measured at fair value through other comprehensive income			5,544.58			3,668.42			3,186.46
Measured at cost - Investment in subsidiary			295.35			295.35			-
			<u>10,177.45</u>			<u>6,302.54</u>			<u>5,312.87</u>
a. Aggregate amount of quoted investments and market value thereof			321.06			497.44			808.28
b. Aggregate amount of unquoted investments (including mutual funds)			9,856.39			5,805.10			4,504.59
<b>Notes:</b>									
i. The Company has further commitment for the investments as under:									
a. Zodiuss Technology Fund			-			-			20.00
b. ICICI Prudential Real Estate AIF-1			-			14.00			70.00
c. India Whizdom Fund			-			100.00			160.00
d. IIFL Special Opportunities Fund Series 4			125.00			-			-
ii. Investment in Subsidiary									
		<b>Registered Office</b>			<b>Principal Place of Business</b>		<b>% of shareholding</b>		
							<b>31/03/2018</b>	<b>31/03/2017</b>	<b>1/04/2016</b>
Equity shares of SUN-AMP Solar India Private Limited		N-34, Lower ground floor, Kalkaji, New Delhi-110019			N-34, Lower ground floor, Kalkaji, New Delhi-110019		51%	76%	-

## 6 Loans

	Non-current			Current		
	As at 31 March 2018 (Rs. /lakh)	As at 31 March 2017 (Rs. /lakh)	As at 1 April 2016 (Rs. /lakh)	As at 31 March 2018 (Rs. /lakh)	As at 31 March 2017 (Rs. /lakh)	As at 1 April 2016 (Rs. /lakh)
<b>(Unsecured, considered good) (at amortised cost)</b>						
Loan to employees	0.14	1.80	2.82	15.68	13.86	20.77
Loan to others	3.46	8.01	-	4.22	3.89	-
	<u>3.60</u>	<u>9.81</u>	<u>2.82</u>	<u>19.90</u>	<u>17.75</u>	<u>20.77</u>

## 7 Income tax assets/liabilities

	Non-current			Current		
	As at 31 March 2018 (Rs. /lakh)	As at 31 March 2017 (Rs. /lakh)	As at 1 April 2016 (Rs. /lakh)	As at 31 March 2018 (Rs. /lakh)	As at 31 March 2017 (Rs. /lakh)	As at 1 April 2016 (Rs. /lakh)
Income tax assets						
Income tax paid (Net)	20.00	20.00	29.90	-	8.93	-
	<u>20.00</u>	<u>20.00</u>	<u>29.90</u>	<u>-</u>	<u>8.93</u>	<u>-</u>
Current income tax liabilities(Net)						
Income tax payable	-	-	-	63.07	49.76	41.17
	<u>-</u>	<u>-</u>	<u>-</u>	<u>63.07</u>	<u>49.76</u>	<u>41.17</u>

## 8 Other financial assets

	Non-current			Current		
	As at 31 March 2018 (Rs. /lakh)	As at 31 March 2017 (Rs. /lakh)	As at 1 April 2016 (Rs. /lakh)	As at 31 March 2018 (Rs. /lakh)	As at 31 March 2017 (Rs. /lakh)	As at 1 April 2016 (Rs. /lakh)
<b>Fixed deposits with banks</b>						
Deposits with banks and government tax authorities paid under protest and pledged	81.75	22.18	3.75	-	-	-
	<u>81.75</u>	<u>22.18</u>	<u>3.75</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Deposits</b>						
Security deposits - considered goods	42.76	39.77	43.34	43.47	26.04	18.60
Doubtful	-	-	-	-	-	2.10
Less: Provision for doubtful security deposits	-	-	-	-	-	2.10
	<u>42.76</u>	<u>39.77</u>	<u>43.34</u>	<u>43.47</u>	<u>26.04</u>	<u>18.60</u>

	Non-current			Current		
	As at	As at	As at	As at	As at	As at
	31 March	31 March	1 April	31 March	31 March	1 April
	2018	2017	2016	2018	2017	2016
	(Rs. /lakh)	(Rs. /lakh)	(Rs. /lakh)	(Rs. /lakh)	(Rs. /lakh)	(Rs. /lakh)
<b>Others</b>						
Deposit with government tax authorities under protest (refer note 36)	-	-	-	451.67	437.46	343.84
Interest accrued on financial assets carried at amortised cost:						
- fixed deposits with banks	1.71	0.52	0.26	1.93	6.23	6.41
- other deposits	-	-	-	1.69	2.01	2.14
- other investments	-	-	-	6.59	6.59	6.59
Interest accrued on financial assets carried at FVTPL	-	-	-	5.38	-	-
Export benefits receivable	-	-	-	11.18	5.69	20.24
Other receivable	-	-	-	17.14	7.34	65.88
Application money paid to India Whizdom fund (pending allotment)	-	-	-	-	-	42.86
	<u>1.71</u>	<u>0.52</u>	<u>0.26</u>	<u>495.58</u>	<u>465.32</u>	<u>487.96</u>
	<u>126.22</u>	<u>62.47</u>	<u>47.35</u>	<u>539.05</u>	<u>491.36</u>	<u>506.56</u>

## 9 Other assets

	Non-current			Current		
	As at	As at	As at	As at	As at	As at
	31 March	31 March	1 April	31 March	31 March	1 April
	2018	2017	2016	2018	2017	2016
	(Rs. /lakh)	(Rs. /lakh)	(Rs. /lakh)	(Rs. /lakh)	(Rs. /lakh)	(Rs. /lakh)
Capital advances	-	28.79	46.10	-	-	-
Advance to suppliers	-	-	-	32.62	93.03	44.55
Balances with statutory / government authorities	-	-	-	70.30	46.77	25.55
Prepaid expenses	3.07	-	0.80	34.85	14.64	35.46
Advance to employee	-	-	-	7.99	9.98	10.20
Other advances	-	-	-	4.36	5.26	2.74
	<u>3.07</u>	<u>28.79</u>	<u>46.90</u>	<u>150.12</u>	<u>169.68</u>	<u>118.50</u>



## 10 Inventories (valued at lower of cost and net realisable value)

	As at 31 March 2018 (Rs. / lakh)	As at 31 March 2017 (Rs. / lakh)	As at 1 April 2016 (Rs. / lakh)
Raw materials [including stock in transit Rs. 343.78 lakh (previous year Rs. 130.38 lakh)]	1,139.55	968.83	702.20
Packing materials	10.79	19.73	15.28
Stores and spare parts	67.26	65.94	64.80
Work-in-progress	208.44	234.27	171.86
Finished goods	1842.04	2,835.57	1,967.96
Traded goods	10.53	18.14	12.96
	<u>3,278.61</u>	<u>4,142.48</u>	<u>2,935.06</u>

## 11 Investments

	As at 31 March 2018			As at 31 March 2017			As at 1 April, 2016		
	Face value per unit	Numbers	(Rs. / lakh)	Face value per unit	Numbers	(Rs. / lakh)	Face value per unit	Numbers	(Rs. / lakh)
<b>Current</b>									
<b>Current investments valued at FVTPL</b>									
<b>Investments in Mutual Funds (Unquoted)</b>									
UTI Money Market Fund - Institutional Plan - Direct plan - Growth	-	-	-	1,000	194.41	3.55	1,000	56,192.33	954.57
UTI Treasury Advantage Fund - Institutional Plan - Direct Plan - Growth	-	-	-	1,000	197.27	4.45	1,000	197.27	4.09
UTI Fixed Maturity Plan-Yearly FMP Series YMFP (03/14)- Direct Growth Plan	-	-	-	10	9,750,000.00	1,249.24	-	-	-
UTI Dynamic Bond Fund-Direct Plan - Growth	-	-	-	10	2,606,479.85	512.84	10	326,151.48	55.62
UTI Short Term Income Fund-Institutional Option-Direct Plan - Growth	10	304,664.41	65.92	10	304,664.41	61.92	10	304,664.41	56.15
UTI Short Term Income Fund-Institutional Option-Direct Monthly Dividend Plan Reinvestment	-	-	-	10	370,804.98	40.35	10	7,280,449.51	776.61
Reliance Dynamic Bond Fund-Direct-Growth Plan	-	-	-	10	2,032,394.04	467.42	10	1,608,003.47	329.68
Reliance Short Term Fund- Direct Growth Plan-Growth option	10	387,133.24	130.41	10	387,133.24	122.34	10	387,133.24	111.59
Reliance Mutual Fund ETF Liquid Bees	1,000	0.76	0.01	-	-	-	1,000	1,761.09	17.62
Kotak Floater Short Term - Daily Dividend (Regular Plan)	1,000	511.22	5.17	1,000	489.24	4.95	1,000	466.69	4.72
Reliance Banking & PSU Debt Fund Direct Weekly Dividend Plan Re-investment	-	-	-	10	1,331,216.54	134.89	10	1,253,662.01	126.91
Reliance Quarterly Interval Fund-Series II- Direct Growth Plan Growth Option	-	-	-	-	-	-	10	487,878.65	101.23
Reliance Quarterly Interval Fund-Series III- Direct Growth Plan Growth Option	-	-	-	-	-	-	10	4,029,398.49	503.34
UTI Liquid Cash Plan -Institutional-Direct Plan- Growth	1,000	3,273.40	93.13	1,000	9,404.40	250.46	-	-	-
Birla Sun Life Treasury Optimizer Plan - Growth - Direct plan	100	36,790.60	82.60	100	36,790.60	77.38	-	-	-
UTI Fixed Term Income Fund Series XXII-VI (1098 Days)-Growth Plan	10	1,000,000.00	129.94	-	-	-	-	-	-
UTI Liquid Cash Plan -Institutional - Regular Plan- Growth	1,000	285.37	8.10	1,000	1,330.70	35.35	-	-	-
			<u>515.28</u>			<u>2,965.14</u>			<u>3,042.13</u>
Aggregate amount of unquoted investments			515.28			2,965.14			3,042.13

## 12 Trade receivables

	As at 31 March 2018 (Rs. / lakh)	As at 31 March 2017 (Rs. / lakh)	As at 1 April 2016 (Rs. / lakh)
Unsecured, considered good	2,834.31	2,826.34	2,921.40
Secured, considered good	55.81	73.82	90.30
Doubtful	32.30	4.37	5.94
	<u>2,922.42</u>	<u>2,904.53</u>	<u>3,017.64</u>
Allowances for doubtful debts (expected credit loss allowance)	32.30	4.37	5.94
	<u>2,890.12</u>	<u>2,900.16</u>	<u>3,011.70</u>

### Notes:

- There are no customers who represent more than 5% of the total balance of trade receivables.
- The credit period generally allowed on sales of goods and services varies from 21 to 60 days.
- The provision for doubtful debts at the reporting period are analysed by the Company on case to case basis.
- Movement in the expected credit loss allowances:

	As at 31 March 2018 (Rs. / lakh)	As at 31 March 2017 (Rs. / lakh)	As at 1 April 2016 (Rs. / lakh)
Balance at the beginning of the year	4.37	5.94	44.44
Movement in expected credit loss allowance on trade receivables calculated	27.93	(1.57)	(38.50)
<b>Balance at the end of the year</b>	<u>32.30</u>	<u>4.37</u>	<u>5.94</u>

The concentration of credit risk is limited due to the fact that the customer base is large and unrelated.

## 13 Cash and cash equivalents

	As at 31 March 2018 (Rs. / lakh)	As at 31 March 2017 (Rs. / lakh)	As at 1 April 2016 (Rs. / lakh)
Balances with banks:			
- On current accounts	241.88	220.86	142.58
- On cash credit accounts	55.09	76.59	101.89
	<u>296.97</u>	<u>297.45</u>	<u>244.47</u>
Cash in hand	3.58	1.66	2.12
	<u>300.55</u>	<u>299.11</u>	<u>246.59</u>

### Note:

Cash credit from banks are secured by first pari passu charge on entire current assets including stocks lying at the Company's factory at Nalagarh and other stock points, on book debts and on entire fixed assets of the Company, present and future. The cash credit is repayable on demand and carries interest @ 9.75% p.a. to 10.80% p.a.

The Company has not utilised Cash Credit as on 31 March,2018, 31 March,2017 and 1 April, 2016.

#### 14 Bank balances other than above

	As at 31 March 2018 (Rs. / lakh)	As at 31 March 2017 (Rs. / lakh)	As at 1 April 2016 (Rs. / lakh)
Other bank balances:			
- Deposits with remaining maturity for less than 12 months (Deposits pledged with banks and other government authorities)	58.49	159.28	144.25
- Unpaid dividend accounts	53.06	46.37	40.39
	111.55	205.65	184.64

#### 15 Equity share capital

	As at 31 March, 2018		As at 31 March, 2017		As at 1 April, 2016	
	No. of shares	(Rs. / lakh)	No. of shares	(Rs. / lakh)	No. of shares	(Rs. / lakh)
<b>Authorised shares</b>						
Equity shares of Rs. 2 each	35,000,000	700.00	35,000,000	700.00	35,000,000	700.00
<b>Issued, subscribed and fully paid-up shares</b>						
Equity shares of Rs. 2 each fully paid up	26,250,000	525.00	26,250,000	525.00	26,250,000	525.00

#### Notes:

##### a. Reconciliation of the number of shares outstanding at the beginning and at the end of the reporting year

	As at 31 March, 2018		As at 31 March, 2017		As at 1 April, 2016	
	No. of shares	(Rs. / lakh)	No. of shares	(Rs. / lakh)	No. of shares	(Rs. / lakh)
<b>Equity shares</b>						
At the beginning of the year	26,250,000	525.00	26,250,000	525.00	26,250,000	525.00
Movement during the year	-	-	-	-	-	-
<b>Outstanding at the end of the year</b>	26,250,000	525.00	26,250,000	525.00	26,250,000	525.00

##### b. Terms/rights attached to equity shares

The Company has only one class of equity shares having par value of Rs. 2 per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends in Indian rupees.

##### c. Detail of shareholders holding more than 5% shares

	As at 31 March, 2018		As at 31 March, 2017		As at 1 April, 2016	
	No. of shares	(Rs. / lakh)	No. of shares	(Rs. / lakh)	No. of shares	(Rs. / lakh)
<b>Equity shares of Rs. 2 each fully paid</b>						
i. Mrs. Jeet Khemka	8,765,005	33.39%	8,765,005	33.39%	8,765,005	33.39%
ii. Khemka Aviation Private Limited	6,272,325	23.89%	6,272,325	23.89%	6,272,325	23.89%

## 16 Other equity

	As at 31 March 2018 (Rs. / lakh)	As at 31 March 2017 (Rs. / lakh)	As at 1 April 2016 (Rs. / lakh)
<b>i. Capital reserve</b>			
a. Profit on re-issue of forfeited shares	0.29	0.29	0.29
	<u>0.29</u>	<u>0.29</u>	<u>0.29</u>
<b>ii. Securities premium reserve</b>	450.00	450.00	450.00
<b>iii. General reserve</b>	1,148.80	1,148.80	1,148.80
<b>iv. Retained earnings</b>			
Balance at the beginning of year	15,244.37	13,815.30	13,815.30
Profit for the year	1,575.96	2,187.32	-
Final dividend (amount per share Rs. 1.50, previous year Rs. 1.50)	(393.75)	(393.75)	-
Interim dividend (amount per share Rs. 0.90, previous year Rs. 0.90)	(236.25)	(236.25)	-
Tax on dividends	(128.26)	(128.25)	-
<b>Balance at end of year</b>	<u>16,062.07</u>	<u>15,244.37</u>	<u>13,815.30</u>
<b>v. Other comprehensive income</b>			
Balance at the beginning of year	265.11	(236.74)	(236.74)
Fair valuation of equity instruments	208.49	215.32	-
Gain/(loss) on sale of equity and equity related instruments	13.14	292.74	-
Re-measurement gain on defined benefit obligations (net)	24.15	1.16	-
Income tax relating to items that will not be reclassified to profit or loss	(8.36)	(6.97)	-
Deferred tax	(47.48)	(0.40)	-
<b>Balance at end of year</b>	<u>455.05</u>	<u>265.11</u>	<u>(236.74)</u>
<b>Total other equity</b>	<u>18,116.21</u>	<u>17,108.57</u>	<u>15,177.65</u>

### Notes

#### (i) Capital reserve

Capital reserve represents the amount on account of forfeiture of equity shares of the Company.

#### (ii) Securities premium reserve

Securities Premium represents amount received on issue of shares in excess of the par value.

#### (iii) General reserves

This represents appropriation of profit by the Company. General reserve is created by a transfer from one component of equity to another and is not an item of other comprehensive income. Central cash subsidy amounting to Rs. 30 lakh received for the installation of plant at Nalagarh in 2006 have been transferred to the general reserves as on 1 April, 2016.

#### (iv) Retained earnings

Retained earnings comprises of prior years undistributed earnings after taxes.

For the year ended 31 March 2018, the amount of per share dividend recognised as distribution to equity shareholders was Rs. 2.40 (Previous year Rs. 2.40).

The board of directors in its meeting held on May 24, 2018, has proposed final dividend @ 75% of paid up capital (i.e. Rs. 1.50 per equity share of Rs. 2 each).

#### (v) Other comprehensive income

It comprises amounts that will not be re-classified to profit & loss and are eligible to be re-classified in retained earning.

## 17 Deferred tax liabilities (Net)

The following is the analysis of deferred tax (assets)/liabilities are as follows:

	As at 31 March 2018 (Rs. / lakh)	As at 31 March 2017 (Rs. / lakh)	As at 1 April 2016 (Rs. / lakh)
Deferred tax liabilities	414.23	444.92	341.07
Deferred tax assets	(49.83)	(54.90)	(53.93)
	<u>364.40</u>	<u>390.02</u>	<u>287.14</u>

	Opening Balance (Rs. / lakh)	Recognised in Profit and loss (Rs. / lakh)	Recognised in other comprehensive Income (Rs. / lakh)	Closing balance (Rs. / lakh)
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### As at 31 March, 2018

Deferred tax (assets) / liabilities in relation to:

Property, plant and equipment	384.73	(61.72)	-	323.01
Fair value change in investments	60.19	(16.45)	47.48	91.22
Provisions for doubtful debts	(1.51)	(7.89)	-	(9.40)
Provision for employee benefits	(29.54)	7.12	-	(22.42)
Tax impact of expenses chargeable in the financial statements but allowable under the Income Tax Act, 1961 in future years	(23.85)	5.84	-	(18.01)
	<u>390.02</u>	<u>(73.10)</u>	<u>47.48</u>	<u>364.40</u>

As at 31 March 2017

Deferred tax (assets) / liabilities in relation to:

Property, plant and equipment	315.90	68.83	-	384.73
Fair value change in investments	25.17	35.02	-	60.19
Provisions for doubtful debts	(2.78)	1.27	-	(1.51)
Provision for employee benefits	(25.95)	(3.99)	0.40	(29.54)
Tax impact of expenses chargeable in the financial statements but allowable under the Income Tax Act, 1961 in future years	(25.20)	1.35	-	(23.85)
	<u>287.14</u>	<u>102.48</u>	<u>0.40</u>	<u>390.02</u>

## 18 Trade payables

	As at 31 March 2018 (Rs. / lakh)	As at 31 March 2017 (Rs. / lakh)	As at 1 April 2016 (Rs. / lakh)
Due of micro,small and medium enterprises (refer note 37)	22.88	10.94	6.27
Due other than micro,small and medium enterprises	1,403.18	1,790.92	1,667.17
	<u>1,426.06</u>	<u>1,801.86</u>	<u>1,673.44</u>

## 19 Other financial liabilities

	As at 31 March 2018 (Rs. / lakh)	As at 31 March 2017 (Rs. / lakh)	As at 1 April 2016 (Rs. / lakh)
Unpaid dividend (refer note below)	53.06	46.37	40.39
Payable towards capital goods	7.27	14.68	47.72
Retention money and security deposits	176.22	153.62	144.94
Interest on income tax payable	-	1.50	0.50
Interest on sales tax/GST payable	5.23	5.20	5.20
Interest on security deposits payable	14.18	15.03	13.83
Other payables	3.40	-	-
	<u>259.36</u>	<u>236.40</u>	<u>252.58</u>

### Note:

Unpaid dividend is credited to Investor Education and Protection Fund as and when due.

## 20 Provisions

	As at 31 March 2018 (Rs. / lakh)	As at 31 March 2017 (Rs. / lakh)	As at 1 April 2016 (Rs. / lakh)
<b>(Current)</b>			
<b>Provision for employee benefits</b>			
Provision for gratuity (refer note 39)	31.17	13.94	-
Provision for leave encashment	76.99	85.37	74.98
	<u>108.16</u>	<u>99.31</u>	<u>74.98</u>

## 21 Other current liabilities

	As at 31 March 2018 (Rs. / lakh)	As at 31 March 2017 (Rs. / lakh)	As at 1 April 2016 (Rs. / lakh)
Advances from customers	15.00	16.25	18.25
Others statutory dues payables(refer note below)	111.86	324.60	417.22
Other payables	39.11	169.73	218.08
	<u>165.97</u>	<u>510.58</u>	<u>653.55</u>

### Note:

Others statutory dues majorly comprises of Sales tax, VAT, GST, TDS and Excise duty.

## 22 Revenue from operations

	Year ended 31 March 2018 (Rs. / lakh)	Year ended 31 March 2017 (Rs. / lakh)
Sale of products:		
Manufactured goods (including excise duty of Rs. 386.93 lakh for year ended March 31, 2018 and Rs 2024.75 lakh for the year ended March 31, 2017)	16,718.24	20,280.73
Traded goods	33.87	36.77
	<u>16,752.11</u>	<u>20,317.50</u>
Less: Rebates and claims	21.92	23.82
	<u>16,730.19</u>	<u>20,293.68</u>
Sale of services	19.61	40.35
<b>Other operating revenue:</b>		
Scrap sales	25.46	40.42
Export benefits*	8.46	8.61
	<u>16,783.72</u>	<u>20,383.06</u>
<b>Revenue from operations (gross)</b>		
<b>Details of products sold</b>		
<b>Finished goods sold</b>		
Precured tread rubber	14,205.48	17,394.18
Bonding repair and extrusion gums (including envelopes)	1,417.03	1,761.34
Other materials	1,073.81	1,101.39
	<u>16,696.32</u>	<u>20,256.91</u>
Traded goods	33.87	36.77
	<u>16,730.19</u>	<u>20,293.68</u>
<b>Details of services rendered</b>		
Tyre retreading services	19.61	40.35
	<u>19.61</u>	<u>40.35</u>

\*Export entitlements in the form of Duty Drawback Scheme, Focus Product Scheme and Merchandise Export from India are recognized in the statement of profit and loss when the right to receive credit as per the terms of the scheme is established in respect of exports made and when there is no significant uncertainty regarding the ultimate collection of the relevant export proceeds.

## 23 Other income

	Year ended 31 March 2018 (Rs. / lakh)	Year ended 31 March 2017 (Rs. / lakh)
<b>Interest income earned on financial asset recognised at amortised cost :</b>		
- Bank deposits	10.55	15.72
- Investment in debt instruments	44.38	39.16
- Other financial assets	15.83	4.55
<b>Dividend income :</b>		
- Dividend from investments valued at FVTPL	3.12	22.21
- Dividend from investments valued at OCI	210.09	145.10
- Dividend from investments valued at amortised cost	38.61	20.24
Gain on disposal of debt instruments at FVTPL	70.14	81.56
Gain on disposal of property, plant and equipment	-	11.58
Gain arising on financial assets designated through FVTPL	190.05	273.01
Provision for doubtful debts written back	-	1.57
Liability no longer required written back	120.64	-
Other non-operating income	2.99	5.31
	<b>706.40</b>	<b>620.01</b>

## 24 Cost of raw materials consumed

	Year ended 31 March 2018 (Rs. / lakh)	Year ended 31 March 2017 (Rs. / lakh)
Inventory at the beginning of the year	968.83	702.20
Add : Purchases	10,238.54	11,766.04
Less : Inventory at the end of the year	1,139.55	968.83
Cost of raw materials consumed	<b>10,067.82</b>	<b>11,499.41</b>
<b>Details of raw materials consumed</b>		
Rubber	5,808.10	7,306.81
Carbon Black	2,179.35	1,945.40
Chemicals	1,873.38	1,975.72
Others	206.99	271.48
	<b>10,067.82</b>	<b>11,499.41</b>
<b>Details of inventory</b>		
<b>Raw materials</b>		
Rubber	696.19	553.59
Carbon Black	205.29	165.39
Chemicals	205.10	214.75
Others	32.97	35.10
	<b>1,139.55</b>	<b>968.83</b>



## 25 Changes in inventories of finished goods, stock-in-trade and work in progress

	Year ended 31 March 2018 (Rs. / lakh)	Year ended 31 March 2017 (Rs. / lakh)
Inventories at the end of the year		
Traded goods	10.53	18.14
Work-in-progress	208.44	234.27
Finished goods	1,842.04	2,835.57
	<u>2,061.01</u>	<u>3,087.98</u>
Inventories at the beginning of the year		
Traded goods	18.14	12.96
Work-in-progress	234.27	171.86
Finished Goods	2,835.57	1,967.96
	<u>3,087.98</u>	<u>2,152.78</u>
<b>(Increase)/decrease in inventories</b>	<b>1,026.97</b>	<b>(935.20)</b>
Insurance claim due to goods destroyed by fire or during transit	2.23	5.40
Excise duty on account of variation in inventories	(366.86)	200.53
	<u>657.88</u>	<u>(740.07)</u>
<b>Work in Progress</b>		
Precured Tread Rubber	190.66	220.79
Bonding repairs & extrusion gums (including envelopes)	2.57	2.53
Other materials	1.38	0.40
Raw materials at shop floor	13.83	10.55
	<u>208.44</u>	<u>234.27</u>
<b>Finished Goods</b>		
Precured tread rubber	1,682.95	2,648.57
Bonding repairs and extrusion gums (including envelopes)	106.77	116.92
Other materials	52.32	70.08
	<u>1,842.04</u>	<u>2,835.57</u>

## 26 Employee benefits expense

	Year ended 31 March 2018 (Rs. / lakh)	Year ended 31 March 2017 (Rs. / lakh)
Salaries, wages and bonus	1,417.77	1,772.03
Contribution to provident and other funds	98.04	104.25
Gratuity expense	61.40	29.19
Staff welfare expenses	31.11	30.56
	<u>1,608.32</u>	<u>1,936.03</u>

## 27 Depreciation and amortisation expense

	Year ended 31 March 2018 (Rs. / lakh)	Year ended 31 March 2017 (Rs. / lakh)
Depreciation of property, plant and equipment	296.14	291.54
Amortisation of intangible assets	9.56	4.76
	<u>305.70</u>	<u>296.30</u>

## 28 Finance costs

	Year ended 31 March 2018 (Rs. / lakh)	Year ended 31 March 2017 (Rs. / lakh)
Interest expense (including interest on income tax Rs Nil for the year ended March 2018 and Rs 8.41 lakh for the year ended March 2017)	16.78	25.73
Other borrowing cost	3.74	5.02
	<u>20.52</u>	<u>30.75</u>

## 29 Other expenses

	Year ended 31 March 2018 (Rs. / lakh)	Year ended 31 March 2017 (Rs. / lakh)
Consumption of stores and spare parts	39.14	74.44
Packing expenses	176.61	202.84
Power and fuel	385.60	466.57
Repairs and maintenance:		
- Plant & machinery	57.25	62.52
- Buildings	14.76	11.09
- Others	31.76	25.73
Rent [including rent on leasehold land of Rs. 6.71 lakh for the year ended March 2018 and Rs. 6.73 lakh for year ended March 2017]	159.24	166.80
Rates and taxes	26.24	43.26
Insurance	44.75	41.86
Travelling and conveyance	159.44	258.35
Communication costs	38.28	54.96
Printing and stationery	9.80	12.59
Legal and professional fees	258.56	299.50
Payments to statutory auditors (refer details below)	26.25	36.49
Freight and forwarding charges	441.50	572.75
Provision for doubtful debts	27.94	-
Vehicle running and maintenance	23.29	26.88
Loss on disposal of property, plant and equipment	0.95	-
Loss on foreign exchange fluctuations (net)	0.22	0.73
Security and other service charges	47.09	42.65

	Year ended 31 March 2018 (Rs. / lakh)	Year ended 31 March 2017 (Rs. / lakh)
Service charges to C and F agents	83.62	81.12
Advertisement and sales promotion	17.28	45.15
Commission on sales (other than to sole selling agents)	11.49	14.10
Bank charges	12.17	21.38
Donation	0.15	0.23
CSR expenditure (refer note 44)	89.82	69.22
Miscellaneous expenses	81.23	107.93
	2,264.43	2,739.14
<b>Payments to statutory auditor</b>		
As auditor:		
Audit fees	23.25	30.55
Tax audit fees	3.00	4.02
Certification	-	0.15
Reimbursement of expenses	-	1.77
	26.25	36.49

### 30 Earnings per equity share

	Year ended 31 March 2018 (Rs. / lakh)	Year ended 31 March 2017 (Rs. / lakh)
Net profit as per statement of profit and loss	1,575.96	2,187.32
No. of equity shares at the beginning and closing of the year	26,250,000	26,250,000
Weighted average number of equity shares for calculating basic and diluted EPS	26,250,000	26,250,000
<b>Basic and Diluted earnings per share (Rs.)</b>	<b>6.00</b>	<b>8.33</b>
[Nominal value of shares Rs.2 ]		

### 31 Segment Information

The Operating Segment have been reported in a manner consistent with the internal reporting provided to the Chief Financial Officer and the Chief Executive Officer who are the Chief Operating Decision Maker (CODM). The Company is engaged in the manufacturing of the Precured Tread Rubber, Bonding Repair and Extrusion Gum and Rubber Cement, which are used for retreading of tyres and providing tyre retreading service. These products do not have any different risk and returns and thus the CODM performs review based on one operating segment.

There are no single customer whose sales are exceeding 10% of the turnover.

## 32 Income taxes

	Year ended 31 March 2018 (Rs. / lakh)	Year ended 31 March 2017 (Rs. / lakh)
<b>Income taxes</b>		
<b>Current tax</b>		
For current year	644.50	896.44
Income tax adjustment for earlier year	15.89	1.27
	<u>660.39</u>	<u>897.71</u>
<b>Deferred tax</b>		
In respect of the current year (refer note 17)	(73.10)	102.48
	<u>(73.10)</u>	<u>102.48</u>
<b>Income tax expense recognised in the statement of profit and loss</b>	<b>587.29</b>	<b>1,000.19</b>
<b>Other comprehensive income section</b>		
Income tax relating to items that will not be reclassified to profit or loss		
a. Current tax	8.36	6.97
b. Deferred tax	47.48	0.40
	<u>55.84</u>	<u>7.37</u>
	<u>643.13</u>	<u>1,007.56</u>
Tax adjustment for earlier years (calculated for effective tax rates)	15.89	1.27
<b>Net Effective Tax</b>	<b>627.24</b>	<b>1,006.29</b>
<b>The income tax expenses for the year can be reconciled to the accounting profit as follows:</b>		
Profit before tax	2,163.25	3,187.51
Applicable tax rate	34.608%	34.608%
Calculated income tax expense	748.66	1,103.13
Tax effect of:		
a. Income not taxable as per applicable tax laws	(186.75)	(130.22)
b. Non-deductible expenses	22.86	26.01
c. Adjustment on account of change in tax rate	(13.37)	-
<b>Income tax expense</b>	<b>571.40</b>	<b>998.92</b>
<b>Other comprehensive income section</b>		
Income tax relating to items that will not be reclassified to profit or loss	55.84	7.37
	<u>55.84</u>	<u>7.37</u>
	<u>627.24</u>	<u>1,006.29</u>
<b>Effective tax rate</b>	<b>27.15%</b>	<b>31.38%</b>

### 33 Related party disclosures

#### Name and relationships of related-parties:

- a. Subsidiary Company
  - i. SUN - AMP Solar India Private Limited (w.e.f. October 13, 2016)
- b. Step - down Subsidiary Company
  - i. Samyama Jyothi Solar Energy Private Limited (w.e.f. October 13, 2016)
- c. Key management personnel
  - i. Mr. Nand Khemka (Chairman cum Managing Director)
  - ii. Mr. Shiv Vikram Khemka (Non Executive Director)
  - iii. Mr. Uday Harsh Khemka (Non Executive Director)
  - iv. Mr. K.K. Kapur (CEO and Whole Time Director)
  - v. Mr. J.K Jain (CFO)
  - vi. Mrs. Manali D. Bijlani (CS)
  - vii. Ms. Bindu Saxena (Independent Director)
  - viii. Mr. R Parameswar (Independent Director)
  - ix. Mr. P.R. Khanna (Independent Director)
  - x. Mr. Harjiv Singh (Independent Director) - till 12-09-2017
- d. Relatives of key management personnel
  - i. Mrs. Jeet Khemka, wife of Mr. Nand Khemka
  - ii. Mrs. Urvashi Khemka, wife of Mr. Shiv Vikram Khemka
  - iii. Mrs. Nitya Mohan Khemka, wife of Mr. Uday Harsh Khemka
- e. Enterprises owned or significantly influenced by key management personnel or their relatives (either individually or with others)
  - i. Unipatch Rubber Limited
  - ii. Khemka Aviation Private Limited
  - iii. Nand and Jeet Khemka Foundation
  - iv. Khemka & Company Private Limited
  - v. Pankaj Dilip Private Limited
  - vi. Sun Securities Limited
  - vii. Sun London Limited
  - viii. Khemka Technical Services Private Limited
  - ix. Khemka Instruments Private Limited
  - x. Youth Reach
  - xi. SRL 142 Holdings Limited
  - xii. The Nabha Foundation

**Related party transactions:**
**I Transaction entered with related parties:**
**1 Enterprises owned or significantly influenced by key management personnel or their relatives (either individually or with others)**
**A. Name of parties:**
**(Rs. / lakh)**

Particulars	Year ended		Year ended		Year ended	
	31 March 2018	31 March 2017	31 March 2018	31 March 2017	31 March 2018	31 March 2017
	Sale of goods		Purchase of goods		Rent paid	
- Unipatch Rubber Limited	92.49	85.66	0.60	0.87	-	-
- Khemka Aviation Private Limited	-	-	-	-	92.52	89.85

**B. Name of parties:**

	Reimbursement of expenses received		Dividend paid		CSR expenditure	
- Unipatch Rubber Limited	0.85	0.78	28.50	28.50	-	-
- Khemka Aviation Private Limited	1.85	2.17	150.54	150.54	-	-
- Nand and Jeet Khemka Foundation	1.31	1.47	-	-	-	-
- The Nabha Foundation	-	-	-	-	66.64	28.00
- Youth Reach	1.02	1.05	-	-	10.00	30.00
- Others	-	-	21.09	21.09	-	-

**C. Name of parties:**

	Security deposit taken		Security deposit refunded		Investments in Cumulative Compulsory Convertible preference Shares	
- Khemka Aviation Private Limited	1.00	2.00	1.00	2.00	-	-
- SRL 142 Holdings Ltd	-	-	-	-	-	1,201.95

**2 Subsidiary company**

Name of parties:	Investment in equity Shares	
- SUN AMP Solar India (P) Ltd	-	295.35

**3 Step-down subsidiary company**

Name of parties:	Bank guarantee given		Bank guarantee Released		Reimbursement of expenses received	
- Samyama Jyothi Solar Energy (P) Ltd	-	966.15	-	708.15	-	6.26

Name of parties:	Fixed deposit given		Fixed deposit released	
- Samyama Jyothi Solar Energy (P) Ltd	-	450.00	-	450.00

(Rs. / lakh)

Particulars	Year ended		Year ended		Year ended	
	31 March 2018	31 March 2017	31 March 2018	31 March 2017	31 March 2018	31 March 2017

**4 Relatives of Key management personnel**

Name of parties:	Dividend paid	
- Mrs. Jeet Khemka	210.36	210.36
- Mrs. Urvashi Khemka (Joint holder with Mr. Shiv Vikram Khemka)	30.02	30.02
- Mr. Uday Harsh Khemka (Joint holder with Mrs. Nitya Mohan Khemka)	30.02	30.02

**5 Key management personnel**

Name of parties:	Remuneration		Sitting fees		Dividend paid	
- Mr. Nand Khemka	110.63	159.69	-	-	0.44	0.44
- Mr. Shiv Vikram Khemka	-	4.42*	-	0.40	-	-
- Mr. Uday Harsh Khemka	-	1.02*	-	0.20	-	-
- Mr. K.K. Kapur	110.63	159.69	-	-	-	-
- Mr. J.K Jain	29.61	56.08	-	-	-	-
- Mrs. Manali D Bijlani	19.60	19.95	-	-	-	-
- Ms. Bindu Saxena	4.50	4.42	3.90	1.00	-	-
- Mr. P.R. Khanna	8.07	8.75	5.90	3.50	-	-
- Mr. R. Parameswar	8.07	8.75	7.70	3.50	-	-
- Mr. Harjiv Singh	1.50	4.42	1.00	1.00	-	-

Name of parties:	Professional fee	
- Mr. P.R. Khanna	1.00	-

\* This represents provisions made in the previous year which has been written back during the year as the same is not payable.

**II Balances outstanding at year end :**

(Rs. / lakh)

Particulars	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
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**1 Subsidiary Company**

Name of parties:	Investment in equity shares		
- SUN AMP Solar India (P) Ltd	295.35	295.35	-

**2 Step-down Subsidiary Company**

Name of parties:	Bank guarantee outstanding		
- Samyama Jyothi Solar Energy (P) Ltd	258.00	258.00	-

**3 Key management personnel**

Name of parties:	Remuneration		
- Mr. Nand Khemka	14.63	63.69	104.35
- Mr. Shiv Vikram Khemka	-	4.42*	5.71
- Mr. Uday Harsh Khemka	-	1.02*	2.80
- Mr. K.K. Kapur	15.52	68.99	120.54
- Ms. Bindu Saxena	4.50	4.42	14.20
- Mr. P.R. Khanna	8.07	8.75	14.20
- Mr. R. Parameswar	8.07	8.75	14.20
- Mr. Harjiv Singh	1.50	4.42	-

\* This represents provisions made in the previous year which has been written back during the year as the same is not payable.

(Rs. / lakh)

Particulars	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
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**4 Enterprises owned or significantly influenced by key management personnel or their relatives (Either individually or with others)**

**A. Name of parties:**

	Trade payables		
- Khemka Aviation Private Limited	0.15	-	-

**B. Name of parties:**

	Loans and advances		
- Unipatch Rubber Limited	0.09	-	-

**34 Capital and other commitments**

	As at 31 March 2018 (Rs. / lakh)	As at 31 March 2017 (Rs. / lakh)	As at 1 April 2016 (Rs. / lakh)
a. Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances of Rs. Nil, (As at 31 March, 2017 Rs. 28.79 lakh and As at 1 April, 2016 Rs. 46.10 lakh)	-	29.49	54.52
b. Other commitments			
i. Estimated future investments in Capital venture fund in terms of agreement with the fund	-	-	20.00
ii. Estimated future investments in ICICI Prudential Real Estate AIF-1 Fund in terms of agreement with the fund	-	14.00	70.00
iii. Estimated future investments in India Whizdom Fund in terms of agreement with the fund	-	100.00	160.00
iv. IIFL special opportunity fund	125.00	-	-
c. The Company has other commitments, for purchase of goods and services and employee benefits, in normal course of business.			
d. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.			
e. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.			

**35 Obligations under operating leases**

The Company has taken offices, guest house, residence and warehouse premises under operating lease agreements. There are no purchase options in the lease agreements. There is an escalation clause in some lease agreements. There are no restrictions imposed by lease arrangements. There are no subleases. The agreements are generally cancelable at the mutual consent of both the lessor and the lessee.

**a. Lease expenses recognised during the year**

	Year ended 31 March 2018 (Rs. / lakh)	Year ended 31 March 2017 (Rs. / lakh)
Rent (including rent on leasehold land)	159.24	166.80



### 36 Contingent liabilities

#### a. Claims against the Company not acknowledged as debt

	As at 31 March 2018 (Rs. / lakh)	As at 31 March 2017 (Rs. / lakh)	As at 1 April 2016 (Rs. / lakh)
i. The Company is under litigation with the revenue authorities regarding an expenditure claimed by the Company arising out of an arbitration award. As per the Company, the expenditure should be allowed in the year the arbitrator has passed the award. The department is of the view that the liability is not accrued till the award becomes a rule of court and has therefore disallowed the expenditure in the AY 1998-99 (the year in which the Company claimed the expenditure). During the financial year 2006-2007, the Company has received a demand notice from Income tax authorities pursuant to the order by Income Tax Appellate Tribunal, Delhi. The Company is presently in appeal before the Hon'ble High Court. The Company has deposited Rs. 20.00 Lakh against the above demand which is included in the 'Advance Tax' under note no. 7.	159.15*	159.15*	159.15*
ii. Pending labour cases			
- in case of one employee	5.31*	5.31*	5.31*
- in case of others	<b>Liability not ascertainable</b>	Liability not ascertainable	Liability not ascertainable
iii. Demand raised by the Excise Authorities, being disputed by the Company.	6.90*	6.90*	6.90*
iv. Demand raised by the Sales Tax Authorities, being disputed by the Company.	41.39*	27.13*	25.80*
v. Entry tax demand being disputed by the Company (excluding the amount of interest and penalty, if any, which can't be determined at this stage) #	1244.68*	1227.15*	1083.43*
vi. Demand raised by Income Tax Authorities, being disputed by the Company for A.Y 2013-14	-	8.93*	8.93*
vii. Demand raised by Income Tax Authorities, being disputed by the Company for A.Y 2014-15	-	5.38*	-
<b>Total</b>	<b>1,457.43</b>	1,439.95	1,289.52

# The Company had obtained a stay of the Himachal Pradesh Government order levying entry tax on all goods entering the state with effect from 24th January, 2011. The Hon'ble High Court, Himachal Pradesh while staying the levy in an interim order, directed the Company to deposit 1/3rd of the assessed amount as "deposit" with the state government and furnish a bank guarantee for the balance 2/3rd amount to them. The company has deposited Rs. 451.33 lakh till 30.06.2017 (Previous year Rs 437.46 lakh ) and furnished bank guarantees of Rs. 793.35 lakh till 30.06.2017 (Previous year Rs 770.57 lakh). Since the cash payment as per court order is in the nature of deposits, no amount has been expensed off in the financial statements as entry tax.

While Hon'ble Supreme Court has upheld the constitutional validity of Entry Tax in their judgement dated 11 November, 2016, the issue of discrimination under Article 304(a) and scope of local area is left to be determined by respective High Courts. Hon'ble High Court, Shimla has issued notice on the writ petition filed by the Company and ordered that bank guarantee will not be encashed and department will maintain status quo.

The entry tax has been abolished due to implementation of GST w.e.f 01.07.2017

\* Based on the discussions with the solicitor/ expert opinions taken/status of the case, the management believes that the Company has strong chances of success in above mentioned cases and hence no provision there against is considered necessary at this point in time.

#### b. Guarantees

	<b>As at 31 March 2018 (Rs. / lakh)</b>	As at 31 March 2017 (Rs. / lakh)	As at 1 April 2016 (Rs. / lakh)
Bank Guarantee given on behalf of Samyama Jyothi Solar Energy (P) Limited	<b>258.00</b>	258.00	-

#### c. Others

Differential amount of custom duty payable by the Company in case of non-fulfillment of export obligation excluding interest thereon against the import of capital goods made at concessional rate of duty.	<b>31.28**</b>	35.36**	35.36**
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\*\* Based on future sales plan, the management is quite hopeful to meet the obligations by executing the required volume of sales in future.

d. The Company has other commitments, for purchase of goods and services and employee benefits, in normal course of business. The Company does not have any long term commitments/contracts including derivative contracts for which there will be any material foreseeable losses.

e. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

### 37 Details of dues to micro and small enterprises as defined under the MSMED Act, 2006

	<b>As at 31 March 2018 (Rs. / lakh)</b>	As at 31 March 2017 (Rs. / lakh)	As at 1 April 2016 (Rs. / lakh)
1 Principal amount remaining unpaid to any supplier at the end of each accounting year			
- Trade payables	<b>22.88</b>	10.94	6.27
- Payable for capital creditors	-	1.19	21.92
2 Interest due on above.	-	-	-
3 Amount of interest paid by the Company to the suppliers in terms of section 16 of the Act.	-	-	-
4 Amount paid to the suppliers beyond the respective due date.	-	-	-
5 Amount of interest due and payable for the period of delay in payments (which have been paid but beyond the due date during the year) but without adding the interest specified under the Act.	-	-	-
6 Amount of interest accrued and remaining unpaid at the end of each accounting year.	-	-	-
7 Amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23 of this Act.	-	-	-

### 38 Net dividend remitted in foreign exchange

The details of remittance made during the year are as follows:

	Year ended 31 March 2018	Year ended 31 March 2017
Number of non-resident shareholders	6	6
Number of equity shares held on which dividend was due	11,798,010	11,798,010
Amount remitted (Rs. in lakh) *	12.31	12.31
Year to which dividend relates	2016-17 & 2017-18	2015-16 & 2016-17

\* Excluding dividend of Rs. 270.84 Lakh (Rs. 270.84 Lakh for year ended 31 March, 2017) credited to FCNR/NRE account of NRI's and paid to Overseas Corporate Bodies on repatriation basis.

### 39 Employee benefit plans

#### a. Defined contribution plans

The Company makes Provident Fund and Employee State Insurance Scheme contributions which are defined contribution plans, for qualifying employees. Under the Schemes, the Company is required to contribute a specified percentage of the payroll costs to fund the benefits. The contributions payable to these plans by the Company are at rates specified in the rules of the schemes.

#### b. Defined benefit plan

##### Gratuity

The Company has a defined benefit gratuity plan. Employee who have completed five years or more of service gets a gratuity on departure at 15 days salary (last drawn salary) for each completed year of service.

The most recent valuation of the present value of defined benefit obligation were carried as at 31 March, 2018 in which the present value of the defined benefit obligation, and the related current service cost and past service cost were measured using the project unit credit method.

The principal assumptions used for the purposes of the actuarial valuations were as follows:

	Valuation as at		
	31 March, 2018	31 March, 2017	1 April, 2016
Expected rate of return	8.25%	8.35%	8.75%
Discount rate (%)	7.73%	7.35%	7.75%
Expected rate(s) of salary increase	8.00%	8.00%	8.00%
Mortality rates inclusive of provision for disability	100% of IALM (2006-08)		
Retirement Age (Years)	58/70	58/70	58/70
Withdrawal Rate (%) (Ages)			
Upto 30 years	3.00%	3.00%	3.00%
From 31 to 44 years	2.00%	2.00%	2.00%
Above 44 years	1.00%	1.00%	1.00%

	Year ended 31 March 2018 (Rs. / lakh)	Year ended 31 March 2017 (Rs. / lakh)
<b>Service cost:</b>		
Total service cost	60.38	29.77
Net interest expenses	1.02	(0.58)
<b>Components of defined benefit costs recognised in profit or loss</b>	<b>61.40</b>	<b>29.19</b>
<b>Remeasurement on the net defined benefit liability</b>		
Actuarial gain/(loss) on plan assets	1.79	0.39
Actuarial gain/(loss) from change in demographic assumptions	-	-
Actuarial gain/(loss) from change in financial assumptions	9.65	(9.22)
Actuarial gain/(loss) from change in experience adjustment	12.71	9.99
<b>Components of defined benefit costs recognised in other comprehensive income</b>	<b>24.15</b>	<b>1.16</b>

**Notes:**

- i. The current service cost and the net interest expenses for the year are included in the 'Employee benefits expense' line item in the Statement of profit and loss.
- ii. The remeasurement of the net defined liability is included in other comprehensive income.

The amount included in the balance sheet arising from the Company's obligation in respect of defined benefit plans is as follows:

	As at 31 March 2018 (Rs. / lakh)	As at 31 March 2017 (Rs. / lakh)	As at 1 April 2016 (Rs. / lakh)
Present value of defined benefit obligation	31.17	13.94	-
Non-current	-	-	-
Current	31.17	13.94	-
	<b>31.17</b>	<b>13.94</b>	<b>-</b>

**Movement in the present value of the defined benefit obligation and fair value of the plan assets are as follows:**

	Year ended 31 March 2018 (Rs. / lakh)	Year ended 31 March 2017 (Rs. / lakh)
<b>A Opening defined benefit obligation</b>	<b>266.58</b>	<b>228.15</b>
Current service cost	27.58	29.77
Interest cost	19.59	17.68
Past Service Cost including curtailment Gains/Losses	32.79	-
Actuarial (Gain)/Loss on obligation	(22.36)	(0.77)
Benefits paid	(25.53)	(8.26)
Closing defined benefit obligation	<b>298.65</b>	<b>266.58</b>

	Year ended 31 March 2018 (Rs. / lakh)	Year ended 31 March 2017 (Rs. / lakh)
<b>B Opening fair value of plan assets</b>	<b>252.64</b>	235.67
Return on plan assets (excluding amount included in net interest expense)	18.57	18.27
Remeasurement gain(loss)	1.79	0.39
Contributions from the employer	20.01	6.57
Benefits paid	(25.53)	(8.26)
Closing fair value of plan assets	<u>267.48</u>	<u>252.64</u>
<b>C Net liability (A-B)</b>	<b>31.17</b>	13.94

The fair value of the plan assets are as follows

Fund managed by insurer	267.48	252.64
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The fund invested in LIC of India (“insurer”). The future information of fund investments are not available with the Company.

Significant actuarial assumptions for the determination of the defined obligation are discount rate, expected salary increase and mortality. The sensitivity analysis below have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant.

#### Sensitivity analysis:

If the expected salary growth and discount rate increases (decreases) by 0.50%, the defined benefit obligation would changes as:

	As at 31 March, 2018		As at 31 March 2017	
	Increase by 0.50% (Rs. / lakh)	Decrease by 0.50% (Rs. / lakh)	Increase by 0.50% (Rs. / lakh)	Decrease by 0.50% (Rs. / lakh)
Discount rate	(11.95)	12.88	(11.51)	12.55
Salary growth rate	12.78	(11.97)	12.41	(11.49)

#### Notes

- i. Sensitivities due to mortality and withdrawals are not material and hence impact of change not calculated.
- ii. Sensitivity for significant actuarial assumptions is computed by varying one actuarial assumption used for the valuation of the defined benefit obligation by 0.50 percentage, keeping all other actuarial assumptions constant.

## 40 Financial instruments

### A. Capital Management

The Company’s objective for capital management is to maximise shareholders value, safeguard business continuity and support the growth of the Company. The Company determines the capital requirement based on annual operating plans and long-term and other strategic investment plans. The funding requirements are met through equity and operating cash flows generated.

## B. Categories of financial instruments

	As at 31 March 2018 (Rs. / lakh)	As at 31 March 2017 (Rs. / lakh)	As at 1 April 2016 (Rs. / lakh)
<b>Financial assets</b>			
<b>i) Measured at fair value through profit or loss</b>			
a. Other investments			
- non current	3,483.07	1,563.30	1,849.91
- current	515.28	2,965.14	3,042.13
<b>ii) Measured at amortised cost</b>			
<b>Financial assets</b>			
a. Non current investments	854.45	775.47	276.50
b. Loans			
- non current	3.60	9.81	2.82
- current	19.90	17.75	20.77
c. Trade receivables	2,890.12	2,900.16	3,011.70
d. Cash and cash equivalents	300.55	299.11	246.59
e. Other bank balances	111.55	205.65	184.64
f. Other financial assets			
- non current	126.22	62.47	47.35
- current	539.05	491.36	506.56
<b>iii) Measured at fair value through other comprehensive income</b>			
a. Non current investments	5,544.58	3,668.42	3,186.46
<b>iv) Measured at cost</b>			
a. Non current investments (Investment in subsidiary)	295.35	295.35	-
<b>Financial liabilities</b>			
a. Trade payables	1,426.06	1,801.86	1,673.44
b. Other financial liabilities	259.36	236.40	252.58

## C. Financial risk

In the course of its business, the Company is exposed primarily to fluctuations in Interest rates, security price risk, credit risk and liquidity risk which may adversely impact the fair value of its financial instruments, the operation of the Company did not give an exposure for foreign currency exchange rates as the majority of the operations are in India only. The Company has a risk management policy covering risks associated with the financial assets and liabilities such as interest rate risk, security price risk and credit risk. The risk management policy has been approved by the board of directors. The risk management framework aims to:

- Create a stable business planning environment by reducing the impact of interest rate fluctuations on the Company's business plan.
- Achieve greater predictability to earnings by determining the financial value of the expected earnings in advance.

The Company did not use the derivative financial instruments for risk mitigation.

### a. Market risk

Market risk is the risk of any loss in future earnings, in realisable fair values or in future cash flows that may result from a change in the price of a financial instrument. The value of a financial instrument may change as a result of changes in the foreign currency exchange rates, interest rates, liquidity and other market changes. Future specific market movements cannot be normally predicted with reasonable accuracy.

### i. Foreign currency exchange rate risk

The Company operates majorly in India but exposed to foreign exchange risk arising through its sale and purchase of goods and services with overseas suppliers and investment in foreign currency transactions primarily with respect to US Dollar ('USD'), Euro and YEN. The Company does not use the derivative financial instruments to manage their risk.

The company exposes to foreign currency risk are as follows:

Particulars	Receivables - Trade Receivables (Rs. / lakh)	Cash in Hand (Rs. / lakh)	Payable - Trade Payables (Rs. / lakh)	Investments (Rs. / lakh)
<b>As at 31 March, 2018</b>				
USD	101.57	-	-	1,365.00
YUAN	-	0.08	-	-
RINGGIT	-	0.11	-	-
<b>As at 31 March, 2017</b>				
USD	126.83	-	33.07	1,201.95
YUAN	-	0.07	-	-
RINGGIT	-	0.09	-	-
<b>As at 1 April, 2016</b>				
USD	101.58	-	-	-
YUAN	-	0.08	-	-
RINGGIT	-	-	-	-

The operation of the Company are not much exposed to the foreign currency as major transactions are done in their functional currency ('INR or Indian Rupee) and at year end there are no significant exposure outstanding.

### ii. The carrying amounts of the Company's foreign currency denominated monetary assets and monetary liabilities at the end of the year are as follows:

Particulars	USD (Rs. / lakh)	YUAN (Rs. / lakh)	RINGGIT (Rs. / lakh)
<b>As at 31 March, 2018</b>			
Assets	1,466.57	0.08	0.11
Liabilities	-	-	-
<b>As at 31 March, 2017</b>			
Assets	1,328.78	0.07	0.09
Liabilities	33.07	-	-
<b>As at 1 April 2016</b>			
Assets	101.58	0.08	-
Liabilities	-	-	-

### iii. Interest rate risk

#### Financial liabilities

The Company has not regularly utilised the borrowed fund, hence the Company is not significantly exposed to interest rate risk.

### Financial assets

The Company's investments are primarily in fixed rate interest bearing investments. Hence the Company is not significantly exposed to interest rate risk.

#### b. Security price risk

The Company is exposed to equity price risks arising from equity investments held by the Company and classified in the balance sheet as fair value through OCI.

##### i. Equity price sensitivity analysis

The sensitivity analysis below have been determined based on the exposure to equity price risks at the end of the year.

If the equity instruments (equity shares and equity linked mutual fund) prices had been 5% higher / lower:

Other comprehensive income for the year ended 31 March 2018 would increase / decrease by Rs. 277.23 Lakh (for the year ended 31 March 2017: increase / decrease by Rs. 183.42 lakh) as a result of the change in fair value of equity investment measured at FVTOCI.

##### ii. Exposure in mutual funds (Other than equity linked mutual fund)

The Company manages the surplus funds majorly through investments in debt based mutual fund schemes. The price of investment in these mutual fund schemes is reflected through Net Asset Value (NAV) declared by the Asset Management Company on daily basis as reflected by the movement in the NAV of invested schemes. The Company is exposed to price risk on such Investments.

Mutual fund price sensitivity analysis The sensitivity analysis below have been determined based on Mutual Fund Investment at the end of the year.

If NAV has been 1% higher / lower: Profit for year ended 31 March 2018 would increase / decrease by Rs. 39.98 lakhs (for the year ended 31.03.2017 by Rs. 45.28 Lakh as a result of the changes in fair value of mutual fund investments.

##### iii. If the tax free bonds and investment in preference shares prices had been 1% higher / lower:

Profit for the year ended 31 March 2018 would increase / decrease by Rs. 8.54 Lakh (for the year ended 31 March 2017: increase / decrease by Rs. 7.75 lakh) as a result of the change if there is no change in the market risk and other assumptions.

#### c. Credit risk

Credit risk arises from the possibility that the counter party may not be able to settle their obligations. To manage trade receivable, the Company periodically assesses the financial reliability of customers, taking into account the financial conditions, economic trends, analysis of historical bad debts and aging of such receivables.

Financial instruments that are subject to such risk, principally consist of investments, trade receivables and loans and advances. None of the financial instruments of the Company results in material concentration of credit risks. Financial assets for which loss allowance is measured:

	As at 31 March 2018 (Rs. / lakh)	As at 31 March 2017 (Rs. / lakh)	As at 1 April 2016 (Rs. / lakh)
<b>Loss allowance measured for trade receivables</b>	<b>32.30</b>	4.37	5.94

Other than financial assets mentioned above, none of the Company's financial assets are either impaired or past due, and there were no indications that defaults in payment obligations would occur and exposure to Trade Receivable is diversified and no single customer contributes to more than 10% of outstanding trade receivable as at 31, March 2018 and 31 March 2017.

#### d. Liquidity risk

Liquidity risk refers to the risk that the Company can not meet its financial obligations. The objective of liquidity risk management is to maintain sufficient liquidity and ensure that funds are available for use as per the requirements.



During the year, the Company generated sufficient cash flows from operations to meet its financial obligations as and when they fall due.

The table below provides details regarding the contractual maturities of significant financial liabilities as at:

#### Contractual maturities of financial liabilities

	less than 1 year (Rs. / lakh)	1 to 5 year (Rs. / lakh)	more than 5 year (Rs. / lakh)	Total (Rs. / lakh)
<b>As at 31 March 2018</b>				
Trade payables	1,426.06	-	-	1,426.06
Other financial liabilities	259.36	-	-	259.36
<b>As at 31 March 2017</b>				
Trade payables	1,801.86	-	-	1,801.86
Other financial liabilities	236.40	-	-	236.40
<b>As at 01 April 2016</b>				
Trade payables	1,673.44	-	-	1,673.44
Other financial liabilities	252.58	-	-	252.58

The Company has cash credits from banks amounting to Rs. 800 Lakh (As at 31 March, 2017 Rs. 800 Lakh and As at 1.04.2016 Rs. 800 Lakh)

#### e. Unhedged Foreign currency exposures

Particulars	Currency	As at 31 March 2018		As at 31 March 2017		As at 1 April 2016	
		In foreign currency (in lakh)	(Rs. / lakh)	In foreign currency (in lakh)	(Rs. / lakh)	In foreign currency (in lakh)	(Rs. / lakh)
Payable							
- Trade Payables	USD	-	-	0.51	33.07	-	-
Receivables							
- Trade Receivables	USD	1.56	101.57	1.96	126.83	1.53	101.58

#### 41 First time adoption - Transition to Ind AS

These are the Company's first financial statements prepared in accordance with Ind AS. The accounting policies set out in note 2 have been applied in preparing these financial statements for the year ended 31 March, 2018, the comparative information presented in these financial statements for the year ending 31 March, 2017 and in preparation of opening Ind AS balance sheet at 1 April, 2016 ('the date of transition'). In preparing its opening Ind AS balance sheet, the Company has adjusted the amounts reported previously in financial statements prepared in accordance with the accounting standards notified under section 133 of the Companies Act 2013 (the 'Act') read with Rule 7 of the Companies (Accounts) Rules, 2014 (referred to as 'Indian GAAP') as amended by Companies (Accounting Standard) Rules, 2016 and other relevant provisions of the act (previous GAAP or Indian GAAP).

An explanation of how the transition from previous GAAP to Ind AS has affected the Company's financial position, financial performance and cash flows is set out in note 42 of the financial statements.

The exemptions availed by the Company are as follows:

**i. Deemed cost for property, plant and equipment and intangible assets**

The Company has elected to continue with the carrying value of all of its Property, plant and equipment and intangible assets recognized as of April 1, 2016 measured as per the previous GAAP and use that carrying value as its deemed cost as of the transition date.

**ii. Equity investments at FVTOCI**

The Company has designated investment in equity share, equity mutual funds, compulsory convertible preference shares, capital venture funds at FVTOCI on the basis of facts and circumstances that existed at the transition date.

**42 First Time Adoption of Ind AS reconciliations**

These are the Company's first financial statements prepared in accordance with Ind AS.

The effect of the Company's transition to Ind AS is summarised in the following notes:

- i. Transition elections.
- ii. Reconciliation of equity, total comprehensive income and cash flows as reported as per Ind AS, in this financial statement with as reported in previous years as per previous Indian GAAP.

**Transition elections**

The Company has prepared the opening balance sheet as per Ind AS as of 1 April, 2016 (the transition date) by recognising all assets and liabilities whose recognition is required by Ind AS, not recognising items of assets or liabilities which are not permitted by Ind AS, by reclassifying items from previous GAAP to Ind AS as required under Ind AS, and applying Ind AS in measurement of recognised assets and liabilities. However, this principle is subject to the certain exception and certain optional exemptions availed by the Company. The Company has applied the following transition exemptions apart from mandatory exceptions in Ind-AS 101 :

- i. Deemed cost of property, plant and equipment and other intangible assets
- ii. Investments in subsidiaries in separate financial statements
- iii. Designation of equity investments at FVTOCI.

**Deemed cost of property, plant and equipment and other intangible assets**

In accordance with Ind-AS transitional provisions, the Company opted to consider previous GAAP carrying value of property, plant and equipment and other intangible assets as deemed cost on transition date.

**Investments in subsidiary in separate financial statements**

In accordance with Ind-AS, the Company opted to consider cost as value of investments for investments in subsidiary in separate financial statement.

**Designation of equity investments at FVTOCI**

Ind AS 101 allows an entity to designate previously recognised financial instruments basis the facts and circumstances that existed as on transition date. The Company has elected to designate equity investments in long term investments (equity instrument and equity mutual funds) at FVTOCI on the basis of the facts and circumstances at the date of transition to Ind AS.

## Reconciliation between Previous GAAP and Ind AS

### Effect of Ind AS adoption on the financial statements as at 31.03.2017 and 01.04.2016

#### A. Effect of Ind AS adoption on the balance sheet as at 31.03.2017 and 01.04.2016

	Notes	As at 31.03.2017			As at 01.04.2016		
		Previous GAAP	Effect of transition to Ind AS	As per Ind AS balance sheet	Previous GAAP	Effect of transition to Ind AS	As per Ind AS balance sheet
		(Rs. / lakh)	(Rs. / lakh)	(Rs. / lakh)	(Rs. / lakh)	(Rs. / lakh)	(Rs. / lakh)
<b>Non-current assets</b>							
Property, plant and equipment		3,059.04	-	3,059.04	2,744.59	-	2,744.59
Capital work-in-progress		19.44	-	19.44	428.75	-	428.75
Other intangible assets		19.15	-	19.15	6.38	-	6.38
Financial assets							
i. Investments	a.	6,162.64	139.90	6,302.54	5,370.23	(57.36)	5,312.87
ii. Loans		9.81	-	9.81	2.82	-	2.82
iii. Other financial assets		62.47	-	62.47	47.35	-	47.35
Income tax assets (Net)		20.00	-	20.00	29.90	-	29.90
Other non-current assets		28.79	-	28.79	46.90	-	46.90
<b>Total non-current assets</b>		<b>9,381.34</b>	<b>139.90</b>	<b>9,521.24</b>	<b>8,676.92</b>	<b>(57.36)</b>	<b>8,619.56</b>
<b>Current assets</b>							
Inventories		4,142.48	-	4,142.48	2,935.06	-	2,935.06
Financial assets							
i. Investments	a.	2,569.91	395.23	2,965.14	2,969.40	72.73	3,042.13
ii. Trade receivables		2,900.16	-	2,900.16	3,011.70	-	3,011.70
iii. Cash and cash equivalents		299.11	-	299.11	246.59	-	246.59
iv. Bank balances other than (iii) above		205.65	-	205.65	184.64	-	184.64
v. Loans		17.75	-	17.75	20.77	-	20.77
vi. Other financial assets		491.36	-	491.36	506.56	-	506.56
Income tax assets (Net)		8.93	-	8.93	-	-	-
Other current assets		169.68	-	169.68	118.50	-	118.50
<b>Total current assets</b>		<b>10,805.03</b>	<b>395.23</b>	<b>11,200.26</b>	<b>9,993.22</b>	<b>72.73</b>	<b>10,065.95</b>
<b>Total assets</b>		<b>20,186.37</b>	<b>535.13</b>	<b>20,721.50</b>	<b>18,670.14</b>	<b>15.37</b>	<b>18,685.51</b>

	Notes	As at 31.03.2017			As at 01.04.2016		
		Previous GAAP	Effect of transition to Ind AS	As per Ind AS balance sheet	Previous GAAP	Effect of transition to Ind AS	As per Ind AS balance sheet
		(Rs. / lakh)	(Rs. / lakh)	(Rs. / lakh)	(Rs. / lakh)	(Rs. / lakh)	(Rs. / lakh)
<b>Equity</b>							
Equity share capital		525.00	-	525.00	525.00	-	525.00
Other equity	a. & b.	16,633.63	474.94	17,108.57	15,187.46	(9.81)	15,177.65
<b>Total equity</b>		<b>17,158.63</b>	<b>474.94</b>	<b>17,633.57</b>	<b>15,712.46</b>	<b>(9.81)</b>	<b>15,702.65</b>
<b>Liabilities</b>							
<b>Non-current liabilities</b>							
Deferred tax liabilities (Net)	b.	329.83	60.19	390.02	261.96	25.18	287.14
<b>Total non current liabilities</b>		<b>329.83</b>	<b>60.19</b>	<b>390.02</b>	<b>261.96</b>	<b>25.18</b>	<b>287.14</b>

<b>Current liabilities</b>							
Financial liabilities							
i. Trade payables		1801.86	-	1,801.86	1,673.44	-	1,673.44
ii. Other financial liabilities		236.4	-	236.40	252.58	-	252.58
Other current liabilities		510.58	-	510.58	653.55	-	653.55
Provisions		99.31	-	99.31	74.98	-	74.98
Current income tax liabilities(Net)		49.76	-	49.76	41.17	-	41.17
<b>Total current liabilities</b>		<b>2,697.91</b>	<b>-</b>	<b>2,697.91</b>	<b>2,695.72</b>	<b>-</b>	<b>2,695.72</b>
<b>Total liabilities</b>		<b>3,027.74</b>	<b>60.19</b>	<b>3,087.93</b>	<b>2,957.68</b>	<b>25.18</b>	<b>2,982.86</b>
<b>Total equity and liabilities</b>		<b>20,186.37</b>	<b>535.13</b>	<b>20,721.50</b>	<b>18,670.14</b>	<b>15.37</b>	<b>18,685.51</b>

#### B. Reconciliation of total equity as at 31 March, 2017 and 1 April, 2016

	Notes	As at 31 March 2017 (Rs. / lakh)	As at 1 April 2016 (Rs. / lakh)
Total equity (shareholders funds) under Previous GAAP		17,158.63	15,712.46
<b>Adjustments</b>			
Fair valuation of investments under Ind AS	a.	535.13	15.37
Recognition of deferred tax is on account of Ind AS adjustments	b.	(60.19)	(25.18)
<b>Total adjustment to equity</b>		<b>474.94</b>	<b>(9.81)</b>
<b>Total equity under Ind AS</b>		<b>17,633.57</b>	<b>15,702.65</b>

#### Notes

- a. Under the previous GAAP, investment in equity instruments and mutual funds were classified as long-term investments or current investments based on the intended holding period and realisability. Long-term investments were carried at cost less provision for other than temporary decline in the value of such investments. Current investments were carried at lower of cost and fair value.

Under Ind AS, these investments are required to be measured at fair value. The resulting fair value changes of these investments (other than equity instruments designated as at FVTOCI) have been recognised in retained earnings as at the date of transition and subsequently in the statement of profit and loss. For equity instruments (including equity linked mutual funds and excluding subsidiary those are valued at cost) designated at FVTOCI resulting fair value gains and losses have been recognised in other comprehensive income.

- b. Deferred tax have been recognised on the adjustments made on transition to Ind AS.

**C. Effect of Ind AS adoption on the Statement of profit and loss for the year ended 31 March, 2017**

	Notes	Year ended 31 March 2017		
		Previous GAAP (Rs. / lakh)	Effect of transition to Ind AS (Rs. / lakh)	As per Ind AS balance sheet (Rs. / lakh)
Revenue from operations		20,383.06	-	20,383.06
Other income	a.	608.30	11.71	620.01
<b>Total income</b>		<b>20,991.36</b>	<b>11.71</b>	<b>21,003.07</b>
<b>Expenses</b>				
Cost of raw materials consumed		11,499.41	-	11,499.41
Purchase of stock in trade		29.25	-	29.25
Changes in inventories of finished goods, stock-in-trade and work in progress		(740.07)	-	(740.07)
Excise duty on sale of goods		2,024.75	-	2,024.75
Employee benefits expense	d.	1,934.87	1.16	1,936.03
Finance costs		30.75	-	30.75
Depreciation and amortisation expense		296.30	-	296.30
Other expenses		2,739.14	-	2,739.14
<b>Total expenses</b>		<b>17,814.40</b>	<b>1.16</b>	<b>17,815.56</b>
<b>Profit before tax</b>		<b>3,176.96</b>	<b>10.55</b>	<b>3,187.51</b>
<b>Tax expense</b>				
Current tax expenses	c.	903.41	(6.97)	896.44
Income tax adjustment for earlier years		1.27	-	1.27
Deferred tax	b.	67.86	34.62	102.48
<b>Net tax expense</b>		<b>972.54</b>	<b>27.65</b>	<b>1,000.19</b>
<b>Profit for the year</b>		<b>2,204.42</b>	<b>(17.10)</b>	<b>2,187.32</b>
Items that will not be reclassified subsequently to the statement of profit and loss				
a. Gain on change in fair valuation of equity instruments carried at fair value through OCI	a.	-	215.32	215.32
b. Gain on sale of equity and equity related instruments	a.	-	292.74	292.74
c. Remeasurement gain on defined benefit obligations (net)	d.	-	1.16	1.16
		-	<b>509.22</b>	<b>509.22</b>
Income tax relating to items that will not be reclassified subsequently to statement of profit and loss				
a. Current tax	c.	-	6.97	6.97
b. Deferred tax	c.	-	0.40	0.40
		-	<b>7.37</b>	<b>7.37</b>
Total other comprehensive income for the year		-	<b>501.85</b>	<b>501.85</b>
Total comprehensive income for the year		<b>2,204.42</b>	<b>484.75</b>	<b>2,689.17</b>

**D. Reconciliation of total comprehensive income for the year ended 31.03.2017**

	Notes	Year ended 31 March 2017 (Rs. / lakh)
<b>Profit after tax as per previous GAAP</b>		<b>2,204.42</b>
<b>Adjustments</b>		
Gain/(loss) on change in fair valuation of financial instruments other than equity instruments	a.	11.71
Remeasurement gain on defined benefit obligations (net)	d.	(1.16)
		<b>2,214.97</b>
<b>Less:</b>		
Tax relating Ind AS adjustments related to profit and loss	b. and c.	27.65
<b>Profit for the year as per Ind AS</b>		<b>2,187.32</b>
<b>Other comprehensive income for the year (net of tax)</b>		
Gain on change in fair valuation of equity instruments carried at fair value through OCI	a.	215.32
Gain on sale of equity and equity related instruments	a.	292.74
Remeasurement gain on defined benefit obligations (net)	d.	1.16
		<b>509.22</b>
<b>Less:</b>		
Income tax relating to items that will not be reclassified to profit or loss	c.	7.37
		<b>501.85</b>
<b>Total comprehensive income under Ind AS</b>		<b>2,689.17</b>

**E. Effect of Ind AS adoption on the Cash flow statements for the year ended 31 March, 2017**

	Year ended 31 March 2017		
	Previous GAAP (Rs. / lakh)	Effect of transition to Ind AS (Rs. / lakh)	As per Ind AS balance sheet (Rs. / lakh)
Net cash flows from operating activities	872.40	-	872.40
Net cash (used in) investing activities	(44.08)	-	(44.08)
Net cash (used in) financing activities	(775.80)	-	(775.80)
Net increase (decrease) in cash and cash equivalents	52.52	-	52.52
Cash and cash equivalents at the beginning of the year	246.59	-	246.59
Cash and cash equivalents at the end of the year	299.11	-	299.11

**F. Analysis of cash and cash equivalents as at 31 March, 2017 and as at 1 April, 2016 for the purposes of statement of cash flow under Ind AS**

	As at 31 March 2017 (Rs. / lakh)	As at 1 April 2016 (Rs. / lakh)
Cash and Cash equivalents for the purposes of statement of cash flows as per previous GAAP	299.11	246.59
Cash and Cash equivalents for the purposes of statement of cash flows under Ind AS	299.11	246.59

## Notes

- a. Under the previous GAAP, investment in equity instruments and mutual funds were classified as long-term investments or current investments based on the intended holding period and realisability. Long-term investments were carried at cost less provision for other than temporary decline in the value of such investments. Current investments were carried at lower of cost and fair value.

Under Ind AS, these investments are required to be measured at fair value. The resulting fair value changes of these investments (other than equity instruments designated as at FVTOCI) have been recognised in retained earnings as at the date of transition and subsequently in the statement of profit and loss. For equity instruments (including equity linked mutual funds and excluding subsidiary those are valued at cost) designated at FVTOCI resulting fair value gains and losses have been recognised in other comprehensive income.

- b. Deferred tax have been recognised on the adjustments made on transition to Ind AS.
- c. Income tax with respect to the adjustments pertaining to OCI are regrouped from profit and loss to OCI.
- d. Under previous GAAP, actuarial gains and losses were recognised in profit or loss. Under Ind AS, the actuarial gains and losses from part of remeasurement of the net defined benefit liability / asset which is recognised in other comprehensive income. Consequently, the tax effect of the same has also been recognised in other comprehensive income under Ind AS instead of profit or loss. This change does not affect total equity.

### 43 Fair value measurements

- a. Fair value of financial assets and financial liabilities that are measured at fair value on a recurring basis

Financial assets and financial liabilities are measured at fair value at the end of each year. The information of the valuation techniques and the input used are as follows:

	Level	As at 31 March 2018 (Rs. / lakh)	As at 31 March 2017 (Rs. / lakh)	As at 1 April 2016 (Rs. / lakh)
<b>Measured at fair value through profit or loss</b>				
Other investments				
- non current	Level 2	3,483.07	1,563.30	1,849.91
- current	Level 2	515.28	2,965.14	3,042.13
<b>Measured at fair value through other comprehensive income</b>				
Non current investments				
Investments in Equity shares	Level 1	321.06	497.44	808.28
Investments in equity oriented mutual funds	Level 2	3,072.49	1,735.42	2,271.78
Investments in Capital venture fund (unquoted)	Level 3	536.03	233.61	106.40
Investment in Compulsory convertible preference shares (Unquoted)	Level 3	1,615.00	1,201.95	-

#### Valuation technique

Level 1: Quoted prices in the active market. This level of hierarchy includes financial assets that are measured by reference to quoted prices in the active market. This category consists of quoted equity shares and debt based open ended mutual funds.

Level 2: Valuation techniques with observable inputs. This level of hierarchy includes items measured using inputs other than quoted prices included within Level 1 that are observable for such items, either directly or indirectly. This level of hierarchy consists of debt based close ended mutual fund investments and over the counter (OTC) derivative contracts.

Level 3: Valuation techniques with unobservable inputs. This level of hierarchy includes items measured using inputs that are not based on observable market data (unobservable inputs). Fair value determined in whole or in part, using a valuation model based on assumptions that are neither supported by prices from observable current market transactions in the same instruments nor based on available market data. The main item in this category are unquoted equity instruments.

The fair value of the financial assets are determined at the amount that would be received to sell an asset in an orderly transaction between market participants. The following methods and assumptions were used to estimate the fair values:

- a. Investments in debt mutual funds: Fair value is determined by reference to quotes from the financial institutions, i.e. net asset value (NAV) for investments in mutual funds declared by mutual fund house.
- b. Quoted equity investments: Fair value is derived from quoted market prices in active markets.
- c. Unquoted equity investments: Fair value is derived on the basis of income approach, in this approach the discounted cash flow method is used to capture the present value of the expected future economic benefits to be derived from the ownership of these investments.

Derivative contracts: The Company has not entered into any forward contracts and swaps to manage its exposure as the Company management expect that there are nominal exposure of the Company for foreign exchange and they are capable to manage these risks.

#### 44 Details of Corporate Social Responsibility (CSR) expenditure

	Year ended 31 March 2018 (Rs. / lakh)	Year ended 31 March 2017 (Rs. / lakh)
a. Gross amount required to be spent by the Company during the year	76.91	81.18
b. Amount spent during the year on the following in cash :		
i. Construction/ acquisition of any asset	-	-
ii. On purposes other than (i) above		
A. Contribution towards health care activities	10.00	30.00
B. Contribution towards Education	76.79	33.17
C. Contribution towards Relief & Welfare	0.97	1.31
D. Contribution towards Social Infrastructure	-	1.00
E. Others	2.06	3.74
	<b>89.82</b>	<b>69.22</b>

#### 45 Disclosure required under Section 186(4) of the Companies Act, 2013

	Year ended 31 March 2018 (Rs. / lakh)	Year ended 31 March 2017 (Rs. / lakh)
<b>Particulars of investments made:</b>		
Opening balance of investments	2,839.01	1,190.79
Investments made in equity shares of body corporates during the year	126.82	25.27
Investments made in corporate bonds during the year	-	-
Investments made in equity shares in subsidiary	-	295.35
Investment made in cumulative redeemable preference shares of body corporate	80.00	500.00
Investments made in compulsorily convertible preference shares	200.00	1,201.95
Investments sold in equity shares of body corporates during the year	(364.54)	(374.35)
<b>Closing balance of investments</b>	<b>2,881.29</b>	<b>2,839.01</b>
<b>Particulars of bank guarantee made:</b>		
Opening balance of bank guarantee	258.00	-
Bank Guarantee given on behalf of Samyama Jyothi Solar Energy (P) Limited	-	258.00
<b>Closing balance of guarantee</b>	<b>258.00</b>	<b>258.00</b>



#### 46 Events after the reporting period

There are no other subsequent events which require any adjustment in financial statement.

As per our report of even date

**For Khanna & Annadhanam**

Chartered Accountants

ICAI Firm's Registration No.: 001297N

**Sanjeev Srivastava**

Partner

Membership No. 502238

Place: New Delhi

Date: May 24, 2018

**For and on behalf of the Board of Directors**

**Nand Khemka**

Chairman cum Managing Director

**K. K. Kapur**

CEO and Whole Time Director

**Manali D Bijlani**

Company Secretary

**J.K. Jain**

Chief Financial Officer

## INDEPENDENT AUDITOR'S REPORT

### To the Members of Indag Rubber Limited

### Report on the Consolidated Ind AS Financial Statements.

We have audited the accompanying consolidated Ind AS financial statements of Indag Rubber Limited ("hereinafter referred to as "the Holding Company") and its Subsidiaries (the Holding Company and its Subsidiaries together referred to as "the Group") comprising of the Consolidated Balance Sheet as at March 31, 2018, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), Consolidated Cash Flow Statement and Consolidated Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated Ind AS financial statements").

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

The Holding Company's Board of Directors is responsible for preparation of these consolidated Ind AS financial statements in terms of the requirements of the Companies Act, 2013 (hereinafter referred to as "the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and consolidated statement changes in equity of the Group in accordance with the Indian Accounting Standards (Ind AS) prescribed under section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, and other accounting principles generally accepted in India. The respective Board of Directors of the companies included in the Group 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; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated Ind AS financial statements by the Directors of the Holding Company, as aforesaid.

### Auditor's Responsibility

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

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

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the consolidated Ind AS financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the consolidated Ind AS financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the consolidated Ind AS financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Board of Directors, as well as evaluating the overall presentation of the consolidated Ind AS financial statements.

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

## Opinion

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of reports of other auditors on separate financial statements and on the other financial information of the subsidiaries, the aforesaid consolidated Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at March 31, 2018, their consolidated profit, consolidated total comprehensive income, consolidated cash flows and the consolidated statement of changes in equity for the year ended on that date.

## Other Matters

- a) We did not audit the financial statements and other financial information in respect of two subsidiaries, whose financial statements include total assets of Rs.2,069.10 lakhs as at March 31, 2018, total revenue of Rs.421.70 lakhs and net cash inflows amounting to Rs.11.68 lakhs for the year ended on that date as considered in the consolidated Ind AS financial statements. These financial statements and other financial information have been audited by other auditors whose reports have been furnished to us by the management. Our opinion on the consolidated Ind AS financial statements, other financial information and in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and our report in terms of sub-section (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries is based solely on the reports of such other auditors.
- b) The comparative financial information for the year ended March 31, 2017 and the transition date opening balance sheet as at April 01, 2016 in respect of two subsidiaries included in this consolidated Ind AS Financial Statements prepared in accordance with the Ind AS have been audited by other auditors and have been relied upon by us.
- c) The comparative financial information of the Group for the year ended March 31, 2017 and the transition date opening balance sheet as at April 1, 2016 included in these consolidated Ind AS financial statements, are based on the previously issued statutory financial statements for the years ended March 31, 2017 and March 31, 2016 prepared in accordance with the Companies (Accounting Standards) Rules, 2006 (as amended) which were audited by the predecessor auditor, who expressed an unmodified opinion vide reports dated May 5, 2017 and April 14, 2016 respectively. The transition date opening balance sheet as at April 1, 2016 pertains only to the Holding Company as the holding subsidiary relationship did not exist on that date. The adjustments to those financial statements for the differences in accounting principles adopted by the Group on transition to the Ind AS have been audited by us.

Our opinion is not modified in respect of these matters.

## Report on Other Legal and Regulatory Requirements

As required by Section 143(3) of the Act, based on our audit and on the consideration of the report of the other auditors on separate financial statements and other financial information of subsidiaries, as noted in the 'Other Matters' paragraph, 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 Ind AS financial statements;
- (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated Ind AS financial statements have been kept so far as it appears from our examination of those books and report of other auditors;
- (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including other comprehensive income), the Consolidated Cash Flow Statement and the Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the books of account maintained for the purpose of preparation of the consolidated Ind AS financial statements;
- (d) In our opinion, the aforesaid consolidated Ind AS financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act;
- (e) On the basis of the written representations received from the directors of the Holding Company as on March 31, 2018 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary companies, none of the directors of the Group's Companies, incorporated in India, is disqualified as on March 31, 2018 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 Holding Company and its subsidiary companies, incorporated in India, and the operating effectiveness of such controls, refer to our separate report in “Annexure A”; and
- (g) With respect to the other matters to be included in the Auditor’s Report in accordance with Rule 11 of the Companies (Audit and Auditor’s) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i. The consolidated Ind AS financial statements disclose the impact of pending litigations on the consolidated financial position of the Group. Refer Note 36 to the consolidated Ind AS financial statements;
  - ii. The Group did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
  - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company and its Subsidiaries incorporated in India during the year ended March 31, 2018.
  - iv. The disclosures regarding details of specified bank notes held and transacted during November 08, 2016 to December 30, 2016 has not been made since the requirement does not pertain to financial year ended March 31, 2018.

**For Khanna & Annadhanam**

Chartered Accountants  
(Firm’s Regn. No. 001297N)

**(Sanjeev Srivastava)**

Partner  
Membership No.502238

Place: New Delhi  
Date: May 24, 2018

## **ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT**

**Referred to in paragraph 'Report on Other Legal and Regulatory Requirements' of our report of even date to the members of Indag Rubber Limited on the consolidated financial statements as of and for the year ended March 31, 2018**

**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")**

In conjunction with our audit of the consolidated Ind AS financial statements of Indag Rubber Limited as of and for the year ended March 31, 2018, we have audited the internal financial controls over financial reporting of Indag Rubber Limited (hereinafter referred to as "the Holding Company") as of that date. Reporting under clause (i) of sub section 3 of Section 143 of the Act in respect of the adequacy of the internal financial controls over financial reporting is not applicable to both the subsidiary companies incorporated in India pursuant to MCA notification GSR 583(E) dated June 13, 2017.

### **Management's Responsibility for Internal Financial Controls**

The Holding Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Holding 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. 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 Act.

### **Auditor's Responsibility**

Our responsibility is to express an opinion on the internal financial controls over financial reporting of the Company based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India and the Standards on Auditing, prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. 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.

### **Opinion**

In our opinion, the Holding Company, which is a company incorporated in India, 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, 2018, based on the internal control over financial reporting criteria established by the Holding 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.

### **For Khanna & Annadhanam**

Chartered Accountants  
(Firm's Regn. No. 001297N)

### **(Sanjeev Srivastava)**

Partner  
Membership No.502238

Place: New Delhi

Date: May 24, 2018

## Consolidated Balance Sheet as at 31 March, 2018

	Notes No.	As at 31 March 2018 (Rs. / lakh)	As at 31 March 2017 (Rs. / lakh)	As at 1 April 2016 (Rs. / lakh)
<b>ASSETS</b>				
<b>Non-current assets</b>				
a.				
a.	3	4,555.52	4,847.66	2,744.59
b.		20.78	19.44	428.75
c.	39	39.28	39.28	-
d.	4	30.43	19.15	6.38
e.				
e.				
i.	5	9,882.10	6,007.19	5,312.87
ii.	6	3.60	9.81	2.82
iii.	8	126.32	62.57	47.35
f.	7	20.00	20.00	29.90
g.	9	4.56	31.37	46.90
		<b>14,682.59</b>	<b>11,056.47</b>	<b>8,619.56</b>
<b>Current assets</b>				
a.	10	3,278.61	4,142.48	2,935.06
b.				
i.	11	515.28	2,965.14	3,042.13
ii.	12	2,890.12	2,942.30	3,011.70
iii.	13	352.96	424.17	246.59
iv.	14	245.62	255.38	184.64
v.	6	19.90	17.75	20.77
vi.	8	694.34	639.49	506.56
c.	7	6.53	12.38	-
d.	9	155.13	174.54	118.50
		<b>8,158.49</b>	<b>11,573.63</b>	<b>10,065.95</b>
		<b>22,841.08</b>	<b>22,630.10</b>	<b>18,685.51</b>
<b>EQUITY AND LIABILITIES</b>				
<b>Equity</b>				
a.	15	525.00	525.00	525.00
b.	16	18,156.11	17,108.54	15,177.65
		<b>18,681.11</b>	<b>17,633.54</b>	<b>15,702.65</b>
<b>Equity attributable to shareholders of the company</b>				
Non-controlling interest		<b>392.97</b>	262.31	-
		<b>19,074.08</b>	<b>17,895.85</b>	<b>15,702.65</b>
<b>Liabilities</b>				
<b>Non-current liabilities</b>				
a.				
i.	17	1,180.88	1,130.74	-
b.	18	364.40	390.02	287.14
		<b>1,545.28</b>	<b>1,520.76</b>	<b>287.14</b>
<b>Current liabilities</b>				
a.				
i.	17	-	362.00	-
ii.	19	1,452.35	1,832.78	1,673.44
iii.	20	423.76	343.67	252.58
b.	21	108.16	99.31	74.98
c.	7	63.31	54.23	41.17
d.	22	174.14	521.50	653.55
		<b>2,221.72</b>	<b>3,213.49</b>	<b>2,695.72</b>
		<b>3,767.00</b>	<b>4,734.25</b>	<b>2,982.86</b>
		<b>22,841.08</b>	<b>22,630.10</b>	<b>18,685.51</b>

See accompanying notes to the consolidated financial statements

As per our report of even date

**For and on behalf of the Board of Directors**

**For Khanna & Annadhanam**

Chartered Accountants  
ICAI Firm's Registration No.: 001297N

**Sanjeev Srivastava**

Partner  
Membership No. 502238

Place: New Delhi  
Date: May 24, 2018

**Nand Khemka**

Chairman cum Managing Director

**Manali D Bijlani**

Company Secretary

**K. K. Kapur**

CEO and Whole Time Director

**J.K. Jain**

Chief Financial Officer

## Consolidated Statement of profit and loss for the year ended 31 March, 2018

		Notes No.	Year ended 31 March 2018 (Rs. / lakh)	Year ended 31 March 2017 (Rs. / lakh)
I	Revenue from operations	23	17,201.22	20,524.71
II	Other income	24	710.60	623.21
III	<b>Total income (I+II)</b>		<b>17,911.82</b>	<b>21,147.92</b>
IV	<b>Expenses</b>			
	Cost of raw materials consumed	25	10,067.82	11,499.41
	Purchase of stock in trade		15.27	29.25
	Changes in inventories of finished goods, stock-in-trade and work in progress	26	657.88	(740.07)
	Excise duty on sale of goods		386.93	2,024.75
	Employee benefits expense	27	1,608.32	1,936.03
	Finance costs	29	197.73	77.46
	Depreciation and amortisation expense	28	380.30	316.95
	Other expenses	30	2,427.95	2,805.86
	<b>Total expenses (IV)</b>		<b>15,742.20</b>	<b>17,949.64</b>
V	<b>Profit before tax (III-IV)</b>		<b>2,169.62</b>	<b>3,198.28</b>
VI	<b>Tax expense</b>			
	Current tax	32	646.44	901.14
	Deferred tax	18	(73.10)	102.48
	Income tax adjustment for earlier year	32	15.89	1.27
			<b>589.23</b>	<b>1,004.89</b>
VII	<b>Profit for the year (V-VI)</b>		<b>1,580.39</b>	<b>2,193.39</b>
VIII	<b>Other comprehensive income ('OCI')</b>			
i.	Items that will not be reclassified subsequently to the statement of profit and loss			
a.	Gain on change in fair valuation of equity instruments carried at fair value through OCI		208.49	215.32
b.	Gain on sale of equity and equity related instruments		13.14	292.74
c.	Remeasurement gain on defined benefit obligations (net)		24.15	1.16
			<b>245.78</b>	<b>509.22</b>
ii.	Income tax relating to items that will not be reclassified subsequently to statement of profit and loss			
a.	Current tax	32	8.36	6.97
b.	Deferred tax	18	47.48	0.40
			<b>55.84</b>	<b>7.37</b>
	<b>Total other comprehensive income (VIII)</b>		<b>189.94</b>	<b>501.85</b>
IX	<b>Total Comprehensive income for the year (VII+VIII)</b>		<b>1,770.33</b>	<b>2,695.24</b>
	Profit for the year attributable to:			
a)	Shareholders of the company		1,576.69	2,187.29
b)	Non Controlling Interest		3.70	6.10
	Other Comprehensive income attributable to:			
a)	Shareholders of the company		189.94	501.85
b)	Non Controlling Interest		-	-
	Total Comprehensive income attributable to:			
a)	Shareholders of the company		1,766.63	2,689.14
b)	Non Controlling Interest		3.70	6.10
X	<b>Earnings per equity share</b>			
	Basic and diluted (Rs.) [Nominal value of share Rs. 2]	31	6.01	8.33

See accompanying notes to the consolidated financial statements

As per our report of even date

**For and on behalf of the Board of Directors**

**For Khanna & Annadhanam**

Chartered Accountants  
ICAI Firm's Registration No.: 001297N

**Sanjeev Srivastava**

Partner  
Membership No. 502238

Place: New Delhi  
Date: May 24, 2018

**Nand Khemka**

Chairman cum Managing Director

**Manali D Bijlani**

Company Secretary

**K. K. Kapur**

CEO and Whole Time Director

**J.K. Jain**

Chief Financial Officer



## Consolidated Statement of changes in equity for the year ended 31 March, 2018

	Amount (Rs. / lakh)
<b>a. Equity share capital</b>	
Balance as at 1 April, 2016	525.00
Changes in equity share capital during the year	-
Balance as at 31 March, 2017	525.00
Balance as at 1 April, 2017	525.00
Changes in equity share capital during the year	-
<b>Balance as at 31 March, 2018</b>	<b>525.00</b>

### b. Other equity

	Reserve and surplus				Other comprehensive income (Rs. / lakh)	Total equity attributable to share holders of the Company (Rs. / lakh)
	Capital reserve (Rs. / lakh)	Securities premium reserve (Rs. / lakh)	General reserve (Rs. / lakh)	Retained earnings (Rs. / lakh)		
<b>Balance as at 1 April, 2016</b>	<b>0.29</b>	<b>450.00</b>	<b>1,148.80</b>	<b>13,815.30</b>	<b>(236.74)</b>	<b>15,177.65</b>
Profit for the year	-	-	-	2,187.29	-	2,187.29
Other comprehensive income for the year, net of income tax	-	-	-	-	501.85	501.85
Total comprehensive income	-	-	-	<b>2,187.29</b>	<b>501.85</b>	<b>2,689.14</b>
Dividend paid (including taxes)	-	-	-	758.25	-	758.25
	-	-	-	<b>1,429.04</b>	<b>501.85</b>	<b>1,930.89</b>
<b>Balance as at 31 March, 2017</b>	<b>0.29</b>	<b>450.00</b>	<b>1,148.80</b>	<b>15,244.34</b>	<b>265.11</b>	<b>17,108.54</b>
<b>Balance as at 1 April, 2017</b>	<b>0.29</b>	<b>450.00</b>	<b>1148.80</b>	<b>15244.34</b>	<b>265.11</b>	<b>17108.54</b>
Profit for the year	-	-	-	1,576.69	-	1,576.69
Other comprehensive income for the year, net of income tax	-	-	-	-	189.94	189.94
Gain on change in holding of non-controlling interest	-	-	-	39.20	-	39.20
Total comprehensive income	-	-	-	<b>1,615.89</b>	<b>189.94</b>	<b>1,805.83</b>
Dividend paid (including taxes)	-	-	-	758.26	-	758.26
	-	-	-	<b>857.63</b>	<b>189.94</b>	<b>1,047.57</b>
<b>Balance as at 31 March, 2018</b>	<b>0.29</b>	<b>450.00</b>	<b>1,148.80</b>	<b>16,101.97</b>	<b>455.05</b>	<b>18,156.11</b>

See accompanying notes to the consolidated financial statements

As per our report of even date

**For and on behalf of the Board of Directors**

**For Khanna & Annadhanam**

Chartered Accountants

ICAI Firm's Registration No.: 001297N

**Sanjeev Srivastava**

Partner

Membership No. 502238

Place: New Delhi

Date: May 24, 2018

**Nand Khemka**

Chairman cum Managing Director

**Manali D Bijlani**

Company Secretary

**K. K. Kapur**

CEO and Whole Time Director

**J.K. Jain**

Chief Financial Officer

## Consolidated Cash flow statement for the year ended 31 March, 2018

	Year ended 31 March 2018 (Rs. / lakh)	Year ended 31 March 2017 (Rs. / lakh)
<b>A. Cash flow from operating activities</b>		
Profit before tax	2,169.62	3,198.28
<b>Adjustments for:</b>		
Depreciation and amortisation expense	380.30	316.95
Loss/(Gain) on disposal of property, plant and equipment (net)	0.95	(11.58)
Provision for doubtful debts	27.94	-
Provision for doubtful debts written back	-	(1.57)
Liability no longer required written back	(120.64)	-
Unrealised loss/(gain) on foreign exchange fluctuation	(1.17)	3.22
Gain arising on financial assets designated through FVTPL	(190.05)	(273.01)
Gain on disposal of debt instruments at FVTPL	(70.14)	(81.56)
Dividend income from investments	(251.82)	(187.55)
Interest expense & CCD Conversion impact	193.99	70.70
Interest income earned on financial assets	(74.96)	(62.63)
<b>Operating profit before working capital changes</b>	<b>2,064.02</b>	<b>2,971.25</b>
<b>Adjustments for changes in working capital:</b>		
<b>Adjustments for operating assets:</b>		
Decrease/(Increase) in trade receivables	25.41	67.75
Decrease/(Increase) in inventories	863.87	(1,207.42)
Decrease/(Increase) in loans	4.06	62.33
Decrease/(Increase) in other financial assets	(119.81)	(144.39)
Decrease/(Increase) in other assets	17.43	(57.83)
<b>Adjustments for operating liabilities:</b>		
(Decrease)/Increase in trade payables	(259.80)	117.79
(Decrease)/Increase in other liabilities	(347.36)	(137.06)
(Decrease)/Increase in financial liabilities	26.00	8.68
(Decrease)/Increase in provisions	33.00	25.49
<b>Cash generated from operating activities</b>	<b>2,306.82</b>	<b>1,706.59</b>
Income taxes paid (Net)	(655.76)	(898.36)
<b>Net cash flow from operating activities</b>	<b>1,651.06</b>	<b>808.23</b>
<b>B. Cash flow from investing activities</b>		
Purchase of Property plant and equipments	(149.48)	(1,954.55)
Proceeds from sale of Property plant and equipments	3.39	25.22
<b>Current investments:</b>		
Purchase	(4,098.93)	(7,390.03)
Proceeds from sale/maturity	4,640.39	8,867.15
<b>Non current investments:</b>		
Purchase	(2,056.33)	(3,711.08)
Proceeds from sale/maturity	570.62	2,481.18
Bank balance not considered as Cash and cash equivalents	9.76	(40.74)
Interest received	75.51	62.24
Dividend received	253.51	185.86
Purchase Consideration paid for acquiring subsidiary	-	(45.45)
<b>Net cash (used in) investing activities</b>	<b>(751.56)</b>	<b>(1,520.20)</b>

	Year ended 31 March 2018 (Rs. / lakh)	Year ended 31 March 2017 (Rs. / lakh)
<b>C. Cash flow from financing activities</b>		
Proceeds from long term borrowings	299.37	1130.74
Capital contribution by minority	-	173.91
Proceeds/(Repayment) of short term borrowings	(362.00)	362.00
Interest paid	(156.51)	(36.97)
Dividend paid	(623.31)	(624.02)
Tax on dividends paid	(128.26)	(128.25)
<b>Net cash flow from/(used in) financing activities</b>	<b>(970.71)</b>	<b>877.41</b>
<b>Net increase/ (decrease) in cash and cash equivalents (A+B+C)</b>	<b>(71.21)</b>	<b>165.44</b>
Cash and cash equivalents at the beginning of the year	424.17	246.59
Cash and cash equivalents acquired on purchase of Subsidiary	-	12.14
<b>Cash and cash equivalents at the end of the year</b>	<b>352.96</b>	<b>424.17</b>
<b>Components of cash and cash equivalents:</b>		
Cash on hand	3.69	1.98
Balances with banks:		
- on current accounts	294.18	345.60
- on cash credit accounts	55.09	76.59
<b>Total cash and cash equivalents</b>	<b>352.96</b>	<b>424.17</b>

See accompanying notes to the consolidated financial statements

As per our report of even date

**For and on behalf of the Board of Directors**

**For Khanna & Annadhanam**

Chartered Accountants

ICAI Firm's Registration No.: 001297N

**Sanjeev Srivastava**

Partner

Membership No. 502238

Place: New Delhi

Date: May 24, 2018

**Nand Khemka**

Chairman cum Managing Director

**Manali D Bijlani**

Company Secretary

**K. K. Kapur**

CEO and Whole Time Director

**J.K. Jain**

Chief Financial Officer

## Notes to Consolidated financial statements for the year ended 31 March 2018

### 1. Corporate information

Indag Rubber Limited (hereinafter referred to as 'the Parent Company') is a Public Limited Company incorporated and domiciled in India. The Parent company's shares are listed on Bombay Stock Exchange ('BSE'). The Parent Company has invested funds in the equity share capital of a subsidiary who in turn invested the funds in the equity share capital of its subsidiary. The Parent Company is engaged in the manufacturing and selling of Precured Tread Rubber and allied products. The subsidiary along with step down subsidiary company is engaged in the business of enhancing knowledge and skills of solar technologies in India, specially the expertise in solar park development and to carry on the business of generating power supply through clean energy sub-sectors e.g., solar energy, biomass, wind, and energy efficiency projects and/or any other means, distribute, supply and sell such power either directly or through facilities or Central/State Governments or private companies or Electricity Boards to industries and to Central/State Governments. The Parent Company and its subsidiaries collectively hereinafter referred to as "the Group".

The registered office of the Parent Company is located at 11 Community Center, Saket, New Delhi- 110017, India. The Company's CIN is - L74899DL1978PLC009038.

These consolidated financial statements were approved by the Board of Directors and authorised for issue on May 24, 2018.

### 2. Significant accounting policies

#### 2.1 Statement of compliance and basis of preparation and presentation

The Consolidated financial statements of the Group have been prepared in accordance with Indian Accounting Standards ("Ind AS") notified under the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standard) (Amendment) Rules, 2016. The Group has prepared these consolidated financial statements to comply in all material respects with the accounting standards notified under Section 133 of the Companies Act, 2013 ("the Act").

The Group had prepared its consolidated financial statements in accordance with the requirements of previous GAAP up to the year ended 31 March, 2017, which includes Standards notified under the Companies (Accounting Standards) Rules, 2006. The date of transition to Ind AS is 1 April, 2016.

Previous periods consolidated financial statements have been restated to Ind AS. In accordance with Ind AS 101 First-time Adoption of Indian Accounting Standard, the Group has presented a reconciliation from the presentation of financial statements under Accounting Standards notified under the Companies (Accounting Standards) Rules, 2006 ("Previous GAAP") to Ind AS of Shareholders' equity as at 31 March, 2017 and of the comprehensive net income for the year ended 31 March, 2017.

The consolidated financial statements have been prepared on historical cost basis except for certain financial instruments which are measured at fair value at the end of each reporting period as explained in the accounting policies.

The Consolidated financial statements of the Group are presented in Indian Rupee (Rs.) and all values are rounded to the nearest lakh, except when otherwise indicated.

#### 2.2 Basis of Consolidation

The consolidated financial statements include the financial statements of Parent Company and its subsidiaries. Subsidiaries are entities controlled by the Company. Control exists when the Company :

- a. has power over the investee;
- b. is exposed, or has rights, to variable returns from its involvement with the investee and
- c. has the ability to affect those returns through its power over the investee.

The Company reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements listed above.

In assessing control, potential voting rights that currently are exercisable are taken into account. The results of subsidiaries acquired or disposed off during the year are included in the consolidated financial statements from the effective date of acquisition and up to the effective date of disposal, as appropriate.

Inter-company transactions and balances including unrealized profits are eliminated in full on consolidation.

Non-controlling interests in the net assets (excluding goodwill) of consolidated subsidiaries are identified separately from the Company's equity. The interest of non-controlling shareholders may be initially measured either at fair value or at the non-controlling interests' proportionate share of the fair value of the acquiree's identifiable net assets. The choice of measurement basis is made on an acquisition-by-acquisition basis.

Subsequent to acquisition, the carrying amount of non-controlling interests is the amount of those interests at initial recognition plus the non-controlling interests' share of subsequent changes in equity. Total comprehensive income is attributed to non-controlling interests even if it results in the non-controlling interest having a deficit balance.

Changes in the Company's interests in subsidiaries that do not result in a loss of control are accounted for as equity transactions. The carrying amount of the Company's interests and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to shareholders of the Company.

When the Company loses control of a subsidiary, the profit or loss on disposal is calculated as the difference between the aggregate of the fair value of consideration received and the fair value of any retained interest and the previous carrying amount of the assets (including goodwill), and liabilities of the subsidiary and any non-controlling interests, amounts previously recognized in other comprehensive income in relation to the subsidiary are accounted for (i.e., reclassified to profit or loss) in the same manner as would be required if the relevant assets or liabilities were disposed off. The fair value of any investment retained in the former subsidiary at the date when control is lost is regarded as the fair value on initial recognition for subsequent accounting under Ind AS 109 Financial Instruments: Recognition and Measurement or, when applicable, the cost on initial recognition of an investment in an associate or jointly controlled entity.

The group does not have any investments in associate and joint venture entities where accounting needs to be made as per Equity method of accounting.

### 2.3 The following subsidiary Companies are considered in the consolidated financial statements:

Sr. No.	Name of subsidiary company	Country of incorporation	% of holding either directly or through subsidiaries		
			As on 31 March 2018	As on 31 March 2017	As on 1 April 2016
1.	SUN-AMP Solar India Private limited	India	51.00%	75.84%	-
2.	Samyama Jyothi Solar Energy Private Limited – step down subsidiary	India	81.79%	74.00%	-

The Company acquired the control over the subsidiaries through acquisition on 13 October, 2016. The financials as on 01-4-2016 pertains only to Parent Company as the holding subsidiary relationship did not exist on that date.

### 2.4 Business Combinations

Acquisitions of subsidiaries and businesses are accounted for using the acquisition method. Acquisition related costs are recognised in profit or loss as incurred. The acquiree's identifiable assets, liabilities and contingent liabilities that meet the conditions for recognition are recognised at their fair value at the acquisition date, except certain assets and liabilities required to be measured as per the applicable standard.

Purchase consideration in excess of the Company's interest in the acquiree's net fair value of identifiable assets, liabilities and contingent liabilities is recognised as goodwill. Excess of the Company's interest in the net fair value of the acquiree's identifiable assets, liabilities and contingent liabilities over the purchase consideration is recognised, after reassessment of fair value of net assets acquired, in the Capital Reserve.

The interest of non-controlling shareholders is initially measured either at fair value or at the non-controlling interests' proportionate share of the acquiree's identifiable net assets. The choice of measurement basis is made on an

acquisition-by-acquisition basis. Subsequent to acquisition, the carrying amount of non-controlling interests is the amount of those interests at initial recognition plus the non-controlling interests' share of subsequent changes in equity of subsidiaries.

## 2.5 Goodwill

Goodwill arising on an acquisition of a business is carried at cost as established at the date of acquisition of the business less accumulated impairment losses, if any.

For the purposes of impairment testing, goodwill is allocated to each of the Group's cash-generating units (or groups of cash-generating units) that is expected to benefit from the synergies of the combination.

A cash-generating unit to which goodwill has been allocated is tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash-generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro rata based on the carrying amount of each asset in the unit. Impairment loss for goodwill is recognised directly in the statement of profit and loss. An impairment loss recognised for goodwill is not reversed in subsequent periods.

On disposal of the relevant cash-generating unit, the attributable amount of goodwill is included in the determination of the profit or loss on disposal.

## 2.6 Basis of classification of Current and Non-Current

All assets and liabilities have been classified as current or non-current as per the Group's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013. Based on the nature of products and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the Group has ascertained its operating cycle as 12 months for the purpose of current/non-current classification of assets and liabilities.

Deferred tax assets and liabilities are classified as non-current assets or liabilities.

## 2.7 Use of estimates

The preparation of these financial statements, in conformity with the recognition and measurement principles of Ind AS, requires the management of the Group to make judgments, estimates and assumptions that affect application of accounting policies and the reported amount of assets and liabilities, disclosures relating to contingent assets and liabilities as at the date of the financial statements and the reported amounts of income and expenses for the periods presented. Actual results may differ from these estimates. Accounting estimates could change from period to period.

Estimates and underlying assumptions are reviewed on ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and future periods are affected. Changes in estimates are reflected in the financial statements in the period in which changes are made, if material, their effects are disclosed in the notes to the financial statements.

Key source of estimation of uncertainty at the date of the financial statements, which may cause a material adjustment to the carrying amounts of assets and liabilities within the next financial year, is in respect of valuation of deferred tax assets, Property plant & equipments, impairment of investments, provisions and contingent liabilities.

## 2.8 Revenue Recognition

Revenue is recognised to the extent it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured, regardless of when the payment is received. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government. The following specific criteria must also be met before revenue is recognised:

### i. Sale of goods

Revenue from sale of goods is recognised when all the significant risks and rewards of ownership of the goods have been passed to the buyer, usually on delivery of the goods. Revenue is recognised when collectability of the resulting receivables is reasonably assured.

## ii. Sale of services

Revenue from sale of services is recognised as and when the services are rendered and the stage of completion can be measured reliably and based on agreements/arrangements with the concerned customers.

## iii. Sale of power

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue from main business activities are recognised on due basis, as and when the services are rendered, based on the agreements/arrangements with the concerned parties. Unbilled revenue is recognised to the extent not billed at the year end.

Solar power generation income is recognised based on the monthly statement of “State Energy Account” generated by Bangalore Electricity Supply Company Limited of units generated through our Plant.

## iv. Dividend and interest income

Dividend income from investments is recognised when the right to receive dividend is established by the reporting date.

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Group and the amount of income can be measured reliably. Interest income is accrued on a time proportion basis, with reference to the principal outstanding and at the effective interest rate, which is the rate that exactly discounts estimated future cash receipts over the expected life of the financial asset to that asset's net carrying amount on initial recognition.

## 2.9 Operating lease

Operating leases comprises lease arrangements where the risks and rewards incidental to ownership of the leased asset substantially vest with the lessor. Operating Lease payments are recognized on a straight-line basis over the lease term in the statement of profit and loss unless the lease agreement explicitly states that increase is on account of inflation.

## 2.10 Foreign currency

These consolidated financial statements of the Group are presented in Indian rupees (Rs. / lakh) which is the Parent Company and its subsidiaries functional and presentation currency.

Transactions in foreign currencies are recorded at the exchange rate prevailing on the date of transaction. Foreign currency denominated monetary assets and liabilities are re-measured into the functional currency at the exchange rate prevailing on the balance sheet date.

Exchange differences are recognised in the Consolidated Statement of Profit and Loss.

## 2.11 Borrowing cost

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the respective asset. All other borrowing costs are recognized in the statement of profit and loss in the period in which they are incurred.

Borrowing costs include interest and amortisation of ancillary costs incurred in connection with the arrangement of borrowings.

## 2.12 Employee benefits

- (i) Retirement benefits in the form of provident fund (where contributed to the Regional PF Commissioner) is a defined contribution scheme. The Group has no obligation, other than the contribution payable to the provident fund. The Group recognizes contribution payable to the provident fund scheme as an expenditure, when an employee renders the related service. If the contribution payable to the scheme for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognized as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the balance sheet date, then excess is recognized as an asset to the extent that the pre payment will lead to, for example, a reduction in future payment or a cash refund.

Retirement benefits in the form of provident fund contributed to the Trust set up by the employer is a defined benefit scheme and is provided for on the basis of actuarial valuation of projected unit credit method made at

the end of each financial year. The difference between the actuarial valuation of the provident fund of employees at the year end and the balance of own managed funds is provided for as liability in the books by the Group.

- (ii) Gratuity liability under the Payment of Gratuity Act is a defined benefit obligation and is provided for on the basis of an actuarial valuation on projected unit credit method made at the end of each financial year. The gratuity plan has been funded by policy taken from Life Insurance Corporation of India. Actuarial gains and losses are recognised in full in the other comprehensive income for the period in which they occur. Past service cost both vested and unvested is recognised as an expense at the earlier of
  - (a) when the plan amendment or curtailment occurs; and
  - (b) when the entity recognises related restructuring costs or termination benefits.
- (iii) Accumulated leave, which is expected to be utilized within the next 12 months, is treated as short-term employee benefit. The Group measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date.
- (iv) The Group treats accumulated leave expected to be carried forward beyond twelve months, as long-term employee benefit for measurement purposes. Such long-term compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the year-end. Actuarial gains/losses are immediately taken to the statement of profit and loss and are not deferred. The Group presents the entire leave as a current liability in the balance sheet, since it does not have an unconditional right to defer its settlement for 12 months after the reporting date.

## 2.13 Income Taxes

Income tax expense represents the sum of the tax currently payable and deferred tax.

### Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from 'profit before tax' as reported in the consolidated statement of profit and loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible.

The Group's current tax is calculated using tax rates that have been enacted by the end of the reporting period.

### Deferred tax

Deferred tax is recognised for the future tax consequences of temporary differences between the carrying amounts of assets and liabilities in the consolidated financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

In the situations where the Group is entitled to a tax holiday under the Income-tax Act, 1961 enacted in India or tax laws prevailing in the respective tax jurisdictions where it operates, no deferred tax (asset or liability) is recognized in respect of timing differences which reverse during the tax holiday period, to the extent the company's gross total income is subject to the deduction during the tax holiday period. Deferred tax in respect of timing differences which reverse after the tax holiday period is recognized in the year in which the timing differences originate. However, the Group restricts recognition of deferred tax assets to the extent that it has become reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which such deferred tax assets can be realized. For recognition of deferred taxes, the timing differences which originate first are considered



to reverse first.

### Current and deferred tax for the year

Current and deferred tax are recognised in consolidated statement of profit and loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively.

Minimum alternate tax (MAT) paid in a year is charged to the consolidated statement of profit and loss as current tax. The Group recognizes MAT credit available as an asset only to the extent that there is convincing evidence that the Group 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 Group recognises MAT credit as an asset in accordance with the Guidance Note on Accounting for Credit Available in respect of Minimum Alternative Tax under the Income-tax Act, 1961, the said asset is created by way of credit to the statement of profit and loss and shown as “MAT Credit Entitlement”. The group reviews the “MAT credit entitlement” asset at each reporting date and writes down the asset to the extent the Group does not have convincing evidence that it will pay normal tax during the specified period.

### 2.14 Property, plant and equipment

For transition to Ind AS the Group has elected to continue with the carrying value of all of its plant and equipment (including freehold land) as at the transition date i.e. April 01, 2016 measured as per the previous GAAP and use that carrying value as its deemed cost as of the transition date.

Property, plant and equipment, capital work in progress are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. The cost comprises purchase price, borrowing costs if capitalization criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use. Any trade discounts and rebates are deducted in arriving at the purchase price.

When significant parts of plant and equipment are required to be replaced at intervals, the Group depreciated them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognized in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognized in the statement of profit and loss as incurred. The present value of the expected cost for the decommissioning of an asset after its use is included in the cost of respective asset if the recognition criteria for a provision are met.

An item of Property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the assets.

Gains or losses arising from disposal or retirement of property, plant and equipment are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is derecognized.

### 2.15 Depreciation on property, plant and equipment

- a. With respect to business of manufacturing and selling of Precured Tread Rubber and allied products. Leasehold land is amortised on a straight line basis over the period of lease i.e., 95/99 years. Freehold land is not depreciated.

Depreciation on property, plant and equipment is calculated on a straight-line basis using the rates arrived at, based on the useful lives estimated by the management, which are equal to the useful lives prescribed under Schedule II to the Companies Act, 2013.

Estimated useful lives of the assets are as follows:

S. No.	Assets	Useful lives in years
i.	Buildings	Ranging from 5 to 60 Years
ii.	Plant and equipment	Ranging from 3 to 15 Years
iii.	Furniture and Fixtures	10 years
iv.	Office equipment	Ranging from 3 to 6 Years
v.	Vehicles	Ranging from 8 to 10 Years

b. With respect to solar power business:

Depreciation on property, plant and equipment calculated on a straight-line basis using the rates arrived at, based on the useful lives estimated by the management, which are equal to the useful lives prescribed under Schedule II to the Companies Act, 2013 except in respect of the following assets, where useful life is either not given or different than those prescribed in Schedule II are used:

S. No.	Assets	Useful lives in years
i.	Plant and equipment	
	- Inverter	10 years
	- Other machinery	25 years
	- Office equipment	3 years

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

## 2.16 Intangible assets

The Group has elected to continue with the carrying value of all of its intangible assets as at the transition date i.e. April 01, 2016 measured as per the previous GAAP and use that carrying value as its deemed cost as of the transition date.

Intangible assets purchased are measured at cost as of the date of acquisition less accumulated amortisation and accumulated impairment, if any.

Intangible assets consist of rights under licensing agreement and software licenses which are amortised over license period which equates the useful life ranging between 2-4 years on a straight-line basis or actual life of license whichever is earlier.

## 2.17 Impairment of non-financial assets

The Group assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Group estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) net selling price and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining net selling price, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used.

The Group bases its impairment calculation on detailed budgets and forecast calculations which are prepared separately for each of the Group's cash-generating units to which the individual assets are allocated.

Impairment losses are recognized in the statement of profit and loss. After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.

## 2.18 Inventories

Inventories are valued as follows:

Raw materials, stores and spares and packing materials

Lower of cost and net realizable value. However, materials and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated, are expected to be sold at or above cost. Cost is determined on moving weighted average method.

Work in progress and finished goods (own manufactured)

Lower of cost and net realizable value. Cost includes direct materials and labour and a proportion of manufacturing overheads based on normal operating capacity. Cost of finished goods includes excise duty. Cost is determined on monthly moving weighted average basis.

Traded goods Lower of cost and net realizable value. Cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on moving weighted average basis.

Net realisable value is the estimated selling price in the ordinary course of business less estimated cost of completion and estimated costs necessary to make the sale.

## 2.19 Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of past event and 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. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

## 2.20 Financial instruments

### i. Classification, initial recognition and measurement

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. Financial assets other than equity instruments are classified into two categories: financial assets at fair value through profit or loss and at amortised cost. Financial assets that are equity instruments are classified at fair value through other comprehensive income. Financial liabilities are classified into financial liabilities at fair value through profit or loss.

Financial instruments are recognized on the balance sheet when the Group becomes a party to the contractual provisions of the instrument.

Initially, a financial instrument is recognized at its fair value. Transaction costs directly attributable to the acquisition or issue of financial instruments are recognized in determining the carrying amount, if it is not classified as at fair value through profit or loss. Subsequently, financial instruments are measured according to the category in which they are classified.

**Financial assets at amortised cost:** Financial assets having contractual terms that give rise on specified dates to cash flows that are solely payments of principal and interest on the principal outstanding and that are held within a business model whose objective is to hold such assets in order to collect such contractual cash flows are classified in this category. Subsequently, these are measured at amortized cost using the effective interest rate method less any impairment losses.

**Equity investments at fair value through other comprehensive income:** These include financial assets that are equity instruments and are irrevocably designated as such upon initial recognition. Subsequently, these are measured at fair value and changes therein are recognized directly in other comprehensive income, net of applicable income taxes.

Dividends from these equity investments are recognized in the Statement of Profit and Loss when the right to receive payment has been established. When the equity investment is derecognized, the cumulative gain or loss in equity is transferred to retained earnings.

**Financial assets at fair value through profit or loss:** Financial assets are measured at fair value through profit or loss unless it is measured at amortised cost or at fair value through other comprehensive income on initial recognition. The transaction costs that are directly attributable to the acquisition of financial assets, which are measured at fair value through profit or loss, are immediately recognised in profit or loss.

**Cash and cash equivalents:** Cash and cash equivalents 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.

**Equity instruments:** An equity instrument is any contract that evidences residual interests in the assets of the Group after deducting all of its liabilities. Equity instruments issued by the Group are recorded at the proceeds received, net of direct issue costs.

**Financial liabilities at fair value through profit or loss:** Derivatives, including embedded derivatives separated from the host contract, unless they are designated as hedging instruments, for which hedge accounting is applied, are classified into this category. These are measured at fair value and changes in fair value are recognized in the Statement of Profit and Loss.

**Financial guarantee contracts:** These are initially measured at fair value and are subsequently measured at the higher of the amount of loss allowance determined or the amount initially recognized, less the cumulative amount of income recognized.

**Other financial liabilities:** These are measured at amortized cost using the effective interest rate method.

**ii. Determination of fair value:**

The fair value of a financial instrument on initial recognition is normally the transaction price (fair value of the consideration given or received). Subsequent to initial recognition, the Group determines the fair value of financial instruments, that are quoted in active markets, using the quoted bid prices (financial assets held) or quoted ask prices (financial liabilities held) and using valuation techniques for other instruments. Valuation techniques include discounted cash flow method and other valuation models.

**iii. Derecognition of financial assets and financial liabilities:**

The Group derecognizes a financial asset only when the contractual rights to the cash flows from the asset expires or it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. If the Group neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Group recognizes its retained interest in the asset and an associated liability for amounts it may have to pay. If the Group retains substantially all the risks and rewards of ownership of a transferred financial asset, the Group continues to recognize the financial asset and also recognizes a collateralized borrowing for the proceeds received.

Financial liabilities are derecognised when these are extinguished, which is when the obligation is discharged, cancelled or expired.

**iv. Impairment of financial assets:**

The Group recognizes a loss allowance for expected credit losses on a financial asset that is at amortized cost. Loss allowance in respect of financial assets is measured at an amount equal to life time expected credit losses and is calculated as the difference between their carrying amount and the present value of the expected future cash flows discounted at the original effective interest rate.

**v. Derivative financial instruments**

The Group does not hold any derivative and embedded derivative financial instruments.

## 2.21 Fair value measurement

Fair value is the price 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, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Group takes into account the characteristics of the asset or liability, if market participants would take those characteristics into account, when pricing the asset or liability at the measurement date.

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2, or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1: Quoted (unadjusted) market prices in active markets for identical assets or liabilities.
- Level 2: Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.
- Level 3: Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

## 2.22 Operating Segments

### Identification of segments

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker (CODM). The CODM, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as Chief Financial Officer and Chief Executive Officer.

### Unallocated items

Unallocated items include general corporate income and expense items which are not allocated to any business segment.

### Segment accounting policies

The Group prepares its segment information in conformity with the accounting policies adopted for preparing and presenting the financial statements of the Group as a whole.

## 2.23 Earnings per share

Basic earnings per share are computed by dividing profit/loss for the period by the weighted average number of shares outstanding during the year. Partly paid up shares are included as fully paid equivalents according to the fraction paid up. Diluted earnings per share are been computed using the weighted average number of shares and dilutive potential shares, except where the result would be anti-dilutive.

## 2.24 Government grants and subsidies

Grants and subsidies from the government are recognized when there is reasonable assurance that

- (i) the Group will comply with the conditions attached to them, and
- (ii) the grant/ subsidy will be received.

Where the grant or subsidy relates to revenue, it is recognized as income on a systematic basis in the statement of profit and loss over the periods necessary to match them with the related costs, which they are intended to compensate. Where the grant relates to an asset, it is recognized as deferred income and released to income in equal amounts over the expected useful life of the related asset.

## 2.25 Contingent liabilities

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Group or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Group does not recognize a contingent liability but discloses its existence in the financial statements.

## 2.26 Recent Accounting pronouncements

- i) IND AS 115- Revenue from contract with customers: On March 28, 2018, Ministry of Corporate Affairs (“MCA”) has notified the Ind AS 115, Revenue from Contract with Customers.
- ii) Appendix B to Ind AS 21, foreign currency transactions and advance consideration: On March 28, 2018, Ministry of Corporate Affairs (“MCA”) has notified the Companies (Indian Accounting Standards) Amendment Rules, 2018 containing Appendix B to Ind AS 21.

The Group has not considered above pronouncements in these financial statements as the same will come into force from April 1, 2018.

### 3. Property, Plant and Equipment

(Rs. / lakh)

	Freehold Land	Leasehold Land	Buildings	Plant and Equipment	Furniture and fixtures	Office equipment	Vehicles	Total
<b>Cost or deemed cost</b>								
<b>As at 01.04.2016</b>	<b>80.37</b>	<b>15.79</b>	<b>1,020.26</b>	<b>1,531.13</b>	<b>8.32</b>	<b>47.28</b>	<b>41.44</b>	<b>2,744.59</b>
Additions	-	-	24.80	2,392.93	0.06	11.11	-	2,428.90
Deductions	-	-	-	12.61	0.01	0.49	1.41	14.52
<b>As at 31.03.2017</b>	<b>80.37</b>	<b>15.79</b>	<b>1,045.06</b>	<b>3,911.45</b>	<b>8.37</b>	<b>57.90</b>	<b>40.03</b>	<b>5,158.97</b>
Additions	-	-	0.94	53.02	0.10	16.72	12.16	82.94
Deductions	-	-	-	1.04	-	0.13	4.85	6.02
<b>As at 31.03.2018</b>	<b>80.37</b>	<b>15.79</b>	<b>1,046.00</b>	<b>3,963.43</b>	<b>8.47</b>	<b>74.49</b>	<b>47.34</b>	<b>5,235.89</b>
<b>Depreciation</b>								
<b>As at 01.04.2016</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Charge for the year	-	0.18	43.85	242.46	1.63	16.77	7.30	312.19
Deductions	-	-	-	0.70	-	0.05	0.13	0.88
<b>As at 31.03.2017</b>	<b>-</b>	<b>0.18</b>	<b>43.85</b>	<b>241.76</b>	<b>1.63</b>	<b>16.72</b>	<b>7.17</b>	<b>311.31</b>
Charge for the year	-	0.19	43.83	303.92	1.03	14.34	7.43	370.74
Deductions	-	-	-	0.23	-	0.04	1.41	1.68
<b>As at 31.03.2018</b>	<b>-</b>	<b>0.37</b>	<b>87.68</b>	<b>545.45</b>	<b>2.66</b>	<b>31.02</b>	<b>13.19</b>	<b>680.37</b>
<b>Net block</b>								
As at 01.04.2016	80.37	15.79	1,020.26	1,531.13	8.32	47.28	41.44	2,744.59
As at 31.03.2017	80.37	15.61	1,001.21	3,669.69	6.74	41.18	32.86	4,847.66
<b>As at 31.03.2018</b>	<b>80.37</b>	<b>15.42</b>	<b>958.32</b>	<b>3,417.98</b>	<b>5.81</b>	<b>43.47</b>	<b>34.15</b>	<b>4,555.52</b>

#### Notes:

- i. The information regarding gross block of assets and accumulated depreciation under previous GAAP is as follows:

(Rs. / lakh)

	As at 1 April, 2016							
	Freehold Land	Leasehold Land	Buildings	Plant and Equipment	Furniture and fixtures	Office equipment	Vehicles	Total
Gross block	80.37	18.63	1,428.65	3,366.31	34.44	145.73	63.00	5,137.13
Accumulated depreciation	-	2.84	408.39	1,835.18	26.12	98.45	21.56	2,392.54
<b>Net block</b>	<b>80.37</b>	<b>15.79</b>	<b>1,020.26</b>	<b>1,531.13</b>	<b>8.32</b>	<b>47.28</b>	<b>41.44</b>	<b>2,744.59</b>

(Rs. / lakh)

	As at 31 March, 2017							
	Freehold Land	Leasehold Land	Buildings	Plant and Equipment	Furniture and fixtures	Office equipment	Vehicles	Total
Gross block	80.37	18.63	1,453.45	5,723.19	34.35	152.23	57.78	7,520.00
Accumulated depreciation	-	3.02	452.24	2,053.50	27.61	111.05	24.92	2,672.34
<b>Net block</b>	<b>80.37</b>	<b>15.61</b>	<b>1,001.21</b>	<b>3,669.69</b>	<b>6.74</b>	<b>41.18</b>	<b>32.86</b>	<b>4,847.66</b>

- ii. The leasehold land comprises land obtained on lease from Rajasthan State Industrial & Mineral Development Corporation Limited for 99 years and land obtained from Government of Himachal Pradesh for 95 years.

#### 4 Other intangible assets

	Software (Rs. / lakh)	Total (Rs. / lakh)
<b>Cost or deemed cost</b>		
<b>As at 01.04.2016</b>	<b>6.38</b>	<b>6.38</b>
Additions	17.53	17.53
<b>As at 31.03.2017</b>	<b>23.91</b>	<b>23.91</b>
Addition	20.84	20.84
Deductions	-	-
<b>As at 31.03.2018</b>	<b>44.75</b>	<b>44.75</b>
<b>Amortisation</b>		
<b>As at 01.04.2016</b>	-	-
Charge for the year	4.76	4.76
Deductions	-	-
<b>As at 31.03.2017</b>	<b>4.76</b>	<b>4.76</b>
Charge for the year	9.56	9.56
Deductions	-	-
<b>As at 31.03.2018</b>	<b>14.32</b>	<b>14.32</b>
<b>Net block</b>		
As at 01.04.2016	6.38	6.38
As at 31.03.2017	19.15	19.15
<b>As at 31.03.2018</b>	<b>30.43</b>	<b>30.43</b>

#### Notes:

- i. The information regarding gross block of assets and accumulated depreciation under previous GAAP is as follows:

	As at 1 April 2016		
	Software	Website development	Total
Gross block	76.95	1.41	78.36
Accumulated depreciation	70.57	1.41	71.98
<b>Net block</b>	<b>6.38</b>	-	<b>6.38</b>

	As at 31 March 2017		
	Software	Website development	Total
Gross block	94.48	1.41	95.89
Accumulated depreciation	75.33	1.41	76.74
<b>Net block</b>	<b>19.15</b>	-	<b>19.15</b>

## 5 Investments

	As at 31 March 2018			As at 31 March 2017			As at 1 April, 2016		
	Face value per share/unit	Numbers	(Rs. / lakh)	Face value per share/unit	Numbers	(Rs. / lakh)	Face value per share/unit	Numbers	(Rs. / lakh)
<b>Non-current</b>									
<b>A. Investments carried at Fair value through other comprehensive income</b>									
<b>i. Equity shares</b>									
<b>[Fully paid-up (Quoted)]</b>									
IDFC Limited	10	16,770	8.18	10	32,370	17.64	10	32,370	13.08
IDFC Bank Limited	-	-	-	10	32,370	19.20	10	32,370	15.62
Lupin Limited	2	1,372	10.10	2	2,368	34.21	2	2,300	34.02
Divi's Laboratories Limited	-	-	-	-	-	-	2	2,800	27.64
Idea Cellular Limited	-	-	-	10	9,000	7.73	10	9,000	9.92
AIA Engineering Limited	2	593	8.46	-	-	-	2	2,536	23.83
Motherson Sumi Systems Limited	-	-	-	-	-	-	1	8,500	22.65
HDFC Bank Limited	-	-	-	-	-	-	2	6,177	66.17
Larsen and Toubro Limited	2	2,128	27.90	2	3,619	57.09	2	3,619	44.01
Tata Consultancy Services Limited	-	-	-	1	775	18.85	1	775	19.53
Sun Pharmaceutical Industries Limited	-	-	-	1	1,750	12.04	1	1,750	14.35
Tata Motors Limited	-	-	-	2	5,275	24.57	2	9,638	37.23
CG Power and Industrial Solutions Limited	-	-	-	2	27,860	21.62	2	27,860	13.71
Crompton Greaves Consumer Electricals Limited	-	-	-	-	-	-	2	27,860	-
Titan Company Limited	-	-	-	1	4,000	18.51	1	4,000	13.56
Bajaj Finserv Limited	-	-	-	-	-	-	5	798	13.60
Engineers India Limited	5	4,370	6.92	5	4,370	6.31	5	2,185	3.72
Hero Motocorp Limited	-	-	-	-	-	-	2	1,174	34.56
Axis Bank Limited	2	1,468	7.48	2	1,468	7.20	2	6,763	30.04
Havells India Limited	-	-	-	-	-	-	1	8,500	27.31
South Indian bank Limited	-	-	-	1	50,000	10.68	1	50,000	8.83
Ultratech Cement Limited	-	-	-	-	-	-	10	900	29.06
Bata India Limited	-	-	-	5	3,691	20.95	5	3,691	18.77
Infosys Limited	-	-	-	5	2,650	27.09	5	2,650	32.28
Asian Paints Limited	-	-	-	-	-	-	1	1,700	14.77
Grasim Industries Limited	-	-	-	-	-	-	10	600	23.05
ICICI Bank Limited	2	6,858	19.09	2	6,235	17.28	2	6,235	14.75
Tech Mahindra Limited	5	3,610	23.06	5	3,610	16.59	5	3,610	17.16
United Spirits Limited	10	603	18.87	10	603	13.11	10	603	15.07
Wipro Limited	2	7,364	20.70	2	3,682	18.98	2	3,682	20.74
Bank of Baroda	-	-	-	2	10,000	17.30	2	10,000	14.70
Bharat Forge Limited	-	-	-	2	2,100	21.88	2	2,100	18.34
Volta Limited	-	-	-	-	-	-	1	6,600	18.35
Maruti Suzuki Limited	-	-	-	-	-	-	5	344	12.79
Cipla Limited	2	2,220	12.11	2	2,220	13.15	2	2,220	11.37
Kotak Mahindra Bank Limited	-	-	-	-	-	-	5	2,500	17.02
Mahindra CIE Automotive Limited	10	2,450	5.28	10	2,450	5.20	10	2,450	4.78
Mayur Uniquoters Limited	-	-	-	5	685	2.59	5	685	2.65
P.I. Industries Limited	1	1,199	10.65	1	935	7.83	1	935	5.31
Supreme Industries Limited	2	627	7.47	2	627	6.84	2	627	4.63
City Union Bank Limited	1	8,853	15.28	-	-	-	1	6,725	6.38
Indusind Bank Limited	-	-	-	10	650	9.16	10	650	6.29
ITC Limited	-	-	-	1	2,638	7.40	1	1,759	5.77
Persistent Systems Limited	10	1,867	12.90	10	888	5.29	10	888	6.76
Shriram City Union Finance Limited	-	-	-	-	-	-	10	347	5.21
Tata Motors Limited - DVR	-	-	-	2	1,990	5.61	2	1,990	5.74
TVS Motor Company Limited	1	978	6.03	1	978	4.22	1	978	3.16
La Opala RG Limited	2	2,846	8.08	2	1,232	6.63	-	-	-
Eastern Treads Limited	10	11,100	8.72	10	11,100	12.58	-	-	-
Vamshi Rubber Limited	10	4,664	2.28	10	4,664	2.11	-	-	-
PVR Limited	10	1,079	13.12	-	-	-	-	-	-
Torrent Pharmaceuticals Limited	5	1,063	13.27	-	-	-	-	-	-
Page Industries Limited	10	49	11.12	-	-	-	-	-	-
Amrutanjan Health care Limited	2	1,228	6.60	-	-	-	-	-	-
Cadila Healthcare Limited	1	1,214	4.60	-	-	-	-	-	-
Cholamandalam investment and finance company Limited	10	923	13.38	-	-	-	-	-	-
Garware wall ropes Limited	10	840	7.72	-	-	-	-	-	-
Kajaria Ceramics Limited	1	2,061	11.69	-	-	-	-	-	-
			<u>321.06</u>			<u>497.44</u>			<u>808.28</u>



	As at 31 March 2018			As at 31 March 2017			As at 1 April, 2016		
	Face value per share/unit	Numbers	(Rs. / lakh)	Face value per share/unit	Numbers	(Rs. / lakh)	Face value per share/unit	Numbers	(Rs. / lakh)
<b>ii. Equity mutual funds (Unquoted)</b>									
HDFC Prudence Fund-Direct Plan-Dividend	10	282,433.93	98.58	10	282,433.93	101.24	10	282,433.93	86.13
HDFC Mid Cap Opportunities Fund-Direct Plan-Dividend	-	-	-	-	-	-	10	930,424.61	255.00
HDFC Top 200 Fund-Direct Plan-Dividend	10	490,313.60	243.51	10	490,313.60	253.55	10	490,313.60	211.08
ICICI Prudential Balanced Fund-Direct Plan-Dividend	10	394,706.74	120.38	10	394,706.74	116.95	10	394,706.74	96.15
ICICI Prudential Balanced Fund-Direct Plan-Growth	-	-	-	-	-	-	10	2,787.69	2.57
Birla Sun Life Frontline Equity Fund-Dividend-Direct Plan-Payout	-	-	-	-	-	-	10	703,222.99	250.84
ICICI Prudential Value Discovery Fund Regular Plan Dividend	10	60,864.27	17.62	10	60,864.27	18.90	10	60,864.27	17.24
HDFC Equity Fund-Dividend Plan	-	-	-	-	-	-	10	115,764.28	49.79
Kotak Select Focus Fund-Regular Plan-Dividend	10	363,612.17	82.50	10	363,612.17	79.57	10	363,612.17	65.17
SBI Blue Chip Fund Regular Plan-Dividend	10	271,815.81	57.56	10	271,815.81	51.93	10	110,881.34	18.57
ICICI Prudential Multi Cap Fund Regular Plan-Dividend	10	218,254.51	48.17	10	218,254.51	54.00	10	218,254.51	44.79
Kotak Equity Arbitrage Fund Direct Plan-Monthly Dividend	-	-	-	-	-	-	10	2,753,636.01	299.88
ICICI Prudential Equity Arbitrage Fund-Direct Plan-Dividend	10	744,097.22	107.48	10	2,094,695.97	305.55	10	2,072,498.06	294.62
Reliance Arbitrage Advantage Fund Direct Monthly Dividend Plan	10	4,717,163.38	512.23	10	4,717,163.38	509.14	10	3,777,578.68	401.12
Franklin India High Growth Companies Fund-Direct -Dividend Payout	10	202,815.07	52.68	10	202,815.07	51.61	10	202,815.07	44.11
ICICI Prudential Business Cycle Fund Series 1 Regular Plan Dividend Payout	10	1,000,000.00	101.50	10	1,000,000.00	118.00	10	1,000,000.00	95.40
DSP Black Rock Focus 25 Fund-Regular Plan- Dividend	10	317,944.81	42.60	10	317,944.81	44.16	10	317,944.81	39.32
Franklin India Prima Plus - Dividend payout	10	82,310.69	30.80	10	82,310.69	30.82	-	-	-
UTI Spread Fund - Direct Plan - Dividend Payout	10	7,252,333.92	1,209.04	-	-	-	-	-	-
Kotak Equity Arbitrage Fund	10	499,316.93	127.40	-	-	-	-	-	-
Avendus Enhanced Return Fund	-	-	101.66	-	-	-	-	-	-
JM Balanced Fund - Annual Dividend Option	-	623,610.52	118.78	-	-	-	-	-	-
			<u>3,072.49</u>			<u>1,735.42</u>			<u>2,271.78</u>
<b>iii. Capital venture fund (unquoted)</b>									
Zodius Technology Fund (refer note (i) below)	10	852,535.92	90.36	10	995,029.00	126.00	10	795,029.00	106.40
IIFL Special Opportunities Fund Series 4 (refer note (i) below)	10	1,258,214.05	125.26	-	-	-	-	-	-
India Small and Mid Cap Gems fund	100	100,000.00	97.71	-	-	-	-	-	-
India Whizdom Fund (refer note (i) below)	-	-	222.70	-	-	107.61	-	-	-
			<u>536.03</u>			<u>233.61</u>			<u>106.40</u>
<b>iv. Investment in Compulsory convertible preference shares (Unquoted)</b>									
SRL 142 Holdings Limited (These preference shares are fully paid up and will be compulsory converted into equity shares after eight years from the date of issue.)	\$1	1,800,000	1365.00	\$1	1,800,000	1201.95	-	-	-
Lithium Urban Technologies Private Limited (These preference shares are mandatorily convertible into equity shares on or before 31 Jan 2019)	1000	20,000	250.00	-	-	-	-	-	-
			<u>1,615.00</u>			<u>1,201.95</u>			<u>-</u>
			<u>5,544.58</u>			<u>3,668.42</u>			<u>3,186.46</u>

	As at 31 March 2018			As at 31 March 2017			As at 1 April, 2016		
	Face value per share/unit	Numbers	(Rs. / lakh)	Face value per share/unit	Numbers	(Rs. / lakh)	Face value per share/unit	Numbers	(Rs. / lakh)
<b>B. Investments carried at Fair value through profit and loss (Unquoted)</b>									
UTI Fixed Maturity Plan-Yearly FMP Series YMFP (03/14)- Direct Growth Plan	-	-	-	-	-	-	10	9,750,000.00	1,153.67
UTI Fixed Term Income Fund Series XXII-VI (1098 Days)-Growth Plan	-	-	-	10	1,000,000.00	119.62	10	1,000,000.00	107.01
UTI Fixed Term Income Fund Series XXIV-V (1132 Days)-Direct Growth Plan	10	4,535,108.70	539.05	10	4,535,108.70	501.33	10	4,535,108.70	455.80
LIC MF Bond Fund - Growth Plan	10	729,047.18	335.75	10	729,047.18	324.69	-	-	-
BOI AXA Corporate Credit Spectrum Fund - Regular Plan Growth	10	1,768,940.94	236.12	10	1,768,940.94	216.86	-	-	-
BSL Medium Term Plan - Growth Regular Plan	10	1,035,646.97	227.61	10	1,035,646.97	211.37	-	-	-
Kotak Income Opportunities Fund Direct Growth Plan	10	1,063,925.99	213.57	-	-	-	-	-	-
UTI Income Opportunities Direct Growth Plan	10	1,269,285.20	214.30	-	-	-	-	-	-
Reliance Corporate Bond Fund - Direct Growth Plan	10	1,477,317.64	213.91	-	-	-	-	-	-
UTI Fixed Term Income Fund - Series XXVII - VI (1113 Days) Direct Growth Plan	10	3,000,000.00	310.04	-	-	-	-	-	-
ICICI Prudential Real Estate AIF-1 (refer note (i) below) (paid up Rs 93 per unit, as at 31-03-2017 Rs 93 per unit, as at 01-04-16 Rs 65 per unit)	100	200,000.00	200.00	100	200,000.00	189.43	100	200,000.00	133.43
UTI-Fixed Term Income Fund - Series XXVIII-II (1210 Days ) Direct Growth Plan	10	2,000,000.00	204.07	-	-	-	-	-	-
Reliance Dynamic Bond Fund- Direct-Growth Plan	10	2,032,394.04	487.71	-	-	-	-	-	-
UTI Fixed Term Income Fund - Series XXVIII-XIII ( 1134 Days)	10	3,000,000.00	300.94	-	-	-	-	-	-
			<u>3,483.07</u>			<u>1,563.30</u>			<u>1,849.91</u>
<b>C. Investments carried at amortised cost (Unquoted)</b>									
<b>i. Tax free Bonds</b>									
7.40% IIFCL (HNI) 22-Jan-33 (Tax Free)	1,000	18,250	187.55	1,000	18,250	187.88	1,000	18,250	188.22
8.26% IIFCL 23-Aug-28 (Tax Free)	1,000,000	8	86.90	1,000,000	8	87.59	1,000,000	8	88.28
			<u>274.45</u>			<u>275.47</u>			<u>276.50</u>
<b>ii. Investment in preference shares</b>									
7.5% Cumulative Redeemable Preference Shares of Tata Capital Limited (Cumulative redeemable preference shares are fully paid up and are redeemable at par after 7 years from the date of allotment.)	1000	50,000.00	500.00	1000	50,000.00	500.00	-	-	-
6% Zee Preference Shares (Cumulative redeemable preference shares are fully paid up and are redeemable at par)	10	1,000,000.00	80.00	-	-	-	-	-	-
			<u>580.00</u>			<u>500.00</u>			<u>-</u>
			<u>854.45</u>			<u>775.47</u>			<u>276.50</u>
			<u>9,882.10</u>			<u>6,007.19</u>			<u>5,312.87</u>
Measured at fair value through profit or loss			3,483.07			1,563.30			1,849.91
Measured at amortised cost			854.45			775.47			276.50
Measured at fair value through other comprehensive income			5,544.58			3,668.42			3,186.46
			<u>9,882.10</u>			<u>6,007.19</u>			<u>5,312.87</u>
a. Aggregate amount of quoted investments and market value thereof			321.06			497.44			808.28
b. Aggregate amount of unquoted investments (including mutual funds)			9,561.04			5,509.75			4,504.59
<b>Notes:</b>									
i. The Group has further commitment for the investments as under:									
a. Zodiuss Technology Fund			-			-			20.00
b. ICICI Prudential Real Estate AIF-1			-			14.00			70.00
c. India Whizdom Fund			-			100.00			160.00
d. IIFL Special Opportunities Fund Series 4			125.00			-			-

## 6 Loans

	Non-current			Current		
	As at 31 March 2018 (Rs. /lakh)	As at 31 March 2017 (Rs. /lakh)	As at 1 April 2016 (Rs. /lakh)	As at 31 March 2018 (Rs. /lakh)	As at 31 March 2017 (Rs. /lakh)	As at 1 April 2016 (Rs. /lakh)
<b>(Unsecured, considered good) (at amortised cost)</b>						
Loan to employees	0.14	1.80	2.82	15.68	13.86	20.77
Loan to others	3.46	8.01	-	4.22	3.89	-
	<u>3.60</u>	<u>9.81</u>	<u>2.82</u>	<u>19.90</u>	<u>17.75</u>	<u>20.77</u>

## 7 Income tax assets/liabilities

	Non-current			Current		
	As at 31 March 2018 (Rs. /lakh)	As at 31 March 2017 (Rs. /lakh)	As at 1 April 2016 (Rs. /lakh)	As at 31 March 2018 (Rs. /lakh)	As at 31 March 2017 (Rs. /lakh)	As at 1 April 2016 (Rs. /lakh)
Income tax assets						
Income tax paid (Net)	20.00	20.00	29.90	6.53	12.38	-
	<u>20.00</u>	<u>20.00</u>	<u>29.90</u>	<u>6.53</u>	<u>12.38</u>	<u>-</u>
Current income tax liabilities(Net)						
Income tax payable	-	-	-	63.31	54.23	41.17
	<u>-</u>	<u>-</u>	<u>-</u>	<u>63.31</u>	<u>54.23</u>	<u>41.17</u>

## 8 Other financial assets

	Non-current			Current		
	As at 31 March 2018 (Rs. /lakh)	As at 31 March 2017 (Rs. /lakh)	As at 1 April 2016 (Rs. /lakh)	As at 31 March 2018 (Rs. /lakh)	As at 31 March 2017 (Rs. /lakh)	As at 1 April 2016 (Rs. /lakh)
<b>Fixed deposits with banks</b>						
Deposits with banks and government tax authorities paid under protest and pledged	81.75	22.18	3.75	-	-	-
	<u>81.75</u>	<u>22.18</u>	<u>3.75</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Deposits</b>						
Security deposits - considered goods	42.86	39.87	43.34	43.52	127.34	18.60
Doubtful	-	-	-	-	-	2.10
Less: Provision for doubtful security deposits	-	-	-	-	-	2.10
	<u>42.86</u>	<u>39.87</u>	<u>43.34</u>	<u>43.52</u>	<u>127.34</u>	<u>18.60</u>

	Non-current			Current		
	As at 31 March 2018 (Rs. /lakh)	As at 31 March 2017 (Rs. /lakh)	As at 1 April 2016 (Rs. /lakh)	As at 31 March 2018 (Rs. /lakh)	As at 31 March 2017 (Rs. /lakh)	As at 1 April 2016 (Rs. /lakh)
	<b>Others</b>					
Deposit with government tax authorities under protest (refer note 36)	-	-	-	451.67	437.46	343.84
Interest accrued on financial assets carried at amortised cost:						
- fixed deposits with banks	1.71	0.52	0.26	1.93	7.70	6.41
- other deposits	-	-	-	1.69	2.01	2.14
- other investments	-	-	-	6.59	6.59	6.59
Interest accrued on financial assets carried at FVTPL	-	-	-	5.38	-	-
Export benefits receivable	-	-	-	11.18	5.69	20.24
Unbilled Revenue	-	-	-	44.50	44.62	-
Other receivable	-	-	-	17.88	8.08	65.88
Application money paid to India Whizdom fund (pending allotment)	-	-	-	-	-	42.86
Advance given for purchasing shares of step down subsidiary held by director of step down subsidiary	-	-	-	110.00	-	-
	<u>1.71</u>	<u>0.52</u>	<u>0.26</u>	<u>650.82</u>	<u>512.15</u>	<u>487.96</u>
	<u>126.32</u>	<u>62.57</u>	<u>47.35</u>	<u>694.34</u>	<u>639.49</u>	<u>506.56</u>

## 9 Other assets

	Non-current			Current		
	As at 31 March 2018 (Rs. /lakh)	As at 31 March 2017 (Rs. /lakh)	As at 1 April 2016 (Rs. /lakh)	As at 31 March 2018 (Rs. /lakh)	As at 31 March 2017 (Rs. /lakh)	As at 1 April 2016 (Rs. /lakh)
	<b>Other assets</b>					
Capital advances	-	28.79	46.10	-	-	-
Advance to suppliers	-	-	-	32.62	93.03	44.55
Balances with statutory / government authorities	-	-	-	70.30	46.77	25.55
Prepaid expenses	4.56	2.58	0.80	39.86	19.50	35.46
Advance to employee	-	-	-	7.99	9.98	10.20
Other advances	-	-	-	4.36	5.26	2.74
	<u>4.56</u>	<u>31.37</u>	<u>46.90</u>	<u>155.13</u>	<u>174.54</u>	<u>118.50</u>

## 10 Inventories (valued at lower of cost and net realisable value)

	As at 31 March 2018 (Rs. / lakh)	As at 31 March 2017 (Rs. / lakh)	As at 1 April 2016 (Rs. / lakh)
Raw materials [including stock in transit Rs.343.78 lakh (previous year Rs.130.38 lakh)]	1,139.55	968.83	702.20
Packing materials	10.79	19.73	15.28
Stores and spare parts	67.26	65.94	64.80
Work-in-progress	208.44	234.27	171.86
Finished goods	1,842.04	2,835.57	1,967.96
Traded goods	10.53	18.14	12.96
	<u>3,278.61</u>	<u>4,142.48</u>	<u>2,935.06</u>

## 11 Investments

	As at 31 March 2018			As at 31 March 2017			As at 1 April, 2016		
	Face value per unit	Numbers	(Rs. / lakh)	Face value per unit	Numbers	(Rs. / lakh)	Face value per unit	Numbers	(Rs. / lakh)
<b>Current</b>									
<b>Current investments valued at FVTPL</b>									
<b>Investments in Mutual Funds (Unquoted)</b>									
UTI Money Market Fund - Institutional Plan - Direct plan - Growth	-	-	-	1,000	194.41	3.55	1,000	56,192.33	954.57
UTI Treasury Advantage Fund - Institutional Plan - Direct Plan - Growth	-	-	-	1,000	197.27	4.45	1,000	197.27	4.09
UTI Fixed Maturity Plan-Yearly FMP Series YMFP (03/14)- Direct Growth Plan	-	-	-	10	9,750,000.00	1,249.24	-	-	-
UTI Dynamic Bond Fund- Direct Plan - Growth	-	-	-	10	2,606,479.85	512.84	10	326,151.48	55.62
UTI Short Term Income Fund- Institutional Option-Direct Plan - Growth	10	304,664.41	65.92	10	304,664.41	61.92	10	304,664.41	56.15
UTI Short Term Income Fund- Institutional Option-Direct Monthly Dividend Plan Reinvestment	-	-	-	10	370,804.98	40.35	10	7,280,449.51	776.61
Reliance Dynamic Bond Fund- Direct-Growth Plan	-	-	-	10	2,032,394.04	467.42	10	1,608,003.47	329.68
Reliance Short Term Fund- Direct Growth Plan-Growth option	10	387,133.24	130.41	10	387,133.24	122.34	10	387,133.24	111.59
Reliance Mutual Fund ETF Liquid Bees	1,000	0.76	0.01	-	-	-	1,000	1,761.09	17.62
Kotak Floater Short Term - Daily Dividend (Regular Plan)	1,000	511.22	5.17	1,000	489.24	4.95	1,000	466.69	4.72
Reliance Banking & PSU Debt Fund Direct Weekly Dividend Plan Re-investment	-	-	-	10	1,331,216.54	134.89	10	1,253,662.01	126.91
Reliance Quarterly Interval Fund- Series II- Direct Growth Plan Growth Option	-	-	-	-	-	-	10	487,878.65	101.23
Reliance Quarterly Interval Fund- Series III- Direct Growth Plan Growth Option	-	-	-	-	-	-	10	4,029,398.49	503.34
UTI Liquid Cash Plan -Institutional - Direct Plan- Growth	1,000	3,273.40	93.13	1,000	9,404.40	250.46	-	-	-
Birla Sun Life Treasury Optimizer Plan - Growth - Direct plan	100	36,790.60	82.60	100	36,790.60	77.38	-	-	-
UTI Fixed Term Income Fund Series XXII-VI (1098 Days)-Growth Plan	10	1,000,000.00	129.94	-	-	-	-	-	-
UTI Liquid Cash Plan -Institutional - Regular Plan- Growth	1,000	285.37	8.10	1,000	1,330.70	35.35	-	-	-
			<u>515.28</u>			<u>2,965.14</u>			<u>3,042.13</u>
Aggregate amount of unquoted investments			515.28			2,965.14			3,042.13

## 12 Trade receivables

	As at 31 March 2018 (Rs. / lakh)	As at 31 March 2017 (Rs. / lakh)	As at 1 April 2016 (Rs. / lakh)
Unsecured, considered good	2,834.31	2,868.48	2,921.40
Secured, considered good	55.81	73.82	90.30
Doubtful	32.30	4.37	5.94
	<u>2,922.42</u>	<u>2,946.67</u>	<u>3,017.64</u>
Allowances for doubtful debts (expected credit loss allowance)	32.30	4.37	5.94
	<u>2,890.12</u>	<u>2,942.30</u>	<u>3,011.70</u>

### Notes:

- There are no customers who represent more than 5% of the total balance of trade receivables.
- The credit period allowed on sales of goods and services varies from 21 to 60 days and for sale of power generation there is no credit period.
- The provision for doubtful debts at the reporting period are analysed by the Group on case to case basis.
- Movement in the expected credit loss allowances:

	As at 31 March 2018 (Rs. / lakh)	As at 31 March 2017 (Rs. / lakh)	As at 1 April 2016 (Rs. / lakh)
Balance at the beginning of the year	4.37	5.94	44.44
Movement in expected credit loss allowance on trade receivables calculated	27.93	(1.57)	(38.50)
<b>Balance at the end of the year</b>	<u>32.30</u>	<u>4.37</u>	<u>5.94</u>

The concentration of credit risk is limited due to the fact that the customer base is large and unrelated.

## 13 Cash and cash equivalents

	As at 31 March 2018 (Rs. / lakh)	As at 31 March 2017 (Rs. / lakh)	As at 1 April 2016 (Rs. / lakh)
Balances with banks: (refer note below)			
- On current accounts	294.18	345.60	142.58
- On cash credit accounts	55.09	76.59	101.89
	<u>349.27</u>	<u>422.19</u>	<u>244.47</u>
Cash in hand	3.69	1.98	2.12
	<u>352.96</u>	<u>424.17</u>	<u>246.59</u>

### Note:

Cash credit from banks are secured by first pari passu charge on entire current assets including stocks lying at the parent Company's factory at Nalagarh and other stock points, on book debts and on entire fixed assets of the parent Company, present and future. The cash credit is repayable on demand and carries interest @ 9.75% p.a. to 10.80% p.a.

The Group has not utilised Cash Credit as on 31 March,2018, 31 March,2017 and 1 April, 2016.

#### 14 Bank balances other than above

	As at 31 March 2018 (Rs. / lakh)	As at 31 March 2017 (Rs. / lakh)	As at 1 April 2016 (Rs. / lakh)
Other bank balances:			
- Deposits with remaining maturity for less than 12 months (Deposits pledged with banks and other government authorities)	58.49	189.28	144.25
- Unpaid dividend accounts	53.06	46.37	40.39
- Trust and Retention account	134.07	19.73	-
	<u>245.62</u>	<u>255.38</u>	<u>184.64</u>

\*Amounts held under the current account opened as per Trust and Retention Account (TRA) agreement, signed among the step down subsidiary, the lender and the TRA Bank, will be available to the Group as per the terms specified in the agreement.

#### 15 Equity share capital

	As at 31 March, 2018		As at 31 March, 2017		As at 1 April, 2016	
	No. of shares	(Rs. / lakh)	No. of shares	(Rs. / lakh)	No. of shares	(Rs. / lakh)
<b>Authorised shares</b>						
Equity shares of Rs. 2 each	35,000,000	700.00	35,000,000	700.00	35,000,000	700.00
<b>Issued, subscribed and fully paid-up shares</b>						
Equity shares of Rs. 2 each fully paid up	26,250,000	525.00	26,250,000	525.00	26,250,000	525.00

#### Notes:

##### a. Reconciliation of the number of shares outstanding at the beginning and at the end of the reporting year

	As at 31 March, 2018		As at 31 March, 2017		As at 1 April, 2016	
	No. of shares	(Rs. / lakh)	No. of shares	(Rs. / lakh)	No. of shares	(Rs. / lakh)
<b>Equity shares</b>						
At the beginning of the year	26,250,000	525.00	26,250,000	525.00	26,250,000	525.00
Movement during the year	-	-	-	-	-	-
<b>Outstanding at the end of the year</b>	<u>26,250,000</u>	<u>525.00</u>	<u>26,250,000</u>	<u>525.00</u>	<u>26,250,000</u>	<u>525.00</u>

##### b. Terms/rights attached to equity shares

The Company has only one class of equity shares having par value of Rs. 2 per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends in Indian rupees.

**c. Detail of shareholders holding more than 5% shares**

	As at 31 March, 2018		As at 31 March, 2017		As at 1 April, 2016	
	No. of shares	(Rs. / lakh)	No. of shares	(Rs. / lakh)	No. of shares	(Rs. / lakh)
<b>Equity shares of Rs. 2 each fully paid</b>						
i. Mrs. Jeet Khemka	8,765,005	33.39%	8,765,005	33.39%	8,765,005	33.39%
ii. Khemka Aviation Private Limited	6,272,325	23.89%	6,272,325	23.89%	6,272,325	23.89%

**16 Other equity**

	As at 31 March 2018 (Rs. / lakh)	As at 31 March 2017 (Rs. / lakh)	As at 1 April 2016 (Rs. / lakh)
<b>i. Capital reserve</b>			
a. Profit on re-issue of forfeited shares	0.29	0.29	0.29
	<u>0.29</u>	<u>0.29</u>	<u>0.29</u>
<b>ii. Securities premium reserve</b>			
	450.00	450.00	450.00
<b>iii. General reserve</b>			
	1,148.80	1,148.80	1,148.80
<b>iv. Retained earnings</b>			
Balance at the beginning of year	15,244.34	13,815.30	13,815.30
Profit for the year	1,576.69	2,187.29	-
Final dividend (amount per share Rs. 1.50, previous year Rs. 1.50)	(393.75)	(393.75)	-
Interim dividend (amount per share Rs. 0.90, previous year Rs. 0.90)	(236.25)	(236.25)	-
Tax on dividends	(128.26)	(128.25)	-
Gain on change in holding of non-controlling interest	39.20	-	-
<b>Balance at end of year</b>	<u>16,101.97</u>	<u>15,244.34</u>	<u>13,815.30</u>
<b>v. Other comprehensive income</b>			
Balance at the beginning of year	265.11	(236.74)	(236.74)
Fair valuation of equity instruments	208.49	215.32	-
Gain/(loss) on sale of equity and equity related instruments	13.14	292.74	-
Re-measurement gain on defined benefit obligations (net)	24.15	1.16	-
Income tax relating to items that will not be reclassified to profit or loss	(8.36)	(6.97)	-
Deferred tax	(47.48)	(0.40)	-
<b>Balance at end of year</b>	<u>455.05</u>	<u>265.11</u>	<u>(236.74)</u>
<b>Total other equity</b>	<u>18,156.11</u>	<u>17,108.54</u>	<u>15,177.65</u>

**Notes**
**(i) Capital reserve**

Capital reserve represents the amount on account of forfeiture of equity shares of the Company.

**(ii) Securities premium reserve**

Securities Premium represents amount received on issue of shares in excess of the par value.



**(iii) General reserves**

This represents appropriation of profit by the Company. General reserve is created by a transfer from one component of equity to another and is not an item of other comprehensive income. Central cash subsidy amounting to Rs. 30 lakh received for the installation of plant at Nalagarh in 2006 have been transferred to the general reserves as on 1 April, 2016.

**(iv) Retained earnings**

Retained earnings comprises of prior years undistributed earnings after taxes.

For the year ended 31 March 2018, the amount of per share dividend recognised as distribution to equity shareholders was Rs. 2.40 (Previous year Rs. 2.40).

The board of directors in its meeting held on May 24, 2018, has proposed final dividend @ 75% of paid up capital (i.e. Rs. 1.50 per equity share of Rs. 2 each).

**(v) Other comprehensive income**

It comprises amounts that will not be re-classified to profit & loss and are eligible to be re-classified in retained earning.

**17 Borrowings**

	Non-current			Current		
	As at 31 March 2018 (Rs. /lakh)	As at 31 March 2017 (Rs. /lakh)	As at 1 April 2016 (Rs. /lakh)	As at 31 March 2018 (Rs. /lakh)	As at 31 March 2017 (Rs. /lakh)	As at 1 April 2016 (Rs. /lakh)
<b>I. Secured - at amortised cost</b>						
<b>i. Term loan - from financial institutions</b>						
- Indian Renewable Energy Development Agency Ltd (IREDA) (refer note a.)	1,276.84	968.50	-	-	-	-
Less: Current maturities of long term debt	95.96	-	-	-	-	-
<b>Total (A)</b>	<b>1,180.88</b>	968.50	-	-	-	-
<b>II. Unsecured - at amortised cost</b>						
<b>i. Term loan</b>						
- SUN Alternate Energy Private Limited (refer note b)	-	-	-	-	362.00	-
<b>ii. Compulsory Convertible Debentures</b>						
- SUN Alternate Energy Private Limited (refer note c)	-	162.24	-	-	-	-
<b>Total (B)</b>	<b>-</b>	162.24	-	-	362.00	-
<b>Total Borrowings (A+B)</b>	<b>1,180.88</b>	1,130.74	-	-	362.00	-

**a. Particulars of security & details of secured term from financial institution :-**

- Secured 100% by way of Exclusive first charge on all movable and immovable assets, pertaining to 3.00 MW (1 X 3 MW) Solar Photovoltaic Grid Connected Power Project set up at Village Madanayakahalli, Taluka Chitradurga, District Chitradurga, in the State of Karnataka (Project No. 2245)

- ii. Exclusive charge on the step down subsidiary company's movables, including machinery, machinery spares, tools and accessories, pertaining to all the other projects funded by IREDA
- iii. Assignment of usage rights derived under the lease deed of the project land and mortgage of other immovable assets pertaining to the project in favour of IREDA.
- iv. Exclusive charge on present & future receivables from power generation from the Project & other monies credited/to be credited in TRA and/or held anywhere else.
- v. Pledge of 100% step down subsidiary's shares held by the Promoters till the existence of loan. In addition to this, Corporate Guarantee is given by Subsidiary Company "SUN-AMP Solar India Pvt. Ltd."
- vi. Pledge of 100% Compulsory Convertible Debentures (CCD) (i.e. 17,50,000 debentures) held by the Promoters. As on March 31, 2018, step down subsidiary has converted 17,50,000 CCD into 16,66,113 equity shares and pledging of these shares with IREDA is in process.
- vii. Bank Guarantee of Rs. 2,58,00,000, equivalent to 20% of sanctioned term loan of Rs 12,90,00,000, is given by Parent company (Indag Rubber Limited), for the period of 3 years from Commercial Operation Date (COD) of the project i.e. December 21, 2016.
- viii. **Rate of interest** : 11.304% p.a. The Loan was sanctioned on 06 September 2016, repayable in 48 quarterly installments commencing from 30 June 2018 as per details given below:

<b>Terms of Repayment:</b>	<b>(Amount in Lakh)</b>
Next 1 year	95.96
1-2 years	95.96
2-3 years	95.96
3-4 years	95.96
Beyond 4 years	903.62
<b>Total Loan to be repaid</b>	<b>1,287.46</b>

**The Amount of borrowing has been recognised on Effective Interest Rate (EIR) basis as per Ind As 109.**

- b. Unsecured Term loan from SUN Alternate Energy Pvt. Ltd. are carrying interest rate of 10% p.a. As per terms of agreement Loan was repayable by November 01, 2017 which has been repaid accordingly.
- c. Compulsory Convertible Debentures (CCD) issued to SUN-Alternate Energy Private limited carries interest @ 12.5% p.a., has been converted into 24,01,000 equity shares on March 5, 2018.

## 18 Deferred tax liabilities (Net)

The following is the analysis of deferred tax (assets)/liabilities are as follows:

	<b>As at 31 March 2018 (Rs. / lakh)</b>	<b>As at 31 March 2017 (Rs. / lakh)</b>	<b>As at 1 April 2016 (Rs. / lakh)</b>
a. Deferred tax liabilities	<b>414.23</b>	444.92	341.07
b. Deferred tax assets	<b>(49.83)</b>	(54.90)	(53.93)
	<b>364.40</b>	390.02	287.14

	Opening Balance	Recognised in Profit and loss	Recognised in other comprehensive Income	Closing balance
	(Rs. / lakh)	(Rs. / lakh)	(Rs. / lakh)	(Rs. / lakh)
<b>As at 31 March, 2018</b>				
Deferred tax (assets) / liabilities in relation to:				
Property, plant and equipment	384.73	(61.72)	-	323.01
Fair value change in investments	60.19	(16.45)	47.48	91.22
Provisions for doubtful debts	(1.51)	(7.89)	-	(9.40)
Provision for employee benefits	(29.54)	7.12	-	(22.42)
Tax impact of expenses chargeable in the financial statements but allowable under the Income Tax Act, 1961 in future years	(23.85)	5.84	-	(18.01)
	<u>390.02</u>	<u>(73.10)</u>	<u>47.48</u>	<u>364.40</u>
<b>As at 31 March 2017</b>				
Deferred tax (assets) / liabilities in relation to:				
Property, plant and equipment	315.90	68.83	-	384.73
Fair value change in investments	25.17	35.02	-	60.19
Provisions for doubtful debts	(2.78)	1.27	-	(1.51)
Provision for employee benefits	(25.95)	(3.99)	0.40	(29.54)
Tax impact of expenses chargeable in the financial statements but allowable under the Income Tax Act, 1961 in future years	(25.20)	1.35	-	(23.85)
	<u>287.14</u>	<u>102.48</u>	<u>0.40</u>	<u>390.02</u>

## 19 Trade payables

	As at 31 March 2018 (Rs. / lakh)	As at 31 March 2017 (Rs. / lakh)	As at 1 April 2016 (Rs. / lakh)
Due of micro, small and medium enterprises (refer note 37)	22.88	10.94	6.27
Due other than micro, small and medium enterprises	1,429.47	1,821.84	1,667.17
	<u>1,452.35</u>	<u>1,832.78</u>	<u>1,673.44</u>

## 20 Other financial liabilities

	As at 31 March 2018 (Rs. / lakh)	As at 31 March 2017 (Rs. / lakh)	As at 1 April 2016 (Rs. / lakh)
Current Maturities of long term debt (refer note 17)	95.96	-	-
Unpaid dividend (refer note below)	53.06	46.37	40.39
Payable towards capital goods	17.27	90.42	47.72
Retention money and security deposits	176.22	153.62	144.94
Interest on income tax payable	-	1.50	0.50
Interest on sales tax/GST payable	5.23	5.20	5.20
Interest Payable to affiliate party	58.44	31.53	-
Interest on security deposits payable	14.18	15.03	13.83
Other payables	3.40	-	-
	<u>423.76</u>	<u>343.67</u>	<u>252.58</u>

### Note:

Unpaid dividend is credited to Investor Education and Protection Fund as and when due.

## 21 Provisions

	As at 31 March 2018 (Rs. / lakh)	As at 31 March 2017 (Rs. / lakh)	As at 1 April 2016 (Rs. / lakh)
<b>(Current)</b>			
<b>Provision for employee benefits</b>			
Provision for gratuity (refer note 40)	31.17	13.94	-
Provision for leave encashment	76.99	85.37	74.98
	<u>108.16</u>	<u>99.31</u>	<u>74.98</u>

## 22 Other current liabilities

	As at 31 March 2018 (Rs. / lakh)	As at 31 March 2017 (Rs. / lakh)	As at 1 April 2016 (Rs. / lakh)
Advances from customers	15.00	16.25	18.25
Others statutory dues payables(refer note below)	120.03	335.52	417.22
Others payables	39.11	169.73	218.08
	<u>174.14</u>	<u>521.50</u>	<u>653.55</u>

### Note:

Others statutory dues majorly comprises of Sales tax, VAT, GST, TDS and Excise duty.

## 23 Revenue from operations

	Year ended 31 March 2018 (Rs. / lakh)	Year ended 31 March 2017 (Rs. / lakh)
Sale of products:		
Manufactured goods (including excise duty of Rs. 386.93 lakh for year ended March 31, 2018 and Rs 2024.75 lakh for the year ended March 31, 2017)	16,718.24	20,280.73
Traded goods	33.87	36.77
	<u>16,752.11</u>	<u>20,317.50</u>
Less: Rebates and claims	21.92	23.82
	<u>16,730.19</u>	<u>20,293.68</u>
Sale of Power Generation	417.50	141.65
Sale of services	19.61	40.35
<b>Other operating revenue:</b>		
Scrap sales	25.46	40.42
Export benefits*	8.46	8.61
<b>Revenue from operations (gross)</b>	<u>17,201.22</u>	<u>20,524.71</u>
<b>Details of products sold</b>		
<b>Finished goods sold</b>		
Precured tread rubber	14,205.48	17,394.18
Bonding repair and extrusion gums (including envelopes)	1,417.03	1,761.34
Other materials	1,073.81	1,101.39
	<u>16,696.32</u>	<u>20,256.91</u>
Traded goods	33.87	36.77
	<u>16,730.19</u>	<u>20,293.68</u>
<b>Details of services rendered</b>		
Tyre retreading services	19.61	40.35
	<u>19.61</u>	<u>40.35</u>

\*Export entitlements in the form of Duty Drawback Scheme, Focus Product Scheme and Merchandise Export from India are recognized in the statement of profit and loss when the right to receive credit as per the terms of the scheme is established in respect of exports made and when there is no significant uncertainty regarding the ultimate collection of the relevant export proceeds.

## 24 Other income

	Year ended 31 March 2018 (Rs. / lakh)	Year ended 31 March 2017 (Rs. / lakh)
<b>Interest income earned on financial asset recognised at amortised cost:-</b>		
- Bank deposits	14.75	17.93
- Investment in debt instruments	44.38	39.16
- Other financial assets	15.83	5.54
<b>Dividend income :-</b>		
- Dividend from investments valued at FVTPL	3.12	22.21
- Dividend from investments valued at OCI	210.09	145.10
- Dividend from investments valued at amortised cost	38.61	20.24
Gain on disposal of debt instruments at FVTPL	70.14	81.56
Gain on disposal of property, plant and equipment	-	11.58
Gain arising on financial assets designated through FVTPL	190.05	273.01
Provision for doubtful debts written back	-	1.57
Liability no longer required written back	120.64	-
Other non-operating income	2.99	5.31
	<u>710.60</u>	<u>623.21</u>

## 25 Cost of raw materials consumed

	Year ended 31 March 2018 (Rs. / lakh)	Year ended 31 March 2017 (Rs. / lakh)
Inventory at the beginning of the year	968.83	702.20
Add : Purchases	10,238.54	11,766.04
Less : Inventory at the end of the year	1,139.55	968.83
Cost of raw materials consumed	<u>10,067.82</u>	<u>11,499.41</u>
<b>Details of raw materials consumed</b>		
Rubber	5,808.10	7,306.81
Carbon Black	2,179.35	1,945.40
Chemicals	1,873.38	1,975.72
Others	206.99	271.48
	<u>10,067.82</u>	<u>11,499.41</u>
<b>Details of inventory</b>		
<b>Raw materials</b>		
Rubber	696.19	553.59
Carbon Black	205.29	165.39
Chemicals	205.10	214.75
Others	32.97	35.10
	<u>1,139.55</u>	<u>968.83</u>

## 26 Changes in inventories of finished goods, stock-in-trade and work in progress

	Year ended 31 March 2018 (Rs. / lakh)	Year ended 31 March 2017 (Rs. / lakh)
Inventories at the end of the year		
Traded goods	10.53	18.14
Work-in-progress	208.44	234.27
Finished goods	1,842.04	2,835.57
	<u>2,061.01</u>	<u>3,087.98</u>
Inventories at the beginning of the year		
Traded goods	18.14	12.96
Work-in-progress	234.27	171.86
Finished Goods	2,835.57	1,967.96
	<u>3,087.98</u>	<u>2,152.78</u>
<b>(Increase)/decrease in inventories</b>	<b>1,026.97</b>	<b>(935.20)</b>
Insurance claim due to goods destroyed by fire or during transit	2.23	5.40
Excise duty on account of variation in inventories	(366.86)	200.53
	<u>657.88</u>	<u>(740.07)</u>
<b>Work in Progress</b>		
Precured Tread Rubber	190.66	220.79
Bonding repairs & extrusion gums (including envelopes)	2.57	2.53
Other materials	1.38	0.40
Raw materials at shop floor	13.83	10.55
	<u>208.44</u>	<u>234.27</u>
<b>Finished Goods</b>		
Precured tread rubber	1,682.95	2,648.57
Bonding repairs and extrusion gums (including envelopes)	106.77	116.92
Other materials	52.32	70.08
	<u>1,842.04</u>	<u>2,835.57</u>

## 27 Employee benefits expense

	Year ended 31 March 2018 (Rs. / lakh)	Year ended 31 March 2017 (Rs. / lakh)
Salaries, wages and bonus	1,417.77	1,772.03
Contribution to provident and other funds	98.04	104.25
Gratuity expense	61.40	29.19
Staff welfare expenses	31.11	30.56
	<u>1,608.32</u>	<u>1,936.03</u>

## 28 Depreciation and amortisation expense

	Year ended 31 March 2018 (Rs. / lakh)	Year ended 31 March 2017 (Rs. / lakh)
Depreciation of property, plant and equipment	370.74	312.19
Amortisation of intangible assets	9.56	4.76
	<u>380.30</u>	<u>316.95</u>

## 29 Finance costs

	Year ended 31 March 2018 (Rs. / lakh)	Year ended 31 March 2017 (Rs. / lakh)
Interest expense (including interest on income tax Rs Nil for the year ended March 2018 and Rs 8.41 lakh for the year ended March 2017)	181.10	70.70
Other borrowing cost	3.74	6.76
CCD Conversion Impact	12.89	-
	<u>197.73</u>	<u>77.46</u>

## 30 Other expenses

	Year ended 31 March 2018 (Rs. / lakh)	Year ended 31 March 2017 (Rs. / lakh)
Consumption of stores and spare parts	39.14	74.44
Packing expenses	176.61	202.84
Power and fuel	389.30	467.40
Repairs and maintenance:		
- Plant & machinery	57.25	62.52
- Buildings	14.76	11.09
- Others	31.76	25.73
Rent (including rent on leasehold land of Rs 115.65 lakh for the year ended March 2018 and Rs 42.10 lakh for the year ended March 2017)	268.85	202.69
Operation & Maintenance charges	22.50	0.04
Rates and taxes	32.56	49.10
Insurance	49.44	43.00
Travelling and conveyance	159.44	258.35
Communication costs	38.28	54.96
Printing and stationery	9.80	12.59
Legal and professional fees	262.54	315.08
Payments to statutory auditors (refer details below)	30.85	38.33
Freight and forwarding charges	441.50	572.75
Provision for doubtful debts	27.94	-
Vehicle running and maintenance	23.29	26.88
Loss on disposal of property, plant and equipment	0.95	-



	Year ended 31 March 2018 (Rs. / lakh)	Year ended 31 March 2017 (Rs. / lakh)
Loss on foreign exchange fluctuations (net)	0.22	0.73
Security and other service charges	47.09	42.65
Service charges to C and F agents	83.62	81.12
Advertisement and sales promotion	17.28	45.15
Commission on sales (other than to sole selling agents)	11.49	14.10
Bank charges	13.79	22.55
Donation	0.15	0.23
CSR expenditure (refer note 45)	89.82	69.22
Miscellaneous expenses	87.73	112.32
	<u>2,427.95</u>	<u>2,805.86</u>
<b>Payments to statutory auditor</b>		
As auditor:		
Audit fees	27.08	32.39
Tax audit fees	3.77	4.02
Certification	-	0.15
Reimbursement of expenses	-	1.77
	<u>30.85</u>	<u>38.33</u>

### 31 Earnings per equity share

	Year ended 31 March 2018 (Rs. / lakh)	Year ended 31 March 2017 (Rs. / lakh)
Net profit as per statement of profit and loss	1,576.69	2,187.29
No. of equity shares at the beginning and closing of the year	26,250,000	26,250,000
Weighted average number of equity shares for calculating basic and diluted EPS	26,250,000	26,250,000
Basic and Diluted earnings per share (Rs.) [Nominal value of shares Rs.2 ]	6.01	8.33

## 32 Income taxes

	Year ended 31 March 2018 (Rs. / lakh)	Year ended 31 March 2017 (Rs. / lakh)
<b>Income taxes</b>		
<b>Current tax</b>		
For current year	646.44	901.14
Income tax adjustment for earlier year	15.89	1.27
	<u>662.33</u>	<u>902.41</u>
<b>Deferred tax</b>		
In respect of the current year (refer note 18)	(73.10)	102.48
	<u>(73.10)</u>	<u>102.48</u>
<b>Income tax expense recognised in the statement of profit and loss</b>	<b>589.23</b>	<b>1,004.89</b>
<b>Other comprehensive income section</b>		
Income tax relating to items that will not be reclassified to profit or loss		
a. Current tax	8.36	6.97
b. Deferred tax	47.48	0.40
	<u>55.84</u>	<u>7.37</u>
	<u>645.07</u>	<u>1,012.26</u>
Tax adjustments for earlier years (calculated for effective tax rates)	15.89	1.27
<b>Net Effective Tax</b>	<b>629.18</b>	<b>1,010.99</b>
<b>The income tax expenses for the year can be reconciled to the accounting profit as follows:</b>		
Profit before tax	2,169.62	3,198.28
Applicable tax rate for Parent company	34.608%	34.608%
Calculated income tax expense	750.86	1,106.86
Tax effect of:		
a. Income not taxable as per applicable tax laws	(186.75)	(130.22)
b. Non-deductible expenses	22.86	26.01
c. Adjustment on account of change in tax rate	(13.63)	0.97
<b>Income tax expense</b>	<b>573.34</b>	<b>1,003.62</b>
<b>Other comprehensive income section</b>		
Income tax relating to items that will not be reclassified to profit or loss		
	55.84	7.37
	<u>55.84</u>	<u>7.37</u>
	<u>629.18</u>	<u>1,010.99</u>
<b>Effective tax rate</b>	<b>27.16%</b>	<b>31.42%</b>

### 33 Related party disclosures

#### Name and relationships of related-parties:

- a. Key management personnel
  - i. Mr. Nand Khemka (Chairman cum Managing Director)
  - ii. Mr. Shiv Vikram Khemka (Non Executive Director)
  - iii. Mr. Uday Harsh Khemka (Non Executive Director)
  - iv. Mr. K.K. Kapur (CEO and Whole Time Director)
  - v. Mr. J.K Jain (CFO)
  - vi. Mrs. Manali D. Bijlani (CS)
  - vii. Ms. Bindu Saxena (Independent Director)
  - viii. Mr. R Parameswar (Independent Director)
  - ix. Mr. P.R. Khanna (Independent Director)
  - x. Mr. Harjiv Singh (Independent Director) - till 12-09-2017
- b. Relatives of key management personnel
  - i. Mrs. Jeet Khemka, wife of Mr. Nand Khemka
  - ii. Mrs. Urvashi Khemka, wife of Mr. Shiv Vikram Khemka
  - iii. Mrs. Nitya Mohan Khemka, wife of Mr. Uday Harsh Khemka
- c. Enterprises owned or significantly influenced by key management personnel or their relatives (either individually or with others)
  - i. Unipatch Rubber Limited
  - ii. Khemka Aviation Private Limited
  - iii. Nand and Jeet Khemka Foundation
  - iv. Khemka & Company Private Limited
  - v. Pankaj Dilip Private Limited
  - vi. Sun Securities Limited
  - vii. Sun London Limited
  - viii. Khemka Technical Services Private Limited
  - ix. Khemka Instruments Private Limited
  - x. Youth Reach
  - xi. SRL 142 Holdings Limited
  - xii. The Nabha Foundation
- d. Affiliate Entities
  - i. SUN Alternate Energy Pvt. Ltd.
  - ii. SUN Renewable Energy Services Pvt. Ltd.

## Related party transactions

### I Transactions entered with related parties:

#### 1 Enterprises owned or significantly influenced by key management personnel or their relatives (either individually or with others)

##### A. Name of parties:

(Rs. / lakh)

Particulars	Year ended		Year ended		Year ended	
	31 March 2018	31 March 2017	31 March 2018	31 March 2017	31 March 2018	31 March 2017
	Sale of goods		Purchase of goods		Rent paid	
- Unipatch Rubber Limited	92.49	85.66	0.60	0.87	-	-
- Khemka Aviation Private Limited	-	-	-	-	92.52	89.85

##### B. Name of parties :

	Reimbursement of expenses received		Dividend paid		CSR expenditure	
- Unipatch Rubber Limited	0.85	0.78	28.50	28.50	-	-
- Khemka Aviation Private Limited	1.85	2.17	150.54	150.54	-	-
- Nand and Jeet Khemka Foundation	1.31	1.47	-	-	-	-
- The Nabha Foundation	-	-	-	-	66.64	28.00
- Youth Reach	1.02	1.05	-	-	10.00	30.00
- Others	-	-	21.09	21.09	-	-

##### C. Name of parties :

	Security deposit taken		Security deposit refunded		Investments In Cumulative Compulsory Convertible preference Shares	
- Khemka Aviation Private Limited	1.00	2.00	1.00	2.00	-	-
- SRL 142 Holdings Ltd	-	-	-	-	-	1,201.95

## 2 Affiliate Entities

##### A. Name of parties :

	Issue of Compulsory convertible debentures		Interest paid on Compulsory convertible debentures		Loan Taken	
- SUN Alternate Energy Pvt. Ltd.	-	240.10	18.83	12.75	-	762.00

##### B. Name of parties :

	Loan repaid		Interest paid on loan		Legal and professional expenses	
- SUN Alternate Energy Pvt. Ltd.	362.00	400.00	2.11	22.29	-	-
- SUN Renewable Energy Services Pvt. Ltd.	-	-	-	-	-	28.75

(Rs. / lakh)

Particulars	Year ended		Year ended		Year ended	
	31 March 2018	31 March 2017	31 March 2018	31 March 2017	31 March 2018	31 March 2017

**C. Name of parties :**

	Conversion of compulsory convertible debentures into equity shares	
- SUN Alternate Energy Pvt. Ltd.	240.10	-

**3 Relatives of Key Management Personnel**

Name of parties :	Dividend paid	
- Mrs. Jeet Khemka	210.36	210.36
- Mrs. Urvashi Khemka (Joint holder with Mr. Shiv Vikram Khemka)	30.02	30.02
- Mr. Uday Harsh Khemka (Joint holder with Mrs. Nitya Mohan Khemka)	30.02	30.02

**4 Key Management Personnel**

Name of parties :	Remuneration		Sitting fees		Dividend paid	
- Mr. Nand Khemka	110.63	159.69	-	-	0.44	0.44
- Mr. Shiv Vikram Khemka	-	4.42*	-	0.40	-	-
- Mr. Uday Harsh Khemka	-	1.02*	-	0.20	-	-
- Mr. K.K. Kapur	110.63	159.69	-	-	-	-
- Mr. J.K Jain	29.61	56.08	-	-	-	-
- Mrs. Manali D Bijlani	19.60	19.95	-	-	-	-
- Ms. Bindu Saxena	4.50	4.42	3.90	1.00	-	-
- Mr. P.R. Khanna	8.07	8.75	5.90	3.50	-	-
- Mr. R. Parameswar	8.07	8.75	7.70	3.50	-	-
- Mr. Harjiv Singh	1.50	4.42	1.00	1.00	-	-

Name of parties :	Professional fee	
- Mr. P.R. Khanna	1.00	-

\* This represents provisions made in the previous year which has been written back during the year as the same is not payable.

**II Balances outstanding at year end :**

(Rs. / Lakh)

Particulars	As at			As at		
	31 March 2018	31 March 2017	1 April 2016	31 March 2018	31 March 2017	1 April 2016

**1 Affiliate Entities**

**A. Name of Parties :**

	Loan payable			Issue of compulsory convertible debentures		
- SUN Alternate Energy Pvt. Ltd.	-	362.00	-	-	240.10	-

**B. Name of Parties :**

	Interest payable on loan			Interest payable on compulsory convertible debentures		
- SUN Alternate Energy Pvt. Ltd.	21.96	20.06	-	36.48	11.47	-

(Rs. / Lakh)

Particulars	As at			As at		
	31 March 2018	31 March 2017	1 April 2016	31 March 2018	31 March 2017	1 April 2016

## 2 Key Management Personnel

Name of Parties :	Remuneration		
- Mr. Nand Khemka	14.63	63.69	104.35
- Mr. Shiv Vikram Khemka	-	4.42*	5.71
- Mr. Uday Harsh Khemka	-	1.02*	2.80
- Mr. K.K. Kapur	15.52	68.99	120.54
- Ms. Bindu Saxena	4.50	4.42	14.20
- Mr. P.R. Khanna	8.07	8.75	14.20
- Mr. R. Parameswar	8.07	8.75	14.20
- Mr. Harjiv Singh	1.50	4.42	-

\* This represents provisions made in the previous year which has been written back during the year as the same is not payable.

## 3 Enterprises owned or significantly influenced by key management personnel or their relatives (Either individually or with others)

Name of Parties :	Trade payables			Loans and Advances		
- Khemka Aviation Private Limited	0.15	-	-	-	-	-
- Unipatch Rubber Limited	-	-	-	0.09	-	-

## 34 Capital and other commitments

	As at 31 March 2018 (Rs. / lakh)	As at 31 March 2017 (Rs. / lakh)	As at 1 April 2016 (Rs. / lakh)
a. Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances of Rs. Nil, (As at 31 March, 2017 Rs. 28.79 lakh and As at 1 April, 2016 Rs. 46.10 lakh)	-	29.49	54.52
b. Other commitments			
i. Estimated future investments in Capital venture fund in terms of agreement with the fund	-	-	20.00
ii. Estimated future investments in ICICI Prudential Real Estate AIF-1 Fund in terms of agreement with the fund	-	14.00	70.00
iii. Estimated future investments in India Whizdom Fund in terms of agreement with the fund	-	100.00	160.00
iv. IIFL special opportunity fund	125.00	-	-
c. The Group has other commitments, for purchase of goods and services and employee benefits, in normal course of business.			
d. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Group.			
e. The Group did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.			

### 35 Obligations under operating leases

The Group has taken offices, guest house, residence, warehouse premises and land under operating lease agreements. There are no purchase options in the lease agreements. There is an escalation clause in some lease agreements. There are no restrictions imposed by lease arrangements. There are no subleases. The agreements are generally cancelable at the mutual consent of both the lessor and the lessee.

#### a. Lease expenses recognised during the year

	Year ended 31 March 2018 (Rs. / lakh)	Year ended 31 March 2017 (Rs. / lakh)
Rent (including rent on leasehold land)	268.85	202.69

### 36 Contingent liabilities

#### a. Claims against the Group not acknowledged as debt

	As at 31 March 2018 (Rs. / lakh)	As at 31 March 2017 (Rs. / lakh)	As at 1 April 2016 (Rs. / lakh)
i. The Group is under litigation with the revenue authorities regarding an expenditure claimed by the Group arising out of an arbitration award. As per the Group, the expenditure should be allowed in the year the arbitrator has passed the award. The department is of the view that the liability is not accrued till the award becomes a rule of court and has therefore disallowed the expenditure in the AY 1998-99 (the year in which the Group claimed the expenditure). During the financial year 2006-2007, the Group has received a demand notice from Income tax authorities pursuant to the order by Income Tax Appellate Tribunal, Delhi. The Group is presently in appeal before the Hon'ble High Court. The Group has deposited Rs. 20.00 lakh against the above demand which is included in the 'Advance Tax' under note no. 7.	159.15*	159.15*	159.15*
ii. Pending labour cases			
- in case of one employee	5.31*	5.31*	5.31*
- in case of others	<b>Liability not ascertainable</b>	Liability not ascertainable	Liability not ascertainable
iii. Demand raised by the Excise Authorities, being disputed by the Group.	6.90*	6.90*	6.90*
iv. Demand raised by the Sales Tax Authorities, being disputed by the Group.	41.39*	27.13*	25.80*
v. Entry tax demand being disputed by the Group (excluding the amount of interest and penalty, if any, which can't be determined at this stage)#	1244.68*	1227.15*	1083.43*
vi. Demand raised by Income Tax Authorities, being disputed by the Group for A.Y 2013-14	-	8.93*	8.93*
vii. Demand raised by Income Tax Authorities, being disputed by the Group for A.Y 2014-15	-	5.38*	-
<b>Total</b>	<b>1,457.43</b>	1,439.95	1,289.52

# The Group had obtained a stay of the Himachal Pradesh Government order levying entry tax on all goods

entering the state with effect from 24th January, 2011. The Hon'ble High Court, Himachal Pradesh while staying the levy in an interim order, directed the Group to deposit 1/3rd of the assessed amount as "deposit" with the state government and furnish a bank guarantee for the balance 2/3rd amount to them. The Group has deposited Rs. 451.33 lakh till 30.06.2017 (Previous year Rs 437.46 lakh ) and furnished bank guarantees of Rs. 793.35 lakh till 30.06.2017 (Previous year Rs 770.57 lakh). Since the cash payment as per court order is in the nature of deposits, no amount has been expensed off in the financial statements as entry tax.

While Hon'ble Supreme Court has upheld the constitutional validity of Entry Tax in their judgement dated 11 November, 2016, the issue of discrimination under Article 304(a) and scope of local area is left to be determined by respective High Courts. Hon'ble High Court, Shimla has issued notice on the writ petition filed by the Group and ordered that bank guarantee will not be encashed and department will maintain status quo.

The entry tax has been abolished due to implementation of GST w.e.f 01.07.2017

\* Based on the discussions with the solicitor/ expert opinions taken/status of the case, the management believes that the Group has strong chances of success in above mentioned cases and hence no provision there against is considered necessary at this point in time.

	As at 31 March 2018 (Rs. / lakh)	As at 31 March 2017 (Rs. / lakh)	As at 1 April 2016 (Rs. / lakh)
<b>b. Others</b>			
Differential amount of custom duty payable by the Group in case of non-fulfillment of export obligation excluding interest thereon against the import of capital goods made at concessional rate of duty.	31.28**	35.36**	35.36**
** Based on future sales plan, the management is quite hopeful to meet the obligations by executing the required volume of sales in future.			
<b>c.</b> The Group has other commitments, for purchase of goods and services and employee benefits, in normal course of business. The Group does not have any long term commitments/contracts including derivative contracts for which there will be any material foreseeable losses.			
<b>d.</b> There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Group.			

### 37 Details of dues to micro and small enterprises as defined under the MSMED Act, 2006

	As at 31 March 2018 (Rs. / lakh)	As at 31 March 2017 (Rs. / lakh)	As at 1 April 2016 (Rs. / lakh)
1 Principal amount remaining unpaid to any supplier at the end of each accounting year			
- Trade payables	22.88	10.94	6.27
- Payable for capital creditors	-	1.19	21.92
2 Interest due on above.	-	-	-
3 Amount of interest paid by the Group to the suppliers in terms of section 16 of the Act.	-	-	-
4 Amount paid to the suppliers beyond the respective due date.	-	-	-
5 Amount of interest due and payable for the period of delay in payments (which have been paid but beyond the due date during the year) but without adding the interest specified under the Act.	-	-	-
6 Amount of interest accrued and remaining unpaid at the end of each accounting year.	-	-	-
7 Amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23 of this Act.	-	-	-



### 38 Net dividend remitted in foreign exchange

The details of remittance made during the year are as follows:

	Year ended 31 March 2018	Year ended 31 March 2017
Number of non-resident shareholders	6	6
Number of equity shares held on which dividend was due	11,798,010	11,798,010
Amount remitted (Rs. in lakh) *	12.31	12.31
Year to which dividend relates	2016-17 & 2017-18	2015-16 & 2016-17

\* Excluding dividend of Rs. 270.84 Lakh (Rs. 270.84 Lakh for year ended 31 March, 2017) credited to FCNR/NRE account of NRI's and paid to Overseas Corporate Bodies on repatriation basis.

### 39 Goodwill on consolidation

The Goodwill in the Consolidated Financial Statements represents the excess of the purchase consideration of investment over the Parent Company's share in the net assets of the subsidiary and step down subsidiary - Sun Amp Solar India Private Limited and Samyama Jyothi Solar Energy Private Limited, respectively.

Investment In	Particulars	Amount (Rs. / Lakh)
1 Sun Amp Solar India Private Limited - Subsidiary	(a) Cost of Investment	295.35
	(b) Parent Company's share in the net assets	(256.24)
	Goodwill (a-b)	<b>39.11</b>
2 Samyama Jyothi Solar Energy Private Limited - Step down subsidiary	(c) Cost of Investment	0.50
	(d) Subsidiary's share in the net assets	(0.33)
	Goodwill (c-d)	<b>0.17</b>
<b>Total Goodwill (1+2) as at 31 March, 2017</b>		<b>39.28</b>
- Additions during the year		-
- Impairment during the year		-
<b>Balance as at 31 March, 2018</b>		<b>39.28</b>

The recoverable amount of cash generating unit has been determined based on value in use. Value in use has been determined based on future cash flows, after considering current economic conditions and trends, estimated future operating results, growth rates and anticipated future economic conditions. As at 31 March, 2018 the estimated cash flow of solar power project has discounted using pre tax discount rate and the recoverable amount of the same exceeds the carrying amount.

### 40 Employee benefit plans

#### a. Defined contribution plans

The Group makes Provident Fund and Employee State Insurance Scheme contributions which are defined contribution plans, for qualifying employees. Under the Schemes, the Group is required to contribute a specified percentage of the payroll costs to fund the benefits. The contributions payable to these plans by the Group are at rates specified in the rules of the schemes.

#### b. Defined benefit plan

##### Gratuity

The Group has a defined benefit gratuity plan. Employee who have completed five years or more of service gets a gratuity on departure at 15 days salary (last drawn salary) for each completed year of service.

The most recent valuation of the present value of defined benefit obligation were carried as at 31 March, 2018 in which the present value of the defined benefit obligation, and the related current service cost and past service cost were measured using the project unit credit method.

**The principal assumptions used for the purposes of the actuarial valuations were as follows:**

	Valuation as at		
	31 March, 2018	31 March, 2017	1 April, 2016
Expected rate of return	8.25%	8.35%	8.75%
Discount rate (%)	7.73%	7.35%	7.75%
Expected rate(s) of salary increase	8.00%	8.00%	8.00%
Mortality rates inclusive of provision for disability	100% of IALM (2006-08)		
Retirement Age (Years)	58/70	58/70	58/70
Withdrawal Rate (%) (Ages)			
Upto 30 years	3.00%	3.00%	3.00%
From 31 to 44 years	2.00%	2.00%	2.00%
Above 44 years	1.00%	1.00%	1.00%

	Year ended 31 March 2018 (Rs. / lakh)	Year ended 31 March 2017 (Rs. / lakh)
<b>Service cost:</b>		
Total service cost	60.38	29.77
Net interest expenses	1.02	(0.58)
<b>Components of defined benefit costs recognised in profit or loss</b>	<b>61.40</b>	<b>29.19</b>
<b>Remeasurement on the net defined benefit liability</b>		
Actuarial gain/(loss) on plan assets	1.79	0.39
Actuarial gain/(loss) from change in demographic assumptions	-	-
Actuarial gain/(loss) from change in financial assumptions	9.65	(9.22)
Actuarial gain/(loss) from change in experience adjustment	12.71	9.99
<b>Components of defined benefit costs recognised in other comprehensive income</b>	<b>24.15</b>	<b>1.16</b>

**Notes:**

- The current service cost and the net interest expenses for the year are included in the 'Employee benefits expense' line item in the Statement of profit and loss.
- The remeasurement of the net defined liability is included in other comprehensive income.

The amount included in the balance sheet arising from the Group's obligation in respect of defined benefit plans is as follows:

	As at 31 March 2018 (Rs. / lakh)	As at 31 March 2017 (Rs. / lakh)	As at 1 April 2016 (Rs. / lakh)
Present value of defined benefit obligation	31.17	13.94	-
Non-current	-	-	-
Current	31.17	13.94	-
	<b>31.17</b>	<b>13.94</b>	<b>-</b>

**Movement in the present value of the defined benefit obligation and fair value of plan assets are as follows:**

	Year ended 31 March 2018 (Rs. / lakh)	Year ended 31 March 2017 (Rs. / lakh)
<b>A Opening defined benefit obligation</b>	<b>266.58</b>	228.15
Current service cost	27.58	29.77
Interest cost	19.59	17.68
Past Service Cost including curtailment Gains/Losses	32.79	-
Actuarial (Gain)/Loss on obligation	(22.36)	(0.77)
Benefits paid	(25.53)	(8.26)
Closing defined benefit obligation	<u>298.65</u>	<u>266.58</u>
<b>B Opening fair value of plan assets</b>	<b>252.64</b>	235.67
Return on plan assets (excluding amount included in net interest expense)	18.57	18.27
Remeasurement gain(loss)	1.79	0.39
Contributions from the employer	20.01	6.57
Benefits paid	(25.53)	(8.26)
Closing fair value of plan assets	<u>267.48</u>	<u>252.64</u>
<b>C Net liability (A-B)</b>	<b>31.17</b>	13.94
The fair value of the plan assets are as follows		
Fund managed by insurer	267.48	252.64

The fund invested in LIC of India (“insurer”). The future information of fund investments are not available with the Group.

Significant actuarial assumptions for the determination of the defined obligation are discount rate, expected salary increase and mortality. The sensitivity analysis below have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant.

**Sensitivity analysis:**

If the expected salary growth and discount rate increases (decreases) by 0.50%, the defined benefit obligation would changes as:

	As at 31 March, 2018		As at 31 March 2017	
	Increase by 0.50% (Rs. / lakh)	Decrease by 0.50% (Rs. / lakh)	Increase by 0.50% (Rs. / lakh)	Decrease by 0.50% (Rs. / lakh)
Discount rate	(11.95)	12.88	(11.51)	12.55
Salary growth rate	12.78	(11.97)	12.41	(11.49)

**Notes**

- i. Sensitivities due to mortality and withdrawals are not material and hence impact of change not calculated.
- ii. Sensitivity for significant actuarial assumptions is computed by varying one actuarial assumption used for the valuation of the defined benefit obligation by 0.50 percentage, keeping all other actuarial assumptions constant.

## 41 Financial instruments

### A. Capital Management

The Group's objective for capital management is to maximise shareholders value, safeguard business continuity and support the growth of the group. The group determines the capital requirement based on annual operating plans and long-term and other strategic investment plans. The funding requirements are met through equity, operating cash flows generated and borrowings.

The following table summarizes the capital and Net Debt-equity ratio of the Group:

Particulars	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
Net debt*	923.88	1068.57	-
Total equity	19074.08	17895.85	15702.65
Net debt to equity ratio	0.05	0.06	0.00

\* Net Debt = non-current borrowings + current borrowings + current maturities of non-current borrowings - cash and cash equivalents

### B. Categories of financial instruments

	As at 31 March 2018 (Rs. / lakh)	As at 31 March 2017 (Rs. / lakh)	As at 1 April 2016 (Rs. / lakh)
<b>Financial assets</b>			
<b>i) Measured at fair value through profit or loss</b>			
a. Other investments			
- non current	3,483.07	1,563.30	1,849.91
- current	515.28	2,965.14	3,042.13
<b>ii) Measured at amortised cost</b>			
<b>Financial assets</b>			
a. Non current investments	854.45	775.47	276.50
b. Loans			
- non current	3.60	9.81	2.82
- current	19.90	17.75	20.77
c. Trade receivables	2,890.12	2,942.30	3,011.70
d. Cash and cash equivalents	352.96	424.17	246.59
e. Other bank balances	245.62	255.38	184.64
f. Other financial assets			
- non current	126.32	62.57	47.35
- current	694.34	639.49	506.56
<b>iii) Measured at fair value through other comprehensive income</b>			
a. Non current investments	5,544.58	3,668.42	3,186.46
<b>Financial liabilities</b>			
a. Borrowings			
- non current	1,180.88	1,130.74	-
- current	-	362.00	-
b. Trade payables	1,452.35	1,832.78	1,673.44
c. Other financial liabilities	423.76	343.67	252.58

### C. Financial risk

In the course of its business, the Group is exposed primarily to fluctuations in Interest rates, security price risk, credit risk and liquidity risk, which may adversely impact the fair value of its financial instruments, the operation of the group did not give an exposure for foreign currency exchange rates as the majority of the operations are in India only. The group has a risk management policy covering risks associated with the financial assets and liabilities such as interest rate risks, security price risk and credit risks. The risk management policy has been approved by the board of directors. The risk management framework aims to:

- Create a stable business planning environment by reducing the impact of interest rate fluctuations on the group's business plan.
- Achieve greater predictability to earnings by determining the financial value of the expected earnings in advance. The Group did not use the derivative financial instruments for risk mitigation.

#### a. Market risk

Market risk is the risk of any loss in future earnings, in realisable fair values or in future cash flows that may result from a change in the price of a financial instrument. The value of a financial instrument may change as a result of changes in the foreign currency exchange rates, interest rates, liquidity and other market changes. Future specific market movements cannot be normally predicted with reasonable accuracy.

#### i. Foreign currency exchange rate risk

The Group operates majorly in India but exposed to foreign exchange risk arising through its sale and purchase of goods and services with overseas suppliers and investment in foreign currency transactions primarily with respect to US Dollar ('USD'), Euro and YEN. The Group does not use the derivative financial instruments to manage their risk.

The Group exposes to foreign currency risk are as follows:

Particulars	Receivables - Trade Receivables (Rs. / lakh)	Cash in Hand (Rs. / lakh)	Payable - Trade Payables (Rs. / lakh)	Investments (Rs. / lakh)
<b>As at 31 March, 2018</b>				
USD	101.57	-	-	1,365.00
YUAN	-	0.08	-	-
RINGGIT	-	0.11	-	-
<b>As at 31 March, 2017</b>				
USD	126.83	-	33.07	1,201.95
YUAN	-	0.07	-	-
RINGGIT	-	0.09	-	-
<b>As at 1 April, 2016</b>				
USD	101.58	-	-	-
YUAN	-	0.08	-	-
RINGGIT	-	-	-	-

The operation of the Group are not much exposed to the foreign currency as major transactions are done in their functional currency ('INR or Indian Rupee) and at year end there are no significant exposure outstanding.

ii. **The carrying amounts of the Group's foreign currency denominated monetary assets and monetary liabilities at the end of the year are as follows:**

Particulars	USD (Rs. / lakh)	YUAN (Rs. / lakh)	RINGGIT (Rs. / lakh)
<b>As at 31 March, 2018</b>			
Assets	1,466.57	0.08	0.11
Liabilities	-	-	-
<b>As at 31 March, 2017</b>			
Assets	1,328.78	0.07	0.09
Liabilities	33.07	-	-
<b>As at 1 April 2016</b>			
Assets	101.58	0.08	-
Liabilities	-	-	-

iii. **Interest rate risk**

**Financial liabilities**

The Group is not exposed to any interest rate risk as there are no floating interest rate loans and borrowings.

**Financial assets**

The Group's investments are primarily in fixed rate interest bearing investments. Hence the group is not significantly exposed to interest rate risk.

b. **Security price risk**

The group is exposed to equity price risks arising from equity investments held by the group and classified in the balance sheet as fair value through OCI.

i. **Equity price sensitivity analysis**

The sensitivity analysis below have been determined based on the exposure to equity price risks at the end of the year.

If the equity instruments (equity shares and equity linked mutual fund) prices had been 5% higher / lower: Other comprehensive income for the year ended 31 March 2018 would increase / decrease by Rs. 277.23 Lakh (for the year ended 31 March 2017: increase / decrease by Rs. 183.42 lakh) as a result of the change in fair value of equity investment measured at FVTOCI.

ii. **Exposure in mutual funds (Other than equity linked mutual fund)**

The group manages the surplus funds majorly through investments in debt based mutual fund schemes. The price of investment in these mutual fund schemes is reflected though Net Asset Value (NAV) declared by the Asset Management group on daily basis as reflected by the movement in the NAV of invested schemes. The group is exposed to price risk on such Investments.

Mutual fund price sensitivity analysis The sensitivity analysis below have been determined based on Mutual Fund Investment at the end of the year.

If NAV has been 1% higher / lower: Profit for year ended 31 March 2018 would increase / decrease by Rs. 39.98 lakhs (for the year ended 31.03.2017 by Rs. 45.28 Lakh as a result of the changes in fair value of mutual fund investments).

iii. **If the tax free bonds and investment in preference shares prices had been 1% higher / lower:**

Profit for the year ended 31 March 2018 would increase / decrease by Rs. 8.54 Lakh (for the year ended 31 March 2017: increase / decrease by Rs. 7.75 lakh) as a result of the change if there is no change in the market risk and other assumptions.

### c. Credit risk

Credit risk arises from the possibility that the counter party may not be able to settle their obligations. To manage trade receivable and unbilled revenue, the group periodically assesses the financial reliability of customers, taking into account the financial conditions, economic trends, analysis of historical bad debts and aging of such receivables.

Financial instruments that are subject to such risk, principally consist of investments, trade receivables and loans and advances. None of the financial instruments of the group results in material concentration of credit risks. Financial assets for which loss allowance is measured:

	<b>As at 31 March 2018 (Rs. / lakh)</b>	As at 31 March 2017 (Rs. / lakh)	As at 1 April 2016 (Rs. / lakh)
<b>Loss allowance measured for trade receivables</b>	<b>32.30</b>	4.37	5.94

Other than financial assets mentioned above, none of the group's financial assets are either impaired or past due, and there were no indications that defaults in payment obligations would occur and exposure to Trade Receivable is diversified and no single customer contributes to more than 10% of outstanding trade receivable as at 31, March 2018 and 31 March 2017.

### d. Liquidity risk

Liquidity risk refers to the risk that the Group can not meet its financial obligations. The objective of liquidity risk management is to maintain sufficient liquidity and ensure that funds are available for use as per the requirements.

During the year, the Group generated sufficient cash flows from operations to meet its financial obligations as and when they fall due.

The table below provides details regarding the contractual maturities of significant financial liabilities as at:

#### Contractual maturities of financial liabilities

	<b>less than 1 year (Rs. / lakh)</b>	<b>1 to 5 year (Rs. / lakh)</b>	<b>more than 5 year (Rs. / lakh)</b>	<b>Total (Rs. / lakh)</b>
<b>As at 31 March 2018</b>				
Borrowings - non Current	-	383.84	807.66	1,191.50
Trade payables	1,452.35	-	-	1,452.35
Other financial liabilities	423.76	-	-	423.76
<b>As at 31 March 2017</b>				
Borrowings				
- Non Current	162.24	968.50	-	1,130.74
- Current	362.00	-	-	362.00
Trade payables	1,828.15	4.63	-	1,832.78
Other financial liabilities	302.14	41.53	-	343.67
<b>As at 01 April 2016</b>				
Trade payables	1,673.44	-	-	1,673.44
Other financial liabilities	252.58	-	-	252.58

#### e. Unhedged Foreign currency exposures

Particulars	Currency	As at 31 March 2018		As at 31 March 2017		As at 1 April 2016	
		In foreign currency (in lakh)	(Rs. / lakh)	In foreign currency (in lakh)	(Rs. / lakh)	In foreign currency (in lakh)	(Rs. / lakh)
Payable							
- Trade Payables	USD	-	-	0.51	33.07	-	-
Receivables							
- Trade Receivables	USD	1.56	101.57	1.96	126.83	1.53	101.58

#### 42 First time adoption - Transition to Ind AS

These are the Group's first financial statements prepared in accordance with Ind AS. The accounting policies set out in note 2 have been applied in preparing these financial statements for the year ended 31 March, 2018, the comparative information presented in these financial statements for the year ending 31 March, 2017 and in preparation of opening Ind AS balance sheet at 1 April, 2016 ('the date of transition'). In preparing its opening Ind AS balance sheet, the Group has adjusted the amounts reported in financial statements prepared in accordance with the accounting standards notified under section 133 of the Companies Act 2013 (the 'Act') read with Rule 7 of the Companies (Accounts) Rules, 2014 (referred to as 'Indian GAAP') as amended by Companies (Accounting Standard) Rules, 2016 and other relevant provisions of the act (previous GAAP or Indian GAAP).

An explanation of how the transition from previous GAAP to Ind AS has affected the Group's financial position, financial performance and cash flows is set out in note 43 of the financial statements.

The exemptions availed by the Group are as follows:

##### i. Deemed cost for property, plant and equipment and intangible assets

The Group has elected to continue with the carrying value of all of its Property, plant and equipment and intangible assets recognized as of April 1, 2016 measured as per the previous GAAP and use that carrying value as its deemed cost as of the transition date.

##### ii. Equity investments at FVTOCI

The Group has designated investment in equity share, equity mutual funds, compulsory convertible preference shares, capital venture funds at FVTOCI on the basis of facts and circumstances that existed at the transition date.

#### 43 First Time Adoption of Ind AS reconciliations

These are the Group's first financial statements prepared in accordance with Ind AS.

The effect of the Group's transition to Ind AS is summarised in the following notes:

- Transition elections.
- Reconciliation of equity, total comprehensive income and cash flows as reported as per Ind AS, in this financial statement with as reported in previous years as per previous Indian GAAP.

##### Transition elections

The Group has prepared the opening balance sheet as per Ind AS as of 1 April, 2016 (the transition date) by recognising all assets and liabilities whose recognition is required by Ind AS, not recognising items of assets or liabilities which are not permitted by Ind AS, by reclassifying items from previous GAAP to Ind AS as required under Ind AS, and applying Ind AS in measurement of recognised assets and liabilities. However, this principle is subject to the certain exception and certain optional exemptions availed by the Group. The Group has applied the following transition exemptions apart from mandatory exceptions in Ind-AS 101 :



- i. Deemed cost of property, plant and equipment and other intangible assets
- ii. Designation of equity investments at FVTOCI.

### Deemed cost of property, plant and equipment and other intangible assets

In accordance with Ind-AS transitional provisions, the Group opted to consider previous GAAP carrying value of property, plant and equipment and other intangible assets as deemed cost on transition date.

### Designation of equity investments at FVTOCI

Ind AS 101 allows an entity to designate previously recognised financial instruments basis the facts and circumstances that existed as on transition date. The Group has elected to designate equity investments in long term investments (equity instrument and equity mutual funds) at FVTOCI on the basis of the facts and circumstances at the date of transition to Ind AS.

### Reconciliation between Previous GAAP and Ind AS

#### Effect of Ind AS adoption on the financial statements as at 31.03.2017 and 01.04.2016

#### A. Effect of Ind AS adoption on the balance sheet as at 31.03.2017 and 01.04.2016

	Notes	As at 31.03.2017			As at 01.04.2016		
		Previous GAAP	Effect of transition to Ind AS	As per Ind AS balance sheet	Previous GAAP	Effect of transition to Ind AS	As per Ind AS balance sheet
		(Rs. / lakh)	(Rs. / lakh)	(Rs. / lakh)	(Rs. / lakh)	(Rs. / lakh)	(Rs. / lakh)
<b>Non-current assets</b>							
Property, plant and equipment		4,847.66	-	4,847.66	2,744.59	-	2,744.59
Capital work-in-progress		19.44	-	19.44	428.75	-	428.75
Goodwill		39.28	-	39.28	-	-	-
Other intangible assets		19.15	-	19.15	6.38	-	6.38
Financial assets							
i. Investments	a.	5,867.29	139.90	6,007.19	5,370.23	(57.36)	5,312.87
ii. Loans		9.81	-	9.81	2.82	-	2.82
iii. Other financial assets		62.57	-	62.57	47.35	-	47.35
Income tax assets (Net)		20.00	-	20.00	29.90	-	29.90
Other non-current assets	d.	41.98	(10.61)	31.37	46.90	-	46.90
<b>Total non-current assets</b>		<b>10,927.18</b>	<b>129.29</b>	<b>11,056.47</b>	<b>8,676.92</b>	<b>(57.36)</b>	<b>8,619.56</b>
<b>Current assets</b>							
Inventories		4,142.48	-	4,142.48	2,935.06	-	2,935.06
Financial assets							
i. Investments	a.	2,569.91	395.23	2,965.14	2,969.40	72.73	3,042.13
ii. Trade receivables		2,942.30	-	2,942.30	3,011.70	-	3,011.70
iii. Cash and cash equivalents		424.17	-	424.17	246.59	-	246.59
iv. Bank balances other than (iii) above		255.38	-	255.38	184.64	-	184.64
v. Loans		17.75	-	17.75	20.77	-	20.77
vi. Other financial assets		639.49	-	639.49	506.56	-	506.56
Income tax assets (Net)		12.38	-	12.38	-	-	-
Other current assets	d.	175.42	(0.88)	174.54	118.50	-	118.50
<b>Total current assets</b>		<b>11,179.28</b>	<b>394.35</b>	<b>11,573.63</b>	<b>9,993.22</b>	<b>72.73</b>	<b>10,065.95</b>
<b>Total assets</b>		<b>22,106.46</b>	<b>523.64</b>	<b>22,630.10</b>	<b>18,670.14</b>	<b>15.37</b>	<b>18,685.51</b>

	Notes	As at 31.03.2017			As at 01.04.2016		
		Previous GAAP	Effect of transition to Ind AS	As per Ind AS balance sheet	Previous GAAP	Effect of transition to Ind AS	As per Ind AS balance sheet
		(Rs. / lakh)	(Rs. / lakh)	(Rs. / lakh)	(Rs. / lakh)	(Rs. / lakh)	(Rs. / lakh)
<b>Equity</b>							
Equity share capital		525.00	-	525.00	525.00	-	525.00
Other equity	a. , b. & e.	16,630.99	477.55	17,108.54	15,187.46	(9.81)	15,177.65
Non Controlling Interest	c. & e.	187.05	75.26	262.31	-	-	-
<b>Total equity</b>		<b>17,343.04</b>	<b>552.81</b>	<b>17,895.85</b>	<b>15,712.46</b>	<b>(9.81)</b>	<b>15,702.65</b>
<b>Liabilities</b>							
<b>Non-current liabilities</b>							
Financial liabilities							
i. Borrowings	c.,d. & e.	1,220.10	(89.36)	1,130.74	-	-	-
Deferred tax liabilities (Net)	b.	329.83	60.19	390.02	261.96	25.18	287.14
<b>Total non current liabilities</b>		<b>1,549.93</b>	<b>(29.17)</b>	<b>1,520.76</b>	<b>261.96</b>	<b>25.18</b>	<b>287.14</b>
<b>Current liabilities</b>							
Financial liabilities							
i. Borrowings		362.00	-	362.00	-	-	-
ii. Trade payables		1832.78	-	1,832.78	1,673.44	-	1,673.44
iii. Other financial liabilities		343.67	-	343.67	252.58	-	252.58
Other current liabilities		521.50	-	521.50	653.55	-	653.55
Provisions		99.31	-	99.31	74.98	-	74.98
Current income tax liabilities(Net)		54.23	-	54.23	41.17	-	41.17
<b>Total current liabilities</b>		<b>3,213.49</b>	<b>-</b>	<b>3,213.49</b>	<b>2,695.72</b>	<b>-</b>	<b>2,695.72</b>
<b>Total liabilities</b>		<b>4,763.42</b>	<b>(29.17)</b>	<b>4,734.25</b>	<b>2,957.68</b>	<b>25.18</b>	<b>2,982.86</b>
<b>Total equity and liabilities</b>		<b>22,106.46</b>	<b>523.64</b>	<b>22,630.10</b>	<b>18,670.14</b>	<b>15.37</b>	<b>18,685.51</b>

## B. Reconciliation of total equity as at 31 March, 2017 and 1 April, 2016

	Notes	As at 31 March 2017 (Rs. / lakh)	As at 1 April 2016 (Rs. / lakh)
Total equity (shareholders funds) under Previous GAAP		17,343.04	15,712.46
<b>Adjustments</b>			
Fair valuation of investments under Ind AS	a.	535.13	15.37
Recognition of deferred tax is on account of Ind AS adjustments	b.	(60.19)	(25.18)
Remeasurement of liability component of compound financial instruments of Non-controlling interest and finance cost	c. and e.	77.87	-
<b>Total adjustment to equity</b>		<b>552.81</b>	<b>(9.81)</b>
<b>Total equity under Ind AS</b>		<b>17,895.85</b>	<b>15,702.65</b>

### Notes

a. Under the previous GAAP, investment in equity instruments and mutual funds were classified as long-term

investments or current investments based on the intended holding period and realisability. Long-term investments were carried at cost less provision for other than temporary decline in the value of such investments. Current investments were carried at lower of cost and fair value.

Under Ind AS, these investments are required to be measured at fair value. The resulting fair value changes of these investments (other than equity instruments designated as at FVTOCI) have been recognised in retained earnings as at the date of transition and subsequently in the statement of profit and loss. For equity instruments (including equity linked mutual funds) designated at FVTOCI resulting fair value gains and losses have been recognised in other comprehensive income.

- b. Deferred tax have been recognised on the adjustments made on transition to Ind AS.
- c. As per Ind As Compulsory convertible debentures issued by the Group to Non-controlling interest (NCI) is bifurcated in two components - equity component and liability component which is not required in Indian GAAP and the effect of the same is adjusted in NCI.
- d. As per IGAAP loan processing fees are shown in prepaid expense and allocate over the period of loan, but in Ind AS the same is adjusted through borrowings.
- e. As per Ind As Finance cost is calculated as per effective interest method on Compulsory convertible debenture (CCD) as against in IGAAP which is calculated as per original terms of CCD.

### C. Effect of Ind AS adoption on the Statement of profit and loss for the year ended 31 March, 2017

	Notes	Year ended 31 March 2017		
		Previous GAAP (Rs. / lakh)	Effect of transition to Ind AS (Rs. / lakh)	As per Ind AS balance sheet (Rs. / lakh)
Revenue from operations		20,524.71	-	20,524.71
Other income	a.	611.50	11.71	623.21
<b>Total income</b>		<b>21,136.21</b>	<b>11.71</b>	<b>21,147.92</b>
<b>Expenses</b>				
Cost of raw materials consumed		11,499.41	-	11,499.41
Purchase of stock in trade		29.25	-	29.25
Changes in inventories of finished goods, stock-in-trade and work in progress		(740.07)	-	(740.07)
Excise duty on sale of goods		2,024.75	-	2,024.75
Employee benefits expense	d.	1,934.87	1.16	1,936.03
Finance costs	e.	81.39	(3.93)	77.46
Depreciation and amortisation expense		316.95	-	316.95
Other expenses		2,805.86	-	2,805.86
<b>Total expenses</b>		<b>17,952.41</b>	<b>(2.77)</b>	<b>17,949.64</b>
<b>Profit before tax</b>		<b>3,183.80</b>	<b>14.48</b>	<b>3,198.28</b>
<b>Tax expense</b>				
Current tax expenses	c.	908.11	(6.97)	901.14
Income tax adjustment for earlier years		1.27	-	1.27
Deferred tax	b.	67.86	34.62	102.48
<b>Net tax expense</b>		<b>977.24</b>	<b>27.65</b>	<b>1,004.89</b>
<b>Profit for the year</b>		<b>2,206.56</b>	<b>(13.17)</b>	<b>2,193.39</b>

Year ended 31 March 2017				
	Notes	Previous GAAP (Rs. / lakh)	Effect of transition to Ind AS (Rs. / lakh)	As per Ind AS balance sheet (Rs. / lakh)
Items that will not be reclassified subsequently to the statement of profit and loss				
a.		-	215.32	215.32
	a.	-	292.74	292.74
	d.	-	1.16	1.16
		-	<b>509.22</b>	<b>509.22</b>
Income tax relating to items that will not be reclassified subsequently to statement of profit and loss				
a.	c.	-	6.97	6.97
b.	c.	-	0.40	0.40
		-	<b>7.37</b>	<b>7.37</b>
Total other comprehensive income for the year		-	<b>501.85</b>	<b>501.85</b>
Total comprehensive income for the year		<b>2,206.56</b>	<b>488.68</b>	<b>2,695.24</b>

#### D. Reconciliation of total comprehensive income for the year ended 31.03.2017

	Notes	Year ended 31 March 2017 (Rs. / lakh)
<b>Profit after tax as per previous GAAP</b>		2,206.56
<b>Adjustments</b>		
Gain/(loss) on change in fair valuation of financial instruments other than equity instruments	a.	11.71
Remeasurement gain on defined benefit obligations (net)	d.	(1.16)
Remeasurement impact of finance cost of compulsory convertible debenture	e.	3.93
		<b>2,221.04</b>
<b>Less:</b>		
Tax relating Ind AS adjustments related to profit and loss	b. and c.	27.65
<b>Profit for the year as per Ind AS</b>		<b>2,193.39</b>

	Notes	Year ended 31 March 2017 (Rs. / lakh)
<b>Other comprehensive income for the year (net of tax)</b>		
Gain on change in fair valuation of equity instruments carried at fair value through OCI	a.	215.32
Gain on sale of equity and equity related instruments	a.	292.74
Remeasurement gain on defined benefit obligations (net)	d.	1.16
		<b>509.22</b>
<b>Less:</b>		
Income tax relating to items that will not be reclassified to profit or loss	c.	7.37
		<b>501.85</b>
<b>Total comprehensive income under Ind AS</b>		<b>2,695.24</b>

#### E. Effect of Ind AS adoption on the Cash flow statements for the year ended 31 March, 2017

	Year ended 31 March 2017		
	Previous GAAP (Rs. / lakh)	Effect of transition to Ind AS (Rs. / lakh)	As per Ind AS balance sheet (Rs. / lakh)
Net cash flow from operating activities	808.23	-	808.23
Net cash (used in) investing activities	(1,520.20)	-	(1,520.20)
Net cash flow from financing activities	877.41	-	877.41
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>165.44</b>	-	<b>165.44</b>
Cash and cash equivalents at the beginning of the year	246.59	-	246.59
Cash and cash equivalents acquired on purchase of subsidiary	12.14	-	12.14
Cash and cash equivalents at the end of the year	<b>424.17</b>	-	<b>424.17</b>

#### F. Analysis of cash and cash equivalents as at 31 March, 2017 and as at 1 April, 2016 for the purpose of statement of cash flow under Ind AS

	As at 31 March 2017 (Rs. / lakh)	As at 1 April 2016 (Rs. / lakh)
Cash and cash equivalents for the purpose of statement of cash flow as per previous GAAP	424.17	246.59
Cash and cash equivalents for the purpose of statement of cash flow as per Ind AS	424.17	246.59

#### Notes

- a. Under the previous GAAP, investment in equity instruments and mutual funds were classified as long-term investments or current investments based on the intended holding period and realisability. Long-term investments were carried at cost less provision for other than temporary decline in the value of such investments. Current investments were carried at lower of cost and fair value.

Under Ind AS, these investments are required to be measured at fair value. The resulting fair value changes of these investments (other than equity instruments designated as at FVTOCI) have been recognised in retained earnings as at the date of transition and subsequently in the statement of profit and loss. For equity instruments (including equity linked mutual funds) designated at FVTOCI resulting fair value gains and losses have been recognised in other comprehensive income.

- b. Deferred tax have been recognised on the adjustments made on transition to Ind AS.
- c. Income tax with respect to the adjustments pertaining to OCI are regrouped from profit and loss to OCI.
- d. Under previous GAAP, actuarial gains and losses were recognised in profit or loss. Under Ind AS, the actuarial gains and losses from part of remeasurement of the net defined benefit liability / asset which is recognised in other comprehensive income. Consequently, the tax effect of the same has also been recognised in other comprehensive income under Ind AS instead of profit or loss. This change does not affect total equity.
- e. As per Ind AS Finance cost is calculated as per effective interest method on Compulsory convertible debenture(CCD) as against in IGAAP which is calculated as per original terms of CCD.

#### 44 Fair value measurements

- a. Fair value of financial assets and financial liabilities that are measured at fair value on a recurring basis.

Financial assets and financial liabilities are measured at fair value at the end of each year. The information of the valuation techniques and the input used are as follows:

	Level	As at 31 March 2018 (Rs. / lakh)	As at 31 March 2017 (Rs. / lakh)	As at 1 April 2016 (Rs. / lakh)
<b>Measured at fair value through profit or loss</b>				
Other investments				
- non current	Level 2	<b>3,483.07</b>	1,563.30	1,849.91
- current	Level 2	<b>515.28</b>	2,965.14	3,042.13
<b>Measured at fair value through other comprehensive income</b>				
Non current investments				
Investments in Equity shares	Level 1	<b>321.06</b>	497.44	808.28
Investments in equity oriented mutual funds	Level 2	<b>3,072.49</b>	1,735.42	2,271.78
Investments in Capital venture fund (unquoted)	Level 3	<b>536.03</b>	233.61	106.40
Investment in Compulsory convertible preference shares (Unquoted)	Level 3	<b>1,615.00</b>	1,201.95	-

#### Valuation technique

Level 1: Quoted prices in the active market. This level of hierarchy includes financial assets that are measured by reference to quoted prices in the active market. This category consists of quoted equity shares and debt based open ended mutual funds.

Level 2: Valuation techniques with observable inputs. This level of hierarchy includes items measured using inputs other than quoted prices included within Level 1 that are observable for such items, either directly or indirectly. This level of hierarchy consists of debt based close ended mutual fund investments and over the counter (OTC) derivative contracts.

Level 3: Valuation techniques with unobservable inputs. This level of hierarchy includes items measured using inputs that are not based on observable market data (unobservable inputs). Fair value determined in whole or in part, using a valuation model based on assumptions that are neither supported by prices from observable current market transactions in the same instruments nor based on available market data. The main item in this category are unquoted equity instruments.

The fair value of the financial assets are determined at the amount that would be received to sell an asset in an orderly transaction between market participants. The following methods and assumptions were used to estimate the fair values:

- a. Investments in debt mutual funds: Fair value is determined by reference to quotes from the financial institutions, i.e. net asset value (NAV) for investments in mutual funds declared by mutual fund house.
- b. Quoted equity investments: Fair value is derived from quoted market prices in active markets.
- c. Unquoted equity investments: Fair value is derived on the basis of income approach, in this approach the discounted cash flow method is used to capture the present value of the expected future economic benefits to be derived from the ownership of these investments.

Derivative contracts: The Group has not entered into any forward contracts and swaps to manage its exposure as the Company management expect that there are nominal exposure of the Company for foreign exchange and they are capable to manage these risks.

#### 45 Details of Corporate Social Responsibility (CSR) expenditure

	Year ended 31 March 2018 (Rs. / lakh)	Year ended 31 March 2017 (Rs. / lakh)
a. Gross amount required to be spent by the Group during the year	76.91	81.18
b. Amount spent during the year on the following in cash :		
i. Construction/ acquisition of any asset	-	-
ii. On purposes other than (i) above		
A. Contribution towards health care activities	10.00	30.00
B. Contribution towards Education	76.79	33.17
C. Contribution towards Relief & Welfare	0.97	1.31
D. Contribution towards Social Infrastructure	-	1.00
E. Others	2.06	3.74
	<b>89.82</b>	<b>69.22</b>

#### 46 Disclosure required under Section 186(4) of the Companies Act, 2013

	Year ended 31 March 2018 (Rs. / lakh)	Year ended 31 March 2017 (Rs. / lakh)
<b>Particulars of investments made</b>		
Opening balance of investments	2,543.66	1,190.79
Investments made in equity shares of body corporates during the year	126.82	25.27
Investments made in corporate bonds during the year	-	-
Investments made in cumulative redeemable preference share of body corporate	80.00	500.00
Investments made in compulsorily convertible preference shares	200.00	1,201.95
Investments sold in equity shares of body corporates during the year	(364.54)	(374.35)
<b>Closing balance of investments</b>	<b>2,585.94</b>	<b>2,543.66</b>

#### 47 Segment Reporting

The Operating Segments have been reported in a manner consistent with the internal reporting provided to the Chief Financial Officer and Chief Executive Officer, who are the Chief Operating Decision Maker. The Group is currently focused on two business "Pre-cured Tread Rubber and allied products/services & Power Generation.

“Precured Tread Rubber and allied products/services” segment is engaged in the manufacturing of the Precured Tread Rubber, Bonding Repair and Extrusion Gum and Rubber Cement, which are used for retreading of tyres and providing tyre retreading service.

“Power Generation” segment is into the business of enhancing knowledge and skills of solar technologies in India, specially the expertise in solar park development and to carry on the business of generating power supply through clean energy sub-sectors e.g., solar energy, biomass, wind, and energy efficiency projects and/or any other means, distribute, supply and sell such power either directly or through facilities or Central/State Governments or private companies or Electricity Boards to industries and to Central/State Governments.

## Operating segments

(Rs. / lakh)

Particulars	Year ended 31 March 2018			Year ended 31 March 2017		
	Precured Tread Rubber and allied products/ services	Power Generation	Total	Precured Tread Rubber and allied products/ services	Power Generation	Total
<b>Revenue</b>						
External sales	16,783.72	417.50	17,201.22	20,383.06	141.65	20,524.71
Inter Segment Sales	-	-	-	-	-	-
<b>Total revenue</b>	<b>16,783.72</b>	<b>417.50</b>	<b>17,201.22</b>	<b>20,383.06</b>	<b>141.65</b>	<b>20,524.71</b>
<b>Results</b>						
Segment results	1,597.26	179.38	1,776.64	2,611.69	52.54	2,664.23
Unallocated Income (net)			260.19			354.57
<b>Operating profit</b>			<b>2,036.83</b>			<b>3,018.80</b>
Interest Income			74.96			62.63
Dividend Income			251.82			187.55
Interest expenses			193.99			70.70
Income Tax			589.23			1,004.89
<b>Net Profit after tax</b>			<b>1,580.39</b>			<b>2,193.39</b>
	As at 31 March 2018			As at 31 March 2017		
Segment assets	10,374.78	2,068.92	12,443.70	11,493.10	2,164.67	13,657.77
Unallocated assets			10,397.38			8,972.33
<b>Total assets</b>	<b>10,374.78</b>	<b>2,068.92</b>	<b>22,841.08</b>	<b>11,493.10</b>	<b>2,164.67</b>	<b>22,630.10</b>
Segment liabilities	2,387.02	199.10	2,586.12	3,087.93	153.58	3,241.51
Unallocated liabilities			1,180.88			1,492.74
<b>Total liabilities</b>	<b>2,387.02</b>	<b>199.10</b>	<b>3,767.00</b>	<b>3,087.93</b>	<b>153.58</b>	<b>4,734.25</b>
<b>Other segment information</b>						
Capital expenditure:	76.33	-	76.33	210.54	1,809.28	2,019.82
Depreciation	305.70	74.60	380.30	296.30	20.65	316.95
Other non-cash expenses	-	-	-	-	-	-



48 Additional information as required by paragraph 2 of the General Instruction for preparation of Consolidated Financial Statements to Schedule III to the Companies Act, 2013



(Rs. / lakh)

Name of the Entity	Net Assets, i.e., total assets minus total liabilities		Share in Profit and Loss		Share in Other comprehensive income		Share in Total comprehensive income	
	As % of consolidated net assets	Amount	As % of consolidated Profit and Loss	Amount	As % of consolidated other comprehensive income	Amount	As % of consolidated total comprehensive income	Amount
<b>Parent Company</b>								
Indag Rubber Limited	96.18%	18,345.87	99.95%	1,575.96	100.00%	189.94	99.96%	1,765.90
<b>Indian Subsidiary</b>								
Sun Amp Solar India Private Limited	0.61%	115.59	-0.29%	(4.63)	0.00%	-	-0.26%	(4.63)
<b>Indian Step Down Subsidiary</b>								
Samyama Jyothi Solar Energy (P) Ltd	3.10%	592.35	0.40%	6.39	0.00%	-	0.36%	6.39
<b>Minority Interest</b>								
Share of Minority	2.06%	392.97	-0.23%	(3.70)	0.00%	-	-0.21%	(3.70)
<b>Consolidation Adjustment / Elimination</b>	-1.95%	(372.70)	0.17%	2.67	0.00%	-	0.15%	2.67
<b>Total</b>	<b>100.00%</b>	<b>19,074.08</b>	<b>100.00%</b>	<b>1,576.69</b>	<b>100.00%</b>	<b>189.94</b>	<b>100.00%</b>	<b>1,766.63</b>

#### 49 During the previous year following subsidiaries were acquired and disposed off in the same year:

- (i) Arete Elena Energy Pvt. Ltd. From 27.06.2016 till 10.10.2016
- (ii) B G SUN Solar Hiriyur Pvt. Ltd. From 06.07.2016 till 17.02.2017
- (iii) Poorvaj Solar Energy Pvt. Ltd. from 06.06.2016 till 02.01.2017
- (iv) SUN Solar KFP Bellari Pvt. Ltd. From 06.06.2016 till 19.12.2016

For the above mentioned entities, as the control was intended to be temporary because these investments were acquired during the FY 2016-17, exclusively with a view for its subsequent disposal in the near future and its also evident from the above mentioned details. Therefore, these entities has not been considered for consolidation for FY 2016-17.

#### 50 Information about the composition of the group at the end of the year is as follows:

Name of subsidiary company	Place of incorporation and operation	Principal activity	% of holding		
			As on 31 March 2018	As on 31 March 2017	As on 1 April 2016
SUN-AMP Solar India Private limited (non-wholly-owned subsidiary)	India	Business of enhancing knowledge and skills of solar technologies	51.00%	75.84%	-
Samyama Jyothi Solar Energy Private Limited (step down subsidiary)	India	Business of electricity generation through design, development, commissioning and operation of Solar Power projects.	81.79%	74.00%	-

#### Change in the Group's ownership interest in a subsidiary :

During the year, the shareholding of the parent Company has changed from 75.84% to 51.00% due to conversion of 24,01,000 CCD's issued, by the subsidiary Company to Sun Alternate Energy Private Limited into 24,01,000 equity shares of Rs.10 each.

#### 51 Events after the reporting period

There are no other subsequent events which require any adjustment in financial statement.

As per our report of even date

#### For Khanna & Annadhanam

Chartered Accountants  
ICAI Firm's Registration No.: 001297N

#### Sanjeev Srivastava

Partner  
Membership No. 502238

Place: New Delhi  
Date: May 24, 2018

#### For and on behalf of the Board of Directors

#### Nand Khemka

Chairman cum Managing Director

#### Manali D Bijlani

Company Secretary

#### K. K. Kapur

CEO and Whole Time Director

#### J.K. Jain

Chief Financial Officer



