INDO RAMA

IRSL:STEXCH:2018-19:
4th July 2018

National Stock Exchange of India Limited
Exchange Plaza, 5th Floor,
Bandra - Kurla Complex,
Bandra (E)
Mumbai - 400 051.
Thru.: **NEAPS**
Stock Code NSE: **INDORAMA**

BSE Limited
Floor 25,
P. J. Towers,
Dalal Street,
Mumbai - 400 001.
Thru.: **BSE Listing Centre**
Stock Code BSE: **500207**

ISIN: INE156A01020

Indo Rama Synthetics (India) Limited - CIN L17124MH1986PLC166615

Sub: 32nd Annual General Meeting and Annual Report for the Financial Year 2017-18

Dear Sir,

As per the requirement of the Listing Regulations, please find herewith soft copy of Notice of 32nd Annual General Meeting and Annual Report of the Company for the Financial Year 2017-18, along with all Annexures as are sent to the Members of the Company.

Hope you will find the same in order.

Thanking you.

Yours faithfully,
for **Indo Rama Synthetics (India) Limited**

Jayantk Sood
CHRO & Company Secretary
(ICSI Membership No.: FCS 4482)

Encl.: as above

Indo Rama Synthetics (India) Limited

INDO RAMA SYNTHETICS (INDIA) LIMITED

CIN: L17124MH1986PLC166615
Regd. Office: A-31, MIDC Industrial Area, Butibori, Nagpur - 441122, Maharashtra.
Tel.: 07104-663000/01 Fax: 07104-663200,
Email: investor-relations@indorama-ind.com Website: www.indoramaindia.com

NOTICE

NOTICE is hereby given that the 32nd Annual General Meeting of the Members of Indo Rama Synthetics (India) Limited will be held on Saturday, 28thJuly, 2018 at 1:30 PM, at the Registered Office of the Company at A-31, MIDC Industrial Area, Butibori, Nagpur - 441122, Maharashtra, to transact the following business:-

ORDINARY BUSINESS

1. To consider and adopt the Audited Financial Statements of the Company together with Report of the Board and Auditors thereon for the financial year ended 31st March 2018.
2. To appoint a Director in place of Mr. Vishal Lohia (DIN 00206458), who retires by rotation at this Annual General Meeting and being eligible offers himself for re-appointment
3. **To appoint Statutory Auditors in place of retiring Autitors.**

   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 sections 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 as may be applicable and pursuant to the recommendations of the Audit Committee, M/s Walker Chandiok & Co LLP (FRN001076N/N500013), Chartered Accountants, be appointed as statutory Auditors of the Company, in place of retiring Auditors, M/s B S R and Associates, Chartered Accountants (ICAI Firm Registration No. 128901W), to hold office from the conclusion of 32ndAnnual General Meeting until the conclusion of 37th Annual General Meeting, subject to ratification by the members at every year, as applicable, at such remuneration and out of pocket expenses, as may be mutually agreed between the Board of Directors of the Company and the Auditors".

SPECIAL BUSINESS

4. **Issuance of Equity Shares by way of Preferential Issue on private placement basis.**

   To consider and, if thought fit, to accord assent/dissent, to the following Resolution to be passed as a **Special Resolution:**

   "RESOLVED THAT, in supersession of the earlier resolution, pursuant to the provisions of Sections 42, 62 and other applicable provisions, if any, of the Companies Act, 2013, read with Rule 14 of Companies (Prospectus and Allotment of Securities) Rules 2014, and Rule 13 of Companies (Share Capital and Debenture) Rules 2014, and any other relevant Rules made thereunder, including any statutory modification, amendment or re-enactment thereof ("Companies Act") and in accordance with any other applicable laws, regulations, policies, guidelines pursuant to the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, (the "SEBI (ICDR) Regulations"), Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015, ("Listing Regulations"), enabling provisions of Memorandum and Articles of Association of the Company subject to terms and conditions of any approval, permission, sanction of the Government of India ("GoI"), the National Company Law Tribunal ("NCLT"), the Securities and Exchange Board of India ("SEBI"), the concerned Registrar of Companies ("RoC") and any other appropriate authorities, institutions or bodies, to the extent required, subject to such conditions and modifications as may be prescribed or imposed by any of them while granting such approval, permission and sanction which would be agreed by the Board of Directors of the Company (hereinafter referred to as "Board" which term shall include any duly authorized Committee thereof for the time being exercising the powers conferred on the Board by this Resolution) consent, approval and sanction of the Company be and is hereby accorded to the Board (with powers to delegate all or any of the powers hereby conferred to any Committee thereof) to create, offer/issue and allot to below-mentioned proposed allottees, as permitted under applicable laws, regulations, policies and/or guidelines, including the SEBI (ICDR) Regulations and other Laws in India, for 90,90,909 Equity Shares on preferential basis ("Issue");

S. No.	Name of the Proposed Allottees	No. of Equity Shares proposed to allot
1	EC Special Situations Fund	31,81,818
2	Edelweiss India Special Situations Fund-II	59,09,091

   RESOLVED FURTHER THAT the Equity Shares shall be issued and allotted within a period of 15 (fifteen) days from the date of passing of this Special Resolution, provided that where any application for any approval or permission by any statutory or regulatory authority is pending, the period of fifteen days shall be counted from the date of such approval or permission, as the case may be or such other extended period as may be permitted under applicable SEBI (ICDR) Regulations, as amended from time to time;

   RESOLVED FURTHER THAT the Equity Shares to be issued and allotted shall be subject to the provisions of the Memorandum and Articles of Association of the Company and shall rank pari passu with the existing Equity Shares of the Company in all respects;

   RESOLVED FURTHER THAT the said Equity Shares shall be listed on the Stock Exchanges on which the existing Equity Shares of the Company are listed;

RESOLVED FURTHER THAT the Equity Shares to be allotted shall be subject to lock-in requirement as prescribed by the SEBI (ICDR) Regulations, from time to time;

RESOLVED FURTHER THAT the "Relevant Date" is 28th June 2018, being the date 30 days prior to the date of passing of the Resolution by the Members of the Company for the proposed issue of Equity Shares, in accordance with the SEBI (ICDR) Retulations;

RESOLVED FURTHER THAT the Equity Shares be allotted at a price not less than the price to be determined in accordance with the SEBI (ICDR) Regulations;

RESOLVED FURTHER THAT the Board be entitled to vary, modify or alter any of the foregoing terms and conditions to conform to those as may be prescribed by, SEBI, ROC, Stock Exchanges or any other appropriate authority/ies or in such manner or otherwise as the Board may, in its absolute discretion, deem fit;

RESOLVED FURTHER THAT the Board be and is hereby, authorized to finalize the form of application and to do all such acts, deeds, matters and things as it may, in its absolute discretion, deem necessary, expedient, proper or desirable to give effect to this resolution and to settle any matter, question, difficulty or doubt that may arise in regard to the issuance and allotment of Equity Shares of the Company and to negotiate, finalize and execute any other agreement(s) or document(s) and writings relating to the Issue as it may deem necessary, proper, desirable or expedient without requiring any further approval of the Members and that the Members shall be deemed to have given their approval thereto expressly by the authority of this resolution and any such documents so executed and delivered or acts and things done or caused to be done shall be conclusive evidence of the authority of the Company in so doing and any such document so executed and delivered or acts and things done or caused to be done prior to the date hereof are hereby ratified, confirmed and approved as the acts and deeds of the Company, as the case may be;

RESOLVED FURTHER THAT the Board be and is hereby authorized to delegate all or any of the powers conferred by this resolution on it, to any Committee of Directors or any other Director(s) or Officer(s) of the Company to give effect to the aforesaid resolution."

5. To enter into Related Party Transactions.

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 188 and other applicable provisions of the Companies Act, 2013 read with Rules issued thereunder, including the Companies (Meetings of Board and its powers) Rules, 2014 and any statutory modification(s) or re-enactments thereof for the time being in force) and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the consent of the members of the Company be and is hereby accorded to the Board of Directors of the Company, for entering the contracts/ arrangements/transactions with the related parties for the financial year 2018-19, for (a) sale, purchase or supply of any goods or materials directly or through appointment of agent, and (b) availing or rendering of any services whether technical and/or financial and/or both, more particularly described in the Explanatory Statement of this Notice, for an aggregating maximum amount not exceeding during the financial year by Rs.1,000 Crore (Rupees One Thousand Crore only) with related parties as mentioned there in;

RESOLVED FURTHER THAT pursuant to the provisions of Section 189 of the Companies Act, 2013 read with the Rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), the Company Secretary/Authorised Signatory of the Company be and are hereby authorised to make necessary entries in the Register of Contracts/arrangements and duly initialled/ authenticated by the Company Secretary/Authorised Signatory of the Company;

RESOLVED FURTHER THAT the Board of Directors be and are hereby authorized to decide upon the nature and value of the products, goods, materials or services to be transacted/ availed with/from the related parties within the aforesaid limit and to take such steps as may be necessary to obtain approvals, sanctions, consents, permissions and perform/execute all such acts, deeds, matters and things (including delegation of such authority), as may be deemed necessary, proper or expedient and generally to do all acts, deeds, matters and things necessary for the purpose of giving effect to this resolution."

6. To appoint Cost Auditors to fill casual vacancy for the financial year 2017-18.

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 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 and other applicable provisions, if any, (including any statutory modifications, clarifications, exemptions or re-enactments thereof for the time being in force) Mr. R. Krishnan, Cost Accountants, (Membership No. 7799),be and is hereby appointed as Cost Auditors of the Company to fill the casual vacancy caused due to death of Late Shri S. N. Balasubramanian, Partner of M/s Balaji & Associates, Cost Accountants, (Firm Registration No. 000112), on 20thNovember 2017;

RESOLVED FURTHER THAT Mr. R. Krishnan, Cost Accountants, (Membership No. 7799), be and is hereby appointed as Cost Auditors of the Company to hold the office from 1st April 2017, until the conclusion of this Annual General Meeting of the Company, at such remuneration plus applicable taxes, and out of pocket expenses, as may be determined and recommended by the Audit Committee in consultation with the Auditors and duly approved by the Board of Directors of the Company."

7. To appoint Cost Auditors and to ratify Remuneration.

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 and other applicable provisions, if any, of the Companies Act, 2013, read with Rule 14 of the Companies (Audit and Auditors) Rules, 2014, (including any statutory modifications of re-enactments thereof, for the time being inforce) the Remuneration of Rs.1,80,000/- (apart from reimbursement out of pocket expenses and applicable taxes) to Mr. R. Krishnan, Cost Accountants (Membership No. 7799), who were appointed by the Board of Directors in their Meeting held on 28th May 2018, for conducting the audit of cost records of the Company for the financial years 2017-18 and 2018-19, be and is hereby approved and ratified;

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to do all acts, deeds, matters, things and take all steps as may be necessary, proper or expedient to give effect to this resolution."

Registered Office:
A-31, MIDC Industrial Area
Butibori, Nagpur - 441122, Maharashtra
CIN: L17124MH1986PLC166615
E-mail: investor-relations@indorama-ind.com
Website: www.indoramaindia.com
Tel.: 07104-663000 / 01 Fax: 07104-663200

By Order of the Board of Directors of
Indo Rama Synthetics (India) Limited

Jayantk Sood
CHRO & Company Secretary
(FCS No. 4482)

Place: Gurugram
Date: 28th June 2018

Notes:

1) The Register of Members and the Share Transfer books of the Company shall remain closed from Saturday, 21st July 2018 to Saturday, 28th July 2018 (both days inclusive) for annual closing.

2) **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE INSTRUMENT APPOINTING THE PROXY SHOULD, HOWEVER, BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN FORTY-EIGHT HOURS BEFORE THE COMMENCEMENT OF THE MEETING.**

   A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or member.

3) Corporate members intending to send their authorised representatives to attend the Meeting are requested to send to the Company a certified copy of the Board Resolution authorising their representative to attend and vote on their behalf at this Meeting.

4) Explanatory Statement under Section 102 of the Companies Act, 2013, which sets out details relating to Special Business at this meeting, is annexed hereto.

5) In terms of Section 152 of the Companies Act, 2013, Mr. Vishal Lohia (DIN00206458), Director, retire by rotation at the meeting and being eligible, offer, himself for re-appointment. The Board of Directors of the Company commends his re-appointment.

6) The brief resume of Directors including those proposed to be appointed / re-appointed, nature of their expertise in specific functional areas, names of Companies in which they hold directorships and memberships / chairmanships of Board Committees, shareholding and relationships between directors, *inter-se,* as stipulated under Listing Regulations with the Stock Exchanges, the Secretarial Standard on General Meetings ("SS-2") issued by the Institute of Company Secretaries of India and approved by the Central Government forms integral part of the Notice.

7) Members/Proxies/Authorised Representatives are requested to bring to the meeting the necessary details of their shareholdings, attendance slip and copy of Annual Report.

8) In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.

9) Pursuant to the provisions of the Companies Act, 2013 and Investor Education and Protection Fund Authority (Accounting, Audit, Transfer & Refund) Rules, 2016, the amount of dividend remaining unpaid or unclaimed for a period of seven years from the due date is required to be transferred to the "Investor Education and Protection Fund" (IEPF) constituted by the Central Government. The Company had, accordingly, transferred Rs.6,07,235/- (Rupees Six Lakhs Seven Thousand Two Hundred Thirty Five only) being the unpaid and unclaimed dividend amount pertaining to the financial year 2010-11, on 15th March 2018, to the Investor Education and Protection Fund of the Central Government.

   The Company has also uploaded the details of unpaid and unclaimed dividend amounts lying with the Company as on 19th September, 2017 (date of last Annual General Meeting) on the website of the Company (www.indoramaindia.com) and on the Ministry of Corporate Affairs website (www.mca.gov.in).

10) Members who have not encashed their dividend warrant(s), so far, in respect of the financial years from 2010-11 to 2015-16, are requested to write to the Company Secretary to send the unclaimed dividend amount.

11) Members holding shares in the electronic form are requested to intimate all changes with respect to their bank details, mandate, etc., to their respective Depository Participants (DPs). These changes will be automatically reflected in Company's records, which will help the Company to provide efficient and better service to the members.

12) To prevent fraudulent transactions, members are advised to exercise due diligence and notify the Company of any change in address or demise of any member as soon as possible. Members are also advised not to leave their Demat account(s) dormant for long. Periodic statement of holdings should be obtained from the concerned Depository Participants and holdings should be verified.

13) The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in 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 shares in physical form can submit their PAN details to the Company.

14) Members who have not registered their e-mail addresses so far are requested to register their e-mail address for receiving all communication including Annual Report, Notices, Circulars, etc., from the Company electronically.

15) Electronic copy of the Annual Report for the financial year 2017-18 is being sent to all the members, whose email IDs are registered with the Company/Depository Participants(s) for communication purposes. For members who have not registered their email address, physical copies of the Annual Report for the financial year 2017-18 is being sent in the permitted mode.

16) Electronic copy of the Notice of 32nd Annual General Meeting of the Company, *inter-alia,* indicating the process and manner of Remote e-Voting along with Attendance Slip and Proxy Form is being sent to all the members, whose email IDs are registered with the Company/Depository Participants(s), unless any member has requested for a hard copy of the same. For members who have not registered their email address, physical copies of the Notice of the 32ndAnnual General Meeting of the Company, *inter-alia,* indicating the process and manner of Remote e-Voting along with Attendance Slip and Proxy Form is being sent in the permitted mode.

17) Members may also note that the Notice of the 32nd Annual General Meeting and the Annual Report for the financial year 2017-18 will also be available on the Company's website,www.indoramaindia.com, for their download. Even after registering for e- communication, members are entitled to receive such communication in physical form, upon making a request for the same, by post free of cost. For any communication, the members may also send requests to the Company's Investor email id: investor-relations@indorama-ind.com

18) Members who wish to obtain any information on the Company or view the Accounts for the year ended 31st March 2018 may visit the Company's website, www.indoramaindia.com or send their queries at least 10 days before the Annual General Meeting, to the Company Secretary at the Corporate Office at 20th Floor, DLF Square, DLF Phase-II, NH-8, Gurugram-122002, Haryana.

19) Pursuant to the provisions of Section 108 and other applicable provisions, if any, of the Companies Act, 2013, read with the Companies (Management and Administration) Rules, 2014 and Regulation 44 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations), the Company is pleased to provide facility to members to exercise their right to vote on resolutions proposed to be passed at the 32ndAnnual General Meeting (AGM) through electronic means and have engaged the services of National Securities Depository Limited ("NSDL") as the Authorised Agency to provide Remote e-Voting facility. The members may cast their votes on electronic voting system from place other than the venue of the meeting (Remote e-Voting).

20) **Voting through Electronic Means (Remote e-Voting)**

The way to vote electronically on NSDL e-Voting system consists of "Two Steps" which are mentioned below:

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

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

Details on Step 1 is mentioned below:

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

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholders' section.
3. A new screen will open. You will have to enter your User ID, your Password and a Verification Code as shown on the screen.

Alternatively, if you are registered for NSDL eservices, i.e., IDEAS, you can log-in at https://eservices.nsdl.com/ with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2, i.e., Cast your vote electronically.

4. Your User ID details are given below :

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

5. Your password details are given below:

a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.

b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need enter the 'initial password' and the system will force you to change your password.

c) How to retrieve your 'initial password'?

(i) If your email ID is registered in your demat account or with the Company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment, i.e., "Indo Rama e-Voting.pdf" file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or Folio Number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.

(ii) If your email ID is not registered, your 'initial password' is provided as below/at the bottom of the Attendance Slip.

EVEN (Remote e-Voting Event Number)	USER ID	PASSWORD/PIN

6. If you are unable to retrieve or have not received the " Initial password" or have forgotten your password:

a) Click on "Forgot User Details/Password?" (If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.

b) Physical User Reset Password?" (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.

c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address.

7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.

8. Now, you will have to click on "Login" button.

9. After you click on the "Login" button, Home page of e-Voting will open.

Details on Step 2 is given below:

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

1. After successful login at Step 1, you will be able to see the Home page of e-Voting. Click on e-Voting. Then, click on Active Voting Cycles.

2. After click on Active Voting Cycles, you will be able to see all the Companies "EVEN" in which you are holding shares and whose voting cycle is in active status.

3. Select "EVEN" of Company for which you wish to cast your vote.

4. Now you are ready for e-Voting as the Voting page opens.

5. Cast your vote by selecting appropriate options, i.e., assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.

6. Upon confirmation, the message "Vote cast successfully" will be displayed.

7. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.

8. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

General Guidelines for shareholders

1. Institutional shareholders (i.e., other than individuals, HUF, NRI, etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority Letter, etc., with attested specimen signature of the duly authorized signatory (ies), who are authorized to vote, to the Scrutinizer by e-mail to sanjaygrover7@gmail.com with a copy marked to evoting@nsdl.co.in.

2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password?" or "Physical User Reset Password?" option available on www.evoting.nsdl.com to reset the password.

3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on toll free no.: 1800-222-990 or send a request at evoting@nsdl.co.in

21) The voting rights of the members shall be in proportion to their shares of the paid-up equity share capital of the Company as on the Cut-off Date, i.e., 21st July, 2018.

22) Any person who acquires shares of the Company and become member of the Company after dispatch of the Notice and holding shares as of the Cut-off Date, i.e., 21st July 2018, may obtain the login ID and password by sending a request at evoting@nsdl.co.in or helpdeskdelhi@mcsregistrars.com or investor-relations@indorama-ind.com

However, if you are already registered with NSDL for e-Voting then you can use your existing user ID and Password/PIN for casting your vote. If you forgot your password, you can reset your password by using "Forget User Details/Password" option available on www.evoting.nsdl.com or contact NSDL at the toll free No.: 1800-222-990.

23) A person, whose name is recorded in the Register of Members or in the Register of Beneficial Owners maintained by the depositories as on the Cut-off Date only shall be entitled to avail the facility of Remote e-Voting as well as voting at the AGM through Polling Paper.

24) The Remote e-Voting period commences at 9:00 AM on 25th July 2018 and will end at 5:00 PM on 27th July 2018. During this period members' of the Company, holding shares either in physical form or in dematerialized form, as on Cut-off Date of 21st July 2018, may cast their vote by Remote e-Voting. The Remote e-Voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently.

25) Mr. Sanjay Grover, Managing Partner, M/s Sanjay Grover & Associates, Company Secretaries, (Firm Registration No.P2001DE052900 and CP No. 3850), failing him, Mr. Neeraj Arora, Partner, M/s Sanjay Grover & Associates, Company Secretaries, (Firm Registration No.P2001DE052900 and CP No. 16186) have been appointed as the Scrutinizer to scrutinize the Remote e-Voting process in a fair and transparent manner.

26) The facility for voting through polling paper shall be made available at the AGM and the members attending the meeting, who have not cast their vote by Remote e-Voting shall be able to exercise their right at the meeting through polling paper.

27) The members who have cast their vote by Remote e-Voting prior to the AGM may also attend the AGM, but shall not be entitled to cast their vote again.

28) You can also update your mobile number and E-mail ID in the user profile details of the folio, which may be used for sending future communication(s).

29) The Chairman shall, at the AGM, at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of scrutinizer, by use of "Polling Paper" for all those members who are present at the AGM, but have not cast their votes by availing the Remote e-Voting facility.

30) The Scrutinizer will, after the conclusion of voting at the Meeting, scrutinize the votes cast at the Meeting and votes cast through remote e-voting and make a consolidated Scrutinizer's Report and submit the same to the Chairman. The Results declared along with the consolidated Scrutinizer's Report will be placed on the website of the Company, www.indoramaindia.com and on the website of NSDL, www.evoting.nsdl.com. The result will simultaneously be communicated to the stock exchanges.

31) All documents referred to in the accompanying Notice and the Explanatory Statement shall be open for inspection, at the Registered Office of the Company, during normal business hours (9:00 AM to 5:00 PM) on all working days except Saturdays, upto the date of the 32nd Annual General Meeting of the Company.

I. EXPLANATORY STATEMENT IN RESPECT OF THE SPECIAL BUSINESS PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013.

Item No. 04

The Company proposes to make a preferential basis allotment of equity shares to:

S. No.	Name of the Proposed Allottees	No. of Equity Shares proposed to allot
1	EC Special Situations Fund	31,81,818
2	Edelweiss India Special Situations Fund-II	59,09,091

(collectively known as "Proposed Allottees"), on a private placement basis, which has been approved by the Board of Directors of the Company at its meeting held on 28th June, 2018.

Approval of the members by way of Special Resolution is required *inter-alia* in terms of Sections 42, 62 and other applicable provisions, if any, of the Companies Act, 2013, read with Rule 14 of Companies (Prospectus and Allotment of Securities) Rules 2014 and Rule 13 of Companies (Share Capital and Debenture) Rules 2014 and any other relevant Rules made there under, including any statutory modification, amendment or re-enactment thereof ("Companies Act")and in accordance with any other applicable laws, regulations, policies, guidelines pursuant to the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, (the "SEBI (ICDR) Regulations").

Therefore, in terms of said Sections, Rules and Regulations, consent of the Members is being sought for the issue and allotment of 90,90,909 (Ninety Lakhs Ninety Thousands Nine Hundred and Nine) Equity Shares of the Company, having a face value of INR 10 (Indian Rupees Ten only) each at a price to be determined as per the SEBI (ICDR) Regulations, on Relevant Date, on a preferential basis to the Proposed Allottees, entitling the Proposed Allottees to subscribe to and be allotted the Equity Shares, not later than 15 (fifteen) days from the date of passing of this special resolution by the Members.

In terms of the provisions of the Companies Act, 2013 read with Rule 13(2) of the Companies (Share Capital and Debentures) Rules, 2014 and the aforesaid SEBI (ICDR) Regulations, the relevant disclosures / details are given below:

A) Objects of the Preferential Issue:

To meet general business requirements addressing Working Capital needs as well as expansion of business activities. Therefore, the Company has proposed the Issue of Shares on preferential basis to selected person to meet its capital requirements in due course.

B) The total number of equity shares to be issued:

90,90,909 (Ninety Lakhs Ninety Thousand Nine Hundred and Nine) Equity Shares.

C) Terms of Issue of the Equity Shares, if any:

The Equity Shares allotted in terms of this resolution shall rank *pari-passu* with exsting equity shares of the Company in all respects.

D) Relevant Date:

In accordance with the provisions of SEBI (ICDR) Regulations, the "Relevant Date" for the purpose of determination of the price of the equity shares to be issued and allotted shall be the date 30 (thirty) days prior to the date of passing of this Special Resolution by the Members of the Company or in the case where "Relevant Date" falls on weekend/holidays, the day preceding the weekend/ holidays, will be reckoned to be the Relevant Date.

E) Pricing of Preferential Issue:

The price of equity shares to be issued and fixed in accordance with the price determined in terms of Regulation 76 of the SEBI (ICDR) Regulations.

F) Basis on which the price has been arrived at:

The Company is listed on BSE Limited and National Stock Exchange of India Limited and the equity shares of the Company are frequently traded in accordance with Regulation 71A of the SEBI (ICDR) Regulations.

In terms of SEBI (ICDR) Regulations, the equity shares shall be allotted at a price not less than higher of the following:

a) Average of the weekly high and low of the volume weighted average prices of the equity shares of the Company quoted on the stock exchange, during the twenty six weeks preceding the Relevant Date; or

b) Average of the weekly high and low of the volume weighted average price of the equity shares of the Company quoted on the stock exchange, during the two weeks preceding the Relevant Date.

Accordingly, the price of Equity Shares will be determined on Relevant Date.

Since the equity shares of the Company have been listed on the recognized stock exchange for a period of more than 26 (Twenty Six) weeks prior to the Relevant Date, the Company is not required to re-compute the price per equity share.

G) Intention of Promoters/Directors/Key Managerial Personnel to subscribe to the offer:

None of the Promoters, Directors or Key Managerial Personnel intends to subscribe to the proposed issue.

H) The name of the proposed allottees, the identities of the persons who are the ultimate beneficial owners of the shares and or who ultimately control the proposed allottees, the percentage of post preferential issue capital that may be held by them and change in control:

Sl. No.	Details of Subscriber	Category / Class of Subscriber	Pre Issue % holding	Number of Equity Shares proposed to be allotted	Post Issue % holding	Beneficial Ownership
1	EC Special Situations Fund	Body Corporates	Nil	31,81,818	1.98	NA
2	Edelweiss India Special Situations Fund-II			59,09,091	3.67	

I) The pre-issue and post-issue shareholding pattern of the Company:

Sl. No.	Category	Pre-Issue *		Post-Issue	
		No of shares Held	% of share holding	No of shares held	% of share holding
A.	**Promoters' holding:**				
1.	Indian:				
	Individual	5,85,24,294	38.55	5,85,24,294	36.37
2.	Foreign/NRI Promoters:				
	Individual	99,200	0.06	99,200	0.06
	Overseas Corporate Body	5,35,64,057	35.28	5,35,64,057	33.29
	Sub-Total (A)	**11,21,87,551**	**73.89**	**11,21,87,551**	**69.72**
B.	**Non-Promoters' holding:**				
1.	Institutional Investors	1,82,69,556	12.03	1,82,69,556	11.35
2.	Non-Institution Investors:				
	Corporate Bodies	39,60,217	2.62	1,30,51,126	8.11
	Indian Public	1,67,79,260	11.05	1,67,79,260	10.43
	Others (including NRIs)	6,25,658	0.41	6,25,658	0.39
	Sub-Total (B)	**3,96,34,691**	**26.11**	**4,87,25,600**	**30.28**
	GRAND TOTAL	**15,18,22,242**	**100.00**	**16,09,13,151**	**100.00**

* As on 31st March 2018.

J) Proposed time within which the allotment shall be completed:

As required under the Regulation 74(1) of SEBI (ICDR) Regulations, the Company shall complete the allotment of equity shares as aforesaid on or before the expiry of 15 (Fifteen) days from the date of passing of the special resolution by the shareholders granting consent for preferential issue or in the event allotment of equity shares would require any approval(s) from any regulatory authority or the Central Government, within 15 (Fifteen) days from the date of such approval(s), as the case may be.

K) No. of persons to whom allotment on preferential basis has already been made during the year, in terms of number of securities as well as price:

During the year, no preferential allotment has been made to any person.

L) Change in control, if any, in the Company that would occur consequent to the preferential offer:

There shall be no change in management or control of the Company pursuant to the issue of the equity shares.

M) The justification for the allotment proposed to be made for consideration other than cash together with valuation report of the registered valuer:

Not Applicable.

N) Lock in period:

The proposed allotment of the equity shares shall be subject to a lock-in as per the requirements of SEBI (ICDR) Regulations.

O) Auditors certificate:

A certificate from Chartered Accountants / Statutory Auditors of the Company, certifying that the issue of equity shares is being made in accordance with requirements of SEBI (ICDR) Regulations and will be made available for inspection at the Registered Office of the Company.

The Board of Directors of the Company believes that the proposed preferential issue is in the best interest of the Company and its members.

Accordingly, consent of the members is being sought for passing the Special Resolution as set out at Item No. 04 of the Notice.

None of the Directors and Key Managerial Personnel of the Company or their relatives is in any way concerned or interested, financially or otherwise, at Item No. 04 of the Notice.

Item No. 05

The Company has entered into contracts / arrangements / transactions with the following entities, who are related parties within the meaning of Section 2(76) of the Companies Act, 2013 read with the Companies (Meetings of the Board and its Powers) Rules, 2014 (the "Act") and Listing Regulations:

Sl. No.	Name of the Related Parties	Nature of Relation	Material terms of the Contract, etc.*	Monetary Value (Rs. in Crore) for the Financial Year 2017-18
1.	Wearit Global Limited	Relative	Pruchased material on arm's length basis	12.89
2.	Wearit Global Limited	Relative	Pruchased DEPB Scrip arm's length basis	0.41
3.	Wearit Global Limited	Relative	Sold material on arm's length basis	43.28
4.	Dhanterash Sale Pvt. Limited	Relative	Sold material on arm's length basis	4.44
		Total		**61.02**

* i) Name of Director or Key Managerial Personnel who is related:

Mr. Om Prakash Lohia and Mr. Vishal Lohia, Directors of the Company are relatives of Mr. Manish Kumar, Director of Wearit Global Limited and Dhanterash Sale Pvt. Limited.

ii) Any other information relevant or important for the members to make a decision on proposed transaction: None

The Company may enter into the following entities, who are related parties within the meaning of Section 2(76) of the Companies Act, 2013 read with the Companies (Meetings of the Board and its Powers) Rules, 2014 and Listing Regulations, for an aggregating maximum amount not exceeding during the financial year by Rs.1,000 Crore (Rupees One Thousand Crore only):

Sl. No.	Name of the Related Parties
1.	Indorama Petrochem Limited, Thailand
2.	TPT Petrochemicals Public Co. Ltd., Thailand
3.	PT. Indorama Petrochemicals, Indonesia
4.	Wearit Global Limited
5.	Ritspin Synthetics Limited
6.	Dhanterash Sale Pvt. Limited
7.	Indorama Industries Limited

The Section 188 of the Companies Act, 2013 provides that if transactions with the related parties are not in the ordinary course of business or on arm's length basis, such transactions are required to be approved by the Board of Directors and Shareholders, depending upon the materiality of the transactions. In other words, approval of Board or shareholders, as the case may be, is not required under the Act, if a particular transaction is in the ordinary course of business and on arm's length basis.

Revised Listing Regulations provides that all material Related Party Transactions (RPTs), i.e., transaction(s) entered into during a financial year exceeding 10% of the annual consolidated turnover of the Company as per latest audited financial statements require prior approval of the shareholders through special resolution.

In the opinion of the Board, the transactions / contracts / arrangements by the Company with the above parties are in the ordinary course of business and at arm's length basis. However, considering the fact that the value of contracts / arrangements / transactions with the aforesaid related parties during a financial year may be material as defined under Listing Regulations and it is proposed to seek the approval of members for the aforesaid arrangements / contracts / transactions for the financial year 2018-19.

Accordingly, consent of the members is sought for passing a Special Resolution as set out at Item No. 05 of the Notice, except Mr. Om Prakash Lohia and Mr. Vishal Lohia.

The members are further informed that no member(s) of the Company being a related party or having any interest in the resolution as set out at Item No. 05 shall be entitled to vote on this Special Resolution.

None of the Directors and Key Managerial Personnel or their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No. 05 of the Notice, except Mr. Om Prakash Lohia and Mr. Vishal Lohia.

The Board commends the Special Resolution set out at Item No. 05 of the Notice for approval by the members.

Item Nos. 06 & 07

The Board of Directors of the Company, on the recommendation of the Audit Committee, approved the appointment and remuneration of Mr. R. Krishnan, Cost Accountants (Membership No. 7799), to fill the casual vacancy caused due to death of Late Shri S. N. Balasubramanian, Partner of M/s Balaji & Associates, Cost Accountants, (Firm Registration No. 000112), on 20th November 2017, to conduct the audit of the cost records of the Company for the financial year 2017-18, i.e., 1st April 2017 to 31st March 2018.

The Board of Directors further appointed R. Krishnan, Cost Accountants, (Membership No. 7799) as Cost Auditors of the Company for the financial year ending 31st March 2019, in accordance with the applicable provisions of the Companies Act, 2013 and Rules framed thereunder, as recommended by the Audit Committee and the requisite resolution for ratification of remuneration of Cost Auditors by the members has been set out in the notice of 32nd Annual General Meeting of your Company.

In accordance with the provisions of Section 148 of the Companies Act, 2013, read with the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditors is required to be ratified by the Members of the Company.

Accordingly, consent of the Members is sought for passing an Ordinary Resolution as set out at Item Nos. 06 and 07of the Notice, to ratify the remuneration payable to the Cost Auditors for the financial year ending 31st March 2018 and 31st March 2019.

None of the Directors and Key Managerial Personnel or their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item Nos. 06 and 07 of the Notice.

The Board commends the Ordinary Resolution set out at Item Nos. 06 and 07 of the Notice for approval by the members.

II. DETAILS OF DIRECTORS SEEKING APPOINTMENT / RE-APPOINTMENT AS REQUIRED UNDER LISTING REGULATIONS WITH THE STOCK EXCHANGES.

Re-appointment of Mr. Vishal Lohia (Item No. 02)

In terms of provisions of the Companies Act, 2013, effective from 1st April 2014, for the purpose of determining the Directors liable to retire by rotation. Mr. Vishal Lohia shall accordingly retire at this Annual General Meeting and being eligible offers himself for re-appointment.

Brief resume of Mr. Lohia, nature of his expertise in specific functional areas and names of companies in which he hold directorships and memberships/chairmanships of Board Committees, shareholding and relationships between directors, *inter-se,* as stipulated under Listing Regulations with the Stock Exchanges, which is forming part of the Notice, as under:

Mr. Vishal Lohia is one of the Promoters and Whole-time Director of the Company. Mr. Vishal Lohia, aged about 40 years holds a Bachelor Degree in Finance and Economics from Bryant College, Rhode Island, USA. He was appointed as Whole-time Director w. e. f. 28th June 2002 and held office upto 20th October 2004. He was again appointed as Whole-time Director on 1st April 2007 and has been continuing as such

since then. Mr. Vishal Lohia has been looking after operations of the Company besides handling such other responsibilities as are assigned by the Board of Directors from time to time.

Mr. Vishal Lohia has around 16 years of experience in the various Industry forums taking up the cause and concerns of Polyester Industry on economic and trade issues.

Mr. Vishal Lohia has paced himself with thorough grooming on the job at Indo Rama Synthetics (India) Limited, a leading Manufacturer and Exporter of Polyester in India. He has been taking on increasing responsibilities, driving the initiatives at Indo Rama to strategically position it as a leading player on the global industrial map.

Mr. Vishal Lohia is presently Whole-time Director of the Company. Mr. Lohia is Member of Audit Committee, Nomination & Remuneration Committee, Stakeholders Relationship Committee, Banking & Finance Committee, Share Transfer Committee and CSR Committee of the Board of Directors of the Company. Mr. Lohia is holding 11,37,896 equity shares of the Company.

Directorship in other Companies:

Mr. Vishal Lohia is Director of Indo Rama Retail Holdings Pvt. Limited.

The Board considers that his continued association would be of immense benefit to the Company and it is desirable to continue to avail services of Mr. Lohia as a Whole-time Director of the Company. Upon his re-appointment as a Director, Mr. Lohia shall continue to hold office as a Whole-time Director of the Company.

Except Mr. Vishal Lohia, being an appointee and Mr. Om Prakash Lohia, who are related to Mr. Vishal Lohia, none of the Directors, Key Managerial Personnel or their relatives are in any way concerned or interested, financially or otherwise, in this resolution, at Item No. 2 of the Notice.

The Board commends his re-appointment, liable to retire by rotation, at Item No. 2 of the Notice for approval by the members.

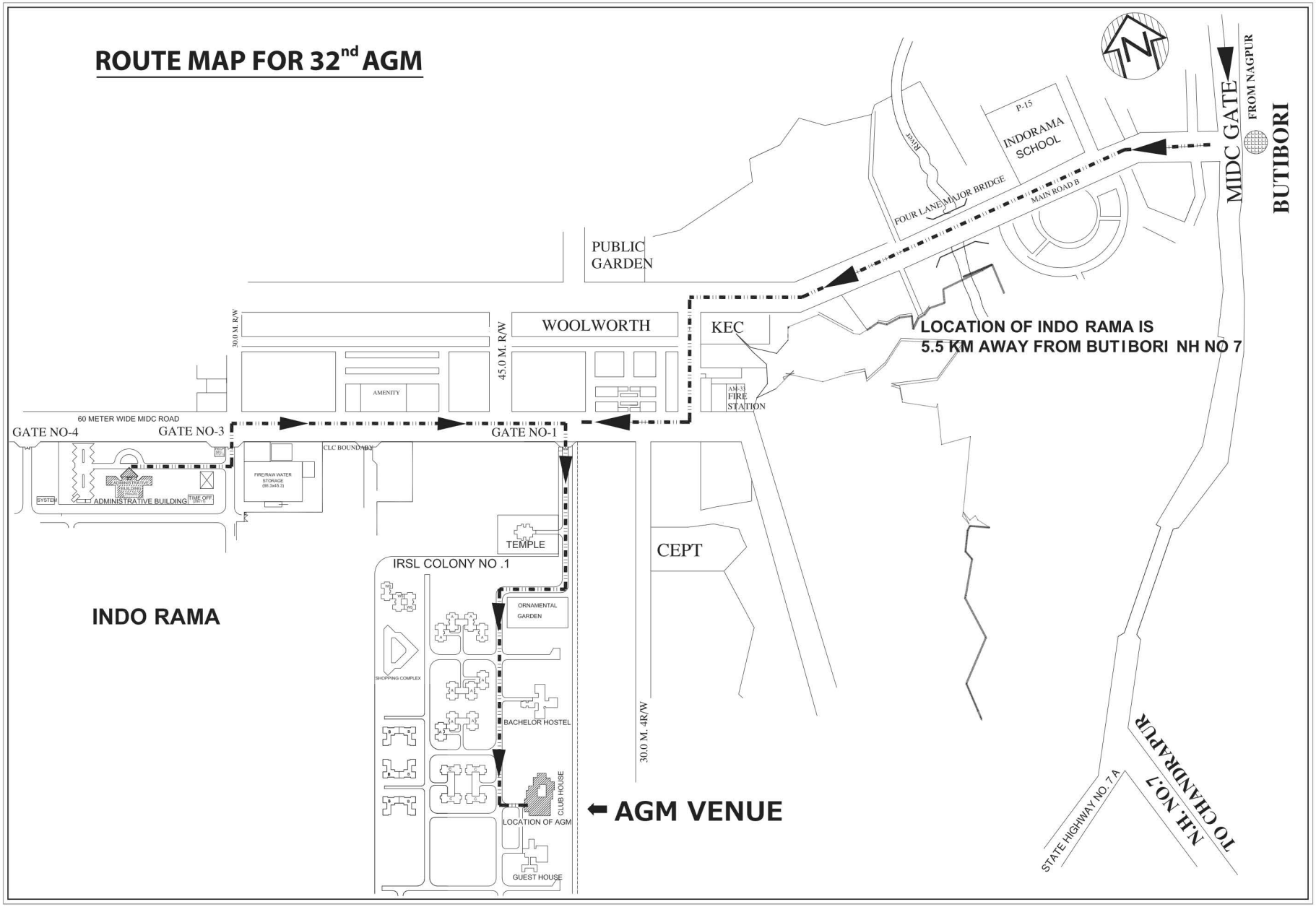
Registered Office:
A-31, MIDC Industrial Area
Butibori, Nagpur - 441122, Maharashtra
CIN: L17124MH1986PLC166615
E-mail: investor-relations@indorama-ind.com
Website: www.indoramaindia.com
Tel.: 07104-663000 / 01 Fax: 07104-663200

By Order of the Board of Directors of
Indo Rama Synthetics (India) Limited

Jayantk Sood
CHRO & Company Secretary
(FCS No. 4482)

Place: Gurugram
Date: 28th June 2018

ROUTE MAP FOR 32nd AGM



INDO RAMA SYNTHETICS (INDIA) LIMITED

Regd. Office: A-31, MIDC Industrial Area, Butibori, Nagpur - 441122, Maharashtra.
Tel.: 07104-663000 / 01 Fax: 07104-663200
Email: investor-relations@indorama-ind.com
Website: www.indoramaindia.com
CIN: L17124MH1986PLC166615

Form No. MGT-11
PROXY FORM

[Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration) Rules, 2014]

Name of the Member(s)	:	
Registered Address	:	
E-mail ID	:	
Folio No. / DP ID and Client ID No.	:	

I/We being the member(s) of ..... shares of the above named Company hereby appoint:

(1) Name : ..... Address: .....

E-mail ID :.....Signature:....., or failing him;

(2) Name : ..... Address: .....

E-mail ID :.....Signature:....., or failing him;

(3) Name : ..... Address: .....

E-mail ID :.....Signature:.....

as my/our proxy to attend and vote, in case of poll, for me/us and on my/our behalf at the 32nd Annual General Meeting of the Company, to be held on Saturday, 28th July, 2018 at 1:30 PM, at the Registered Office of the Company at A-31, MIDC Industrial Area, Butibori, Nagpur - 441122, Maharashtra and at any adjournment there of in respect of such resolutions and in such manner as are indicated below:

Reso. No.	Description
Ordinery Business	
1.	To consider and adopt the Audited Financial Statements of the Company together with Report of the Board and Auditors thereon for the financial year ended 31st March 2018
2.	To appoint a Director in place of Mr. Vishal Lohia (DIN 00206458), who retires by rotation at this Annual General Meeting and being eligible offers himself for re-appointment.
3.	To appoint Statutory Auditors in place of retiring Auditors.
Special Business	
4.	Issuance of Equity Shares by way of Preferential Issue on Private Placement basis
5.	To enter into Related Party Transactions.
6.	To appoint Cost Auditors to fill casual vacancy for the financial year 2017-18.
7.	To appoint Cost Auditors and to ratify Remuneration.

Signed this ..... day of ..... 2018.

Signature of Shareholder .....

Signature of Proxy holder(s) .....

Affix Revenue Stamp not less than Re.1/-

Note:

1. This form of Proxy, in order to be effective, should be duly completed and deposited at the Registered Office of the Company, not less than FORTY EIGHT (48) hours before the commencement of the Meeting.
2. For the Resolutions, Explanatory Statement and Notes, please refer to the Notice of the 32nd Annual General Meeting.
3. Please complete all details including details of member(s), in above box, before submission.

INDO RAMA SYNTHETICS (INDIA) LIMITED

Regd. Office: A-31, MIDC Industrial Area, Butibori, Nagpur - 441122, Maharashtra.
Tel.: 07104-663000 / 01 Fax: 07104-663200 CIN: L17124MH1986PLC166615
Email: investor-relations@indorama-ind.com Website: www.indoramaindia.com

ATTENDANCE SLIP

32ND ANNUAL GENERAL MEETING – 28TH JULY 2018	
Name and Registered Address of the Member	
Registered Folio No. / DP ID and Client ID No.	
Joint Holders, if any	
No. of Shares	

I/We hereby record my/our presence at the 32nd Annual General Meeting of the Company held on Saturday, 28th July, 2018 at 1:30 PM, at the Registered Office of the Company at A-31, MIDC Industrial Area, Butibori, Nagpur - 441122, Maharashtra.

....
Member's/Proxy's Name in BLOCK Letters Member's/Proxy's Signature

Note:

1) Please complete the Folio / DP ID / Client ID No. and Name of the Member / Proxy, sign this Attendance Slip and hand it over at the Attendance Verification Counter at the ENTRANCE OF THE MEETING HALL.

2) Electronic copy of the Annual Report for the financial year 2017-18 and Notice of the 32nd Annual General Meeting (AGM) along with Attendance Slip and Proxy Form is being sent to all the members, whose e-mail address is registered with the Company / Depository Participant unless any member has requested for a hard copy of the same. Members receiving electronic copy and attending AGM can print copy of this Attendance Slip.

3) Physical copy of the Annual Report for the financial year 2017-18 and Notice of the 32nd Annual General Meeting along with Attendance Slip and Proxy Form is being sent in the permitted mode(s) to all members, whose e-mail address is not registered or have requested for a hard copy.

Particulars for Remote e-Voting through Electronic means

EVEN (e-Voting Event Number)	USER ID	PASSWORD / PIN
108594		

INDO RAMA
Synthetics (India) Limited

CUSTOMER FOCUSSED.
VALUE DRIVEN.

Annual Report 2017-18

CONTENTS

World of Indo Rama	Corporate Information	**01**
	About Indo Rama	**02**
	Chairman's Review	**04**
Governance Reports	Management Discussion and Analysis	**06**
	Report on Corporate Governance	**11**
	Board's Report	**32**
Financial Statements	Auditor's Report	**56**
	Balance Sheet	**64**
	Statement of Profit and Loss	**65**
	Cash Flow Statement	**66**
	Statement of Changes in Equity	**68**
	Notes	**69**

Forward-looking Statements

In this Annual Report, we have disclosed forward-looking information to enable investors to comprehend our prospects and take investment decisions. This report and other statements – written and oral – that we periodically make contain forward-looking statements that set out anticipated results based on the management's plans and assumptions. We have tried wherever possible to identify such statements by using words such as 'anticipate', 'estimate', 'expects', 'projects', 'intends', 'plans', 'believes', and words of similar substance in connection with any discussion of future performance. We cannot guarantee that these forward-looking statements will be realised, although we believe we have been prudent in our assumptions. The achievements of results are subject to risks, uncertainties and even inaccurate assumptions. Should known or unknown risks or uncertainties materialise, or should underlying assumptions prove inaccurate, actual results could vary materially from those anticipated, estimated or projected. Readers should bear this in mind. We undertake no obligation to publicly update any forward-looking statement, whether as a result of new information, future events or otherwise.

CORPORATE INFORMATION

BOARD OF DIRECTORS

Mohan Lal Lohia
Chairman Emeritus
(upto 1st June 2017)

Om Prakash Lohia
Chairman and Managing Director

Vishal Lohia
Whole-time Director

Ashok Kumar Ladha
Non-executive Independent Director

Ranjana Agarwal
Non-executive Independent Director

Suman Jyoti Khaitan
Non-executive Independent Director

Dr Arvind Pandalai
Non-executive Independent Director

CHIEF FINANCIAL OFFICER

Rajendra Kumar Gupta

COMPANY SECRETARY

Jayantk Sood

AUDITORS

B S R and Associates, Gurgaon

BANKERS

Axis Bank Limited
Bank of India
HDFC Bank Limited
Oriental Bank of Commerce
Punjab National Bank
State Bank of India
IKB Deutsche Industriebank AG

OUR IDENTITY

Incorporated in 1989, we, at Indo Rama Synthetics (india) Ltd, have emerged as the largest dedicated polyester manufacturer in India. With nearly three decades of market presence, we are one of the country's most cost-efficient polyester producers. Our investments in innovation and capacity expansion allow us to integrate value for our large customer base.

We have an integrated production facility in Butibori, near Nagpur, Maharashtra. We believe that polyester would be the fibre of the future, which encouraged us to foray into this business with confidence. Our well-defined quality and process management systems have enabled us to enjoy global presence.

We are a customer-focused organisation that implements stringent quality assurance measures and innovative business practices.

OUR MISSION

To be the preferred polyester business partner by focusing on customer delight and innovation to attain sustainable growth.

RELEVANT FACTS

29+

Years of robust industry expertise and experience

53

Countries across five continents mark our presence

610,050 TPA

Cumulative production capacity at our Butibori plant

1,400+

Members in team Indo Rama

OUR OFFERINGS

- Polyester Staple Fibre (PSF) 2,63,550 TPA
- Polyester Filament Yarn (PFY) 2,59,000 TPA
- Draw Texturised Yarn (DTY) 1,38,946 TPA
- Polyester Chips 87,500 TPA
- Power 71.08 MW

WIDE-RANGING PRODUCT APPLICATIONS

- Apparel & Sportswear
- Home Furnishing & Textiles
- Non-woven
- Automotive
- Technical Textiles

OUR KEY RAW MATERIALS

The primary raw materials needed for polyester production are Purified Terephthalic Acid (PTA) and Mono Ethylene Glycol (MEG). Both PTA and MEG are petrochemical derivatives, making the industry sensitive to crude oil prices.

OUR TECHNOLOGY ALLIANCES

Our global technology partners enable us to consistently improve our capacities and make the most of emerging opportunities. These partners include:

- Chemtex Intl. Inc., USA
- Oerlikon Barmag, Germany
- Zimmer AG, Germany
- Autefa, Germany
- LTG Ameliorair, France
- Bertrams, Switzerland
- LVD, Belgium
- Wartsila Diesel, Finland
- Foxboro Invensys, Singapore
- Teijin Seiki, Japan
- Toyobo, Japan

OUR ACCREDITATIONS

Our commitment to quality, occupational safety, health and environment management has helped us achieve major certifications like::

- ISO-9001:2008 for Quality Management System (QMS) for ensuring stringent quality protocol
- ISO-14001:2004 Certification for globally benchmarked Environment Management System (EMS)
- OEKO Tex Certification for meeting Human and Ecological requirements
- REACH – Substance of Very High Concern (SVHC) for human health and environment safety

OUR AWARDS AND ACCOLADES

- Conferred the Energy Conservation Award in the petrochemical sector by the Maharashtra State Energy Development Agency (MEDA) for 2015-16
- Received the Highest Exporter and Highest Importer award in Central India from M/s Container Corporation of India Ltd.

CHAIRMAN'S REVIEW

DEAR SHAREHOLDERS,

Macroeconomic influences

The world economy picked pace in FY 2017-18 across developed and emerging markets with favourable financial conditions and firming commodity prices. According to the International Monetary Fund (IMF), annual global GDP growth is expected to have expanded by 3.8% in 2017 and global merchandise trade volume expanded to 4.9%, during the same time period. The improvements were driven by revival of global demand, especially capital spending. On the inflation front, both advanced and emerging economies witnessed a controlled increase primarily due to the rise in crude oil prices.

Tax policy reforms in the US is likely to have a positive impact on its economy as experts project a higher rate of growth in FY 2018-19. During the same period Asian economies are expected to grow at 6.5%. The Latin American economies are predicted to advance at 2.9% in FY 2018-19 on the back of strengthening commodity prices. While the economies of the Middle East and North Africa (MENA) are expected to accelerate owing to stronger oil prices.

However, despite projections of further economic recovery across the globe, a fear of intensifying trade wars looms across the world.

In line with the uptick in international economic activity, India's economy grew at 6.7% during 2017-18 (Source: CSO). This was a result of structured capital outlay by the government, increased consumer spending, improvement in rural demand and ebbing of the effects of demonetisation. The year also witnessed the roll out of the Goods and Services Tax (GST), which will facilitate the movement of goods across India, creating a 'one market, one tax' scenario in the country. We, at Indo Rama, welcome these policy-driven moves by the Government of India and are confident that they will help us chart a new course for the organisation.

India's textile industry is currently estimated at around USD 150 billion and is likely to reach USD 250 billion by 2022. The sector has witnessed a spurt of investment during the last few years and attracted Foreign Direct Investment (FDI) worth USD 2.82 billion between April 2000 and December 2017.

Industry scenario

India's textile industry is currently estimated at around USD 150 billion and is likely to reach USD 250 billion by 2022. Its overall textile exports during FY 2017-18 stood at USD 37.74 billion (Source: IBEF). It is furthur expected to grow at a CAGR of 13.58% (E) between 2009 and 2019. The sector has witnessed a spurt of investment during the last few years and attracted Foreign Direct Investment (FDI) worth USD 2.82 billion between April 2000 and December 2017. Besides, government initiatives like allowing 100% FDI under the automatic route is likely to bolster the segment further (Source: IBEF).

Our performance

During 2017-18, we navigated several challenges to record our total revenues at ₹ 2,317.44 crore vis-à-vis ₹ 2,729.57 crore in the previous financial year. The sales for the current year are excluding Goods and Service Tax whereas previous year include excise duty. Our operational EBIDTA stood at ₹ 60.22 crore in 2017-18, compared to ₹ 23.76 crore in 2016-17. During the year under review, we reported a net loss of ₹ 82.02 crore as against net loss of ₹ 84.23 crore in 2016-17.

Our business was primarily afflicted by volatility in raw materials prices. As our main raw materials are Purified Terephthalic Acid (PTA) and Mono Ethylene Glycol (MEG), which are derivatives of petroleum industry, any change in the crude oil prices impacts their prices.

Raw material markets

During FY 2017-18, the price of Brent crude varied between USD 47 per barrel and USD 69 per barrel, which led to volatility in the prices of Paraxylene (PX), PTA and MEG. PTA prices were influenced by shutting down of inefficient PTA capacities in China and good performance by the downstream polyester industry. While in case of MEG, the shutdown of production units in the Middle East and speculative tendencies in China led to significant rise in prices.

₹2,317.44 crore

Total Revenues in FY 2017-18

₹60.22 crore

Operational EBIDTA in FY 2017-18

We have appealed to the Ministry of Textile, Commerce, Chemical and Fertiliser for rationalising GST rates on our raw materials (PTA, MEG and finished product PSF) to combat their rising prices. Once the GST rates are restructured, they will help augment the Man Made Fibre (MMF) industry and bring overall growth in the textile sector.

People-first approach

We are a 'people first' organisation with our team members at the heart of everything we do. We have a systematic performance management strategy that is based on best human resource practices, which in turn helps us attract and retain talent. We make significant investments in upskilling our people and provide comprehensive learning opportunities. At Indo Rama, we strive to maintain transparency and a collaborative spirit with free flow of knowledge across the organisation.

Value creation

We undertake several initiatives that ensure safety of our people and the environment. We have adopted leading-edge equipment and procedures to recycle waste and involve our people in countless other activities that enhances their safety such as mock drills and awareness programmes, among others.

We also engage in several social responsibility ventures that facilitate good healthcare services and impart education through skill development programmes.

We are completely prepared to navigate through a challenging operational environment and create sustainable value for all stakeholders. Going forward, we will emphasis on a customer-focussed and value-driven approach.

On behalf of the Board, let me thank all our business associates, employees, shareholders and esteemed customers for their support and encouragement. We are confident that this continued support will help us soon turn the course of the organisation.

Regards,

O.P. Lohia
Chairman and Managing Director

MANAGEMENT DISCUSSION AND ANALYSIS

Global economy

In 2017, broad-based improvements in investment across most countries, particularly advanced and commodity-exporting ones, stimulated the world economy to grow by 3.8%. Supported by conducive financial conditions; higher output in the advanced economies of euro area, Japan and the US, among others; recovering commodity prices; and increased trade activities, global economies are projected to grow at the rate of 3.9% in both 2018 and 2019. [Source: International Monetary Fund (IMF)]

Global growth pattern (%)

	2017	2018 (P)	2019 (P)
World output	3.8	3.9	3.9
Advanced economies	2.3	2.5	2.2
United States	2.3	2.9	2.7
Euro Area	2.3	2.4	2.0
Japan	1.7	1.2	0.9
Other Advanced Economies*	2.5	2.4	2.3
Emerging and Developing Economies	4.8	4.9	5.1

P: Projections | *Excludes the US, euro area countries and Japan
(Source: International Monetary Fund)

Indian economy

Second Advance estimate released by the Central Statistics Office (CSO) place the full FY 2017-18 growth rate at 6.7%, lower than 7.1% in FY 2016-17, but in line with the 6.75% growth forecast by the Economic Survey of India 2017-18. This slowdown is attributed to the lingering effect of 2016's demonetisation and the roll-out of the Goods and Services Tax (GST) in July 2017. However, economic activity revived in the second half of the financial year. At 7.7%, India's GDP growth in the January-March quarter of 2018, was the fastest in seven quarters – bolstered by strong performance in construction, manufacturing and public services

	FY 2017-18	FY 2016-17
April-June	5.6	8.1
July-September	6.3	7.6
October-December	7	6.8
January-March	7.7	6.1
Total	**6.7**	**7.1**

[Source: Central Statistics Office (CSO)]

Global trade scenario

World merchandise trade volume grew to 4.7% in 2017, from 1.8% in 2016, led by rising import demand across geographies, particularly Asia. Given strong global economic performance and supportive government policies, growth in the volume of world merchandise trade is forecast to remain strong in 2018 and 2019, after exhibiting the largest increase in six years in 2017. Global merchandise trade volume is forecast to grow 4.4% in 2018, driven by increased investment and fiscal expansion.

The ratio of trade growth to GDP growth is expected to be 1:4 in 2018, marginally lower than 1:5 in 2007. fell below 1:1 in 2016, for the first time since 2001. Risks surrounding trade policies could potentially affect economic confidence. Continuation of protectionist policies is likely to lower trade growth in 2018. [Source: World Trade Organisation (WTO)]

	2016	2017	2018 (P)	2019 (P)
Growth in volume of world merchandise trade	1.8	4.7	4.4	4.0

P: Projections
[Source: World Trade Organisation (WTO)]

Indian textile industry

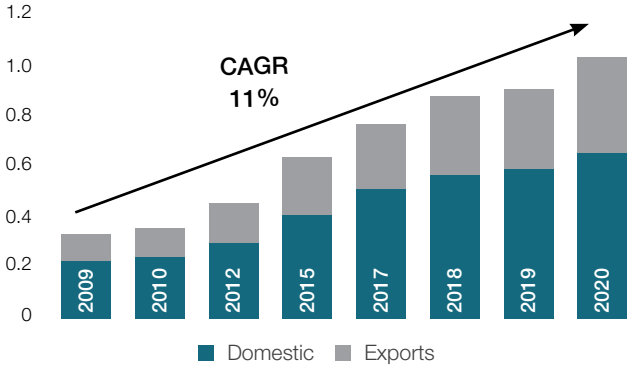
Textile plays a major role in the Indian economy. It contributes 14% to industrial production and 4% to GDP. With over 45 million people, the industry is one of the largest sources of employment generation in the country.

The size of India's textile market, as of July 2017, was around US$ 150 billion. It is expected to touch US$ 250 billion by the year 2019, growing at a CAGR of 13.58% between 2009-2019E.

The Central Government plans to finalise and launch a new textile policy, with the objective of achieving US$ 300 billion worth of textile exports by 2024-25 and creating an additional 35 million jobs.

At the same time, production of man-made fibre (MMF) has also been on an upward trend. During FY 2016-17, MMF production in India amounted to 1.364 million tonnes; while the production until January 2018 in FY 2017-18 was 1.123 million tonnes.

INDIAN TEXTILE INDUSTRY - GROWTH ₹ in crore



[Source: India Brand Equity Foundation (IBEF)]

Growth driver

- Increase in domestic demand
- Rising per capita income, favourable demographics and a shift in preference to branded products
- Improvement in quality
- Rising government focus to support the textile industry
- Favourable trade policies

Indo Rama Synthetics (India) Limited (Indo Rama)

Indo Rama Synthetics Ltd is India's largest dedicated polyester manufacturer. Incorporated in 1989, we have an integrated production facility in Butibori, near Nagpur, Maharashtra. Our large product gamut comprises of Polyester Stable Fibre (PSF), Polyester Filament Yarn (PFY), Draw Texturised Yarn (DTY), Fully Drawn Yarn and Textile Grade Chips.

We have an annual production capacity of supreme quality products at 610,050 tonnes. We are also one of the most geographically-diversified producers of spun yarns in the world. Our presence is prominent and ever-growing across major global geographies like USA, France, Germany, Turkey, Russia and Japan, among others.

Our core strengths

- Over three decades of rich industry experience
- One of India's most cost-efficient polyester manufacturers
- Well-defined quality and process management system
- Technological excellence
- Global presence
- Enduring and stable relationship with clients

Production and sales performance

Particulars	FY 2016-17	FY 2017-18
Total revenue from operations (INR in million)*	27,011	23,137
Total exports (INR in million)	5,736	4,186
Electrical power (MWPH)	28.48	23.49
Polyester Staple Fibre (TPA)	1,69,043	1,25,381
Polyester Filament Yarn (TPA)	1,45,429	1,16,135
Draw Texturised Yarn (TPA)	92,468	83,167
Polyester Chips (TPA)	1,471	1,162

*Total revenue from operations for FY 2016-17 and 2017-18 are not comparable since the sales for FY 2017-18 are net of GST

Financial performance (INR in million)

Particulars	FY 2016-17	FY 2017-18
Total income*	27,296	23,174
EBIDTA	238	602
PBT	(1,380)	(1,249)
PAT	(842)	(820)
Book value per share (₹)	33.05	27.64
Earnings per share (₹)	(5.53)	(5.45)

*Total revenue from operations for FY 2016-17 and 2017-18 are not comparable since the sales for FY 2017-18 are net of GST

Raw material security

For the polyester industry, the main raw materials are Purified Terephthalic Acid (PTA) and Mono Ethylene Glycol (MEG). These are derivatives of the petrochemical industry. Any change in crude oil price affects the prices of PTA & MEG.

During the year under review, the price of Brent crude varied between US$ 47 per barrel and US$ 69 per barrel. This led to volatility in the prices of Paraxylene (PX), PTA, as well as MEG. The price of PX varied between US$ 792 pmt. to US$ 968 pmt.

Purified Terephthalic Acid (PTA): The PTA price varied between US$ 613 pmt to US$ 773 pmt. The increase was due to shutting down of inefficient PTA capacities in China and elsewhere, as well as good performance by the downstream polyester industry. Tightening of the PTA market also resulted in increase in the average PTA-PX Delta to US$ 89 pmt. from about US$ 68 pmt. in FY 2016-17.

The demand-supply situation of PTA in India is relatively balanced at present, but it may become tight, going forward, due to delay in commissioning of the JBF PTA project.

Mono Ethylene Glycol (MEG): The MEG price varied between US$ 718 pmt. to US$ 1021 pmt. The MEG-Ethylene Delta increased to US$ 209 pmt. from US$ 83 pmt. in FY 2016-17. Significant increase in price of MEG as well as MEG-Ethylene Delta took place, due to tightness in the MEG market (led by shutdowns at plants in the Middle East and elsewhere) as well as speculative tendencies in China.

Power business

Indo Rama's captive power plant (CPP), complete with coal-based thermal power of 40 MW capacity and 31.08 MW FO-based DG capacity, is sufficient to meet the Company's demand. The coal-based thermal power source enables an uninterrupted power supply for processes and production. The DG-based power sets are used sparingly to meet contingencies and emergencies. The Company's combined power generation capabilities are integrated into a common power supply pool, wherefrom the required amount of power is fed to different sources for captive power consumption.

The CPP also caters to the demand of processed DM water and steam, through extraction from turbines to production facilities. We import cheaper power by open access on available opportunities during ASD of power boilers and TG sets as well as in off-peak hours.

The Company continues to monitor its power use, internally and externally, to find out avenues for reducing cost of power in polyester production – thereby, contributing to core business profitability.

People at Indo Rama

Our people are the heart of our business and a critical lever for our growth. We implement a systematic performance management strategy, while investing heavily in human resource initiatives to attract and retain the best talent. In order to maximise employee satisfaction, we provide comprehensive learning opportunities and good long-term prospects. We ensure free flow of knowledge across all tiers of the management, in an endeavour to maintain transparency and a collaborative spirit.

Risk Management

A comprehensive risk management process is indispensable for survival in today's capricious business world. With rising globalisation, we continuously evolve our risk management system. It is enabling our business to achieve its strategic objectives; and deliver sustainable, long-term growth and a commitment to responsible business practices. Our risk management system is prudently decentralised to facilitate risk mitigation at transaction levels.

We have classified various risks and their mitigation process:

Risks	Mitigation measures
Cost Risk Cost of raw materials fluctuate as polyester making raw materials are crude oil price sensitive	◪ The Company procures its raw materials locally driving costs down. ◪ Renegotiating with vendors and alternative sourcing of raw materials has helped the company to optimise cost of raw materials. ◪ Moreover, the Company's energy audits identified key ways to save on energy costs.
Quality Risk A drop-in quality of products may impair the Company's image	◪ The Company has stout quality measures in place. ◪ Its fully-equipped laboratory ensures quality of products. ◪ Our strong technology backup helps in maintaining the quality. ◪ The company enjoys quality certification – ISO-9001:2008. ◪ Our fully-equipped quality-control laboratory with contemporary equipment ensures continuous supply of high-standard products.
Employee Risk Inability to attract and retain skilled workforce can have a negative impact on our growth.	◪ Indo Rama follows a uniform and merit-based recruitment process. It is sustained by a structured and precise selection procedure to avoid discrimination. ◪ Impartial assessment process and unbiased performance appraisal help retain skilled workforce. ◪ The Company encourages people with rewards and recognitions. ◪ Arranging employee engagement activities to strengthen relationships and develop a pleasant work environment.
Technological Risk Technological obsolescence may hurt our operational performance	◪ We have several technical collaborations with technology leaders in Japan, Germany and USA. ◪ Re-engineering and improvisation helps the organisation in optimisation. ◪ Continuous investment in technology up-gradations has enabled us to stay at the cutting-edge ◪ A strong team monitors the entire process to ensure stability.

Risks	Mitigation measures
Customer Risk Inability to reach demand pockets and not catering to evolving needs may have a detrimental effect	◪ We maintain a strong sales and marketing team to increase market penetration. ◪ Indo Rama takes various measures to increase customer satisfaction. ◪ The marketing department tries to maintain long-term relations with customers to ensure repeat business. ◪ Market trends are analysed to derive demand trends for customers.
Competition Risk Competition from other players might affect business.	◪ We are widening customer base and catering to specific needs to gain customer trust ◪ With an expanded value-added product portfolio, we now can address a broader client base.
Forex Risk Volatility in global currencies can impact profit margins.	◪ Maintaining an equilibrium between exports receipts and import payments, create a natural hedge against currency fluctuations affect. ◪ We encourage forward contracts to safeguard against currency volatility.

Safety, health and environment

At Indo Rama, we believe that an organisation's sustainability is directly proportional to the health, safety and environment management. We endeavour to demonstrate environmental and social responsibility at every step.

We are devoted to benefit communities – workforce, public and environment. Our safety, health and environment objectives include complying with all applicable laws relevant to the industry. The management believes in sharing responsibility throughout the hierarchy in conforming to the existing laws. Furthermore, we believe in enriching the well-being aspects of people around our facilities.

Safety

Safety of our employees is our foremost priority. We abide by all statutory compliance as per Factories Act 1948, Maharashtra Factories Rules 1963 and Maharashtra Fire Prevention and Life Safety Measures Rules.There is a continuous effort by the senior management to create awareness on fire and safety among employees, including their family members and contractor workers.

- No major fire incidents took place in the reporting year.
- Hundreds of our people participated, on the occasion of our safety month, in different competitions; numerous prizes and certificates were distributed to encourage safety culture at work place.
- There is a well-defined Emergency Management Plan to tackle any major emergency inside and outside plant premises.
- We conducted mock drills on various emergency scenarios to ensure emergency alertness; and imparted fire and safety training to our employees including our one-time contract workers.
- We conducted awareness programmes for family members of company employees on the subject of LPG safety, among others.

Health

Indo Rama regularly organises health camps, as part of its programme to improve and maintain regional healthcare facilities. In FY 2017-18, Indo Rama's health camps and awareness programmes touched over 1,800 lives. Listed below are key initiatives undertaken during the same period:

- Conducted several campaigns for diagnosing common diseases like dengue, swine flu, hypertension, ophthalmological ailments and gynaecological disorders, among others
- Arranged for medical examination of school children from grades six through nine; the programme was conducted in the IRA School, Nagpur
- Organised workshops in Nagpur, conducted by reputed orthopaedic surgeons and urologists
- Celebrated World AIDS Day and organised numerous HIV/AIDS camps for voluntary testing under ELM throughout the year
- Organised a blood donation camp at our site health centre
- Conducted motivational programme on topics like power of mind, positive thinking etc.
- Organised spiritual and motivational programmes on topics like work-life balance and parenting in Nagpur, conducted by Swami Gnanvatsal of Swami Narayan Mandir
- Conducted lectures on first aid for employees and contractual workers from various departments

- Organised a programme on lifestyle modification for employees in Nagpur, conducted by Dr Varun Bhargava of Care Hospital

Environment

At Indo Rama, we adopt several measures to maintain ecological balance in and around our production facilities – particularly with regard to solid hazardous waste management. Polymer and fibre wastes are sold to authorised parties for reuse and we ensure that hazardous wastes reach the registered recyclers. In FY 2017-18, we sustained our efforts to protect the environment in the following manner:

- Reduced hazardous waste quantity, as compared to last financial year
- Increased waste water distribution for recycling waste water through the Common Effluent Treatment Plant (CETP)
- Used waste water in sprinklers systems for fly ash and suppressed dust
- Celebrated World Environment Day on 5th June and organised plantation activity at our premises
- Constructed new rain water drain to avoid rain water clogging in neighbouring factories
- Recycled waste water using the RO plant and converted waste water to raw water
- Continued the rain water harvesting system at the CPP Plant
- Used gravity channels for sewage water at the staff colony and plant, reducing pumping cost
- Conducted internal audits of Environmental Management Systems (EMS)

Information Technology (IT)

Note on IT

As per the Govt notification the GST, was rolled out at Indo Rama, on 1st July17. The necessary configuration was done in SAP system by the Accenture, IT team and It was successful roll out. Further E-way bill generation for the GST system was configured as per the direction of the Indian Govt.

New IBM servers (P8 824) for SAP functional bought and were replaced with the Old IBM servers which have reached end of life. All historical data from the old server were also migrated successfully to the new servers.

Other important control like FIFO in export dispatch and Bar coding in case of PSF, Full pallets sales restriction process also configured for DTY product.

Internal controls and their adequacy

Indo Rama has a robust internal control system in place designed to achieve efficacy of systems, processes and controls. Internal audit is carried out by an independent agency and internal enterprise risk management team. All the major areas and processes are covered in the review plan, drawn in consultation with the senior management. Standard operating procedure compliance and management-approved policies are reviewed and areas of improvement, if any, are identified. Internal audit process verifies whether all systems and processes are commensurate with the business size and structure. Adequate internal control systems safeguard the assets of the company with timely identification and intervention to assuage risks. The internal audit report is discussed with the senior management and members of Audit Committee to keep a check on the existing systems and take corrective action to further enhance the control measures.

Statutory compliance

The Chairman and Managing Director makes a declaration at each Board Meeting regarding the compliance with the provisions of various statutes, after obtaining confirmation form all the units of the company. The Company Secretary ensures compliance accordance to SEBI regulations and provisions of the Listing Regulations.

Cautionary statement

The Management of Indo Rama has prepared and is responsible for the financial statements that appear in this report. These are in conformity with accounting principles generally accepted in India. The Management also accepts responsibility for the preparation of other financial information that is included in this report. Statements in this Management Discussion and Analysis describing the Company's objectives, projections, estimates and expectations may be 'forward looking statements' within the meaning of applicable laws and regulations. The Management has made these statements based on its current expectations and projections about future events. Wherever possible, it has tried to identify such statements by using words such as 'anticipate', 'estimate', 'expect', 'project', 'intend', 'plan', 'believe' and words of similar substance. Such statements, however, involve known and unknown risks, significant changes in the political and economic environment in India or key markets abroad, tax laws, litigation, labour relations, exchange rate fluctuations, interest and other costs which may actual results to differ materially. The management cannot guarantee that these forward-looking statements will be realised, although it believes that it has been prudent in making these assumptions. The Management undertakes no obligation to publicly update any forward-looking statements, whether as a result of new information, future events or otherwise.

REPORT ON CORPORATE GOVERNANCE

A report on Corporate Governance is set out in Compliance with the Corporate Governance requirements as stipulated in Regulation 34(3) read with Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred as "Listing Regulations").

Company's Philosophy on Code of Governance

Corporate Governance is an integral part of Indo Rama's value system, management ethos and business practices. The Company's corporate governance initiatives are based on:

- Commitment to excellence and customer satisfaction;
- Commitment to maximizing long-term shareholder value;
- Commitment to responsible and ethical corporate conduct; and
- Concern for the environment and sustainable development.

The Company regularly evaluates and defines its management practices which are aimed at enhancing its commitment to ensure that these basic tenets of corporate governance are met. At Indo Rama, the basic Corporate Governance norms have been institutionalized as an enabling and facilitating business process at the Board, Management and Operational levels. Business practices are regularly reviewed and reaffirmed against these tenets and all steps are taken to ensure that Company operates beyond the mandatory regulatory framework of good corporate governance.

This chapter, along with the chapters on Management Discussion and Analysis and Additional Shareholders Information, reports of Indo Rama's compliance pursuant to the Listing Regulations with BSE Limited (BSE) and National Stock Exchange of India Limited (NSE), as applicable with regard to Corporate Governance.

Appropriate Governance Structure with defined Roles and Responsibilities

The Company, Indo Rama Synthetics (India) Limited (IRSL), has put in place an internal governance structure with defined roles and responsibilities of every constituent of the system. The Company's shareholders appoint the Board of Directors, which in turn governs the Company. The Board has established seven Committees to discharge its responsibilities in an effective manner. IRSL's Company Secretary acts as the Secretary to all the Committees of the Board. The Chairman and Managing Director (CMD) provide overall direction and guidance to the Board. Concurrently, the CMD is responsible for overall implementation. In the operations and functioning of the Company, the CMD is assisted by the Senior Level Executives.

Best Corporate Governance practices

IRSL maintains the highest standards of corporate governance. It is the Company's constant endeavor to adopt the best corporate governance practices keeping in view of codes of Corporate Governance. Some of the best implemented governance norms include the following:

- The Company has a designated Lead Independent Director with a defined role;
- All securities related filings with Stock Exchanges and SEBI will be reviewed every quarter by the Company's Stakeholders Relationship Committee of Directors;
- The Company has independent Board Committees for matters related to corporate governance and stakeholders' interface and nomination of Board members;
- The Company's internal audit is conducted by independent auditors.

Board of Directors

Composition of the Board, Board Meetings and Attendance

As on 31st March, 2018, Indo Rama's Board comprised of 6 (six) Directors. There are 2 (two) Executive Directors on the Board, including the executive Chairman. The remaining 4 (four) Directors are non-executive Independent Directors. During 2017-18, the Board of the Company met 6 (six) times i.e. on 18th May, 2017; 14th August, 2017;7th November, 2017, 25th November, 2017, 7th February, 2018 and 9th March, 2018. The maximum gap between any 2 (two) Board meetings was less than 120 (one hundred twenty) days. Table 1 provides the details of compensation of Board of Directors, attendance of Directors at Board Meetings, last Annual General Meeting (AGM) and number of other Directorship and Chairmanship / Membership of Committees of each Director in various Companies:

Table 1:

Name of the Director	DIN	Category	No. of Other Directorships [1]	No. of Membership/ Chairmanship of Board Committees in other Companies [2]		Number of Board Meetings during the year		Whether attended last AGM
				Member-ships	Chairman-ships	Held	Attended	
Mr. Mohan Lal Lohia [3 & 4] (Chairman-Emeritus)	00918397	Promoter, Non- Executive Director	-	-	-	1	-	No
Mr. Om Prakash Lohia [3] (Chairman & Managing Director)	00206807	Promoter, Executive Chairman	1	-	-	6	6	Yes
Mr. Vishal Lohia [3] (Whole-time Director)	00206458	Executive Director	-	-	-	6	5	Yes
Mr. Ashok Kumar Ladha	00089360	Independent Director	6	1	1	6	6	Yes
Mr. Suman Jyoti Khaitan	00023370	Independent Director	4	3	2	6	6	Yes
Ms. Ranjana Agarwal	03340032	Independent Director	4	4	2	6	5	Yes
Dr. Arvind Pandalai	00352809	Independent Director	-	-	-	6	6	Yes

Notes:
1. The Directorships held by the Directors as mentioned above, do not include Alternate Directorships and Directorships in Foreign Companies, Companies registered under Section 8 of the Companies Act, 2013.
2. In accordance with Regulations, Chairmanships/Memberships of only Audit Committee and Stakeholders Relationship Committee in all Public Limited Companies [excluding Indo Rama Synthetics (India) Limited] have been considered.
3. Mr. Mohan Lal Lohia, Mr. Om Prakash Lohia and Mr. Vishal Lohia are related to each other. Further, no other relationship exists between the directors inter-se.
4. Mr. Mohan Lal Lohia was ceased as the Director of the Company due to his sad demise on 1st June 2017.

Selection of Independent Directors

Considering the requirement of skill sets on the Board, eminent people having an independent standing in their respective field/ profession, and who can effectively contribute to the Company's business and policy decisions are considered by the Nomination and Remuneration Committee, for appointment, as Independent Directors on the Board. The Committee, inter-alia, considers qualification, positive attributes, area of expertise and number of Directorships and Memberships held in various committees of other companies by such persons. The Board considers the Committee's recommendation, and takes appropriate decision. Every Independent Director, at the first meeting of the Board in which he/she participates as a Director and thereafter at the first meeting of the Board in every financial year, gives a declaration that he/she meets the criteria of independence as provided under law.

Lead Independent Director

The Company's Board of Directors has designated Mr. Ashok Kumar Ladha as the Lead Independent Director. The Lead Independent Director's role is as follows:

- To preside over all meetings of Independent Directors;
- To ensure there is an adequate and timely flow of information to Independent Directors;
- To liaise between the Chairman and Managing Director, the Management and the Independent Directors;
- To preside over meetings of the Board and Shareholders when the Chairman and Managing Director is not present, or where he is an interested party;
- To perform such other duties as may be delegated to the Lead Independent Director by the Board/ Independent Directors.

Meetings of Independent Directors

The Company's Independent Directors are required to meet at least once in every financial year without the presence of Executive Directors or management personnel. Such meetings are conducted informally to enable Independent Directors to discuss matters pertaining to the Company's affairs and put forth their views to the Lead Independent Director.

The Lead Independent Director takes appropriate steps to present Independent Directors' views to the Chairman and Managing Director.

During the financial year 2017-18, one meeting of Independent Directors was held on 7th February, 2018 and all the Independent Directors were present in this meeting.

Directors with Material Pecuniary or Business Relationship with the Company

As mandated by Regulations, the Independent Directors of the Company:

- are a person of integrity and possesses relevant expertise and experience;
- are not a promoter of the Company or its holding, subsidiary or associate Company;
- are not related to promoters or directors in the Company, its holding, subsidiary or associate Company;
- apart from receiving Director's remuneration (sitting fee), do not have any material pecuniary relationships or transactions with the Company, its Promoters or Directors, its Senior Management which may affect independence of these Directors;
- none of their relatives has or had pecuniary relationship or transaction with the Company, its holding, subsidiary or associate Company, or their Promoters, or Directors, amounting to 2% or more of its gross turnover or total income or 50 lakh rupees or such higher amount as may be prescribed, whichever is lower, during the 2 immediately preceding financial years or during the current financial year;
- have not been an key managerial personnel or is or has been employee of the Company in the immediately preceding three financial years;
- are not employee or proprietor or partners or were not employee or proprietor or partners during the preceding three years of the:
  - Statutory audit firm or Company Secretary in practice or cost auditor the internal audit firm that is associated with the Company;
  - Legal/consulting firm(s) that have a material association with the Company;
- are not substantial shareholders of the Company, i.e., do not own two percent or more of the block of voting shares;
- are not a Chief Executive or Director, by whatever name called, of any non-profit organization that receives twenty-five per cent or more of its receipts from the Company, any of its Promoters, Directors or its holding, subsidiary or associate Company or that holds two per cent or more of the total voting power of the Company; and
- are not material suppliers, service providers or customers or lessors or lessees to the Company which may affect independence of the Directors.

Transactions with related parties are disclosed in Note No. 34 of the "Notes to the Financial Statement". There has been no material pecuniary transaction or relationship between the Company and its Non-executive and/or Independent Directors during the financial year 2017-18.

Board's Processes

It has always been the Company's policy and practice that apart from matters requiring Board's approval by statute, all major decisions including quarterly results of the Company, financial restructuring, capital expenditure proposals, annual operating plans and budgets, quarterly details of foreign exchange exposures, collaborations, material investment proposals in joint venture/promoted Companies, sale and acquisition of material nature of assets, mortgages, guarantees, donations, etc., are regularly placed before the Board. This is in addition to information with regard to actual operations; major litigation feed-back reports, information on senior level appointments just below the Board level and minutes of all Committee Meetings.

The information as required to be placed before Board of Directors as per Code of Corporate Governance is being made available to the Board as and when applicable.

The Board of Directors of the Company is presented with detailed notes along with the agenda papers well in advance of the meetings. The Board periodically reviews compliance reports of all laws applicable to the Company as well as steps taken by the Company to rectify instances of non-compliances.

Familiarisation Programme for Directors

At the time of appointing a Director, a formal letter of appointment is given to him, which inter-alia explains the role, function, duties and responsibilities expected from him as a Director of the Company. The Director is also explained in details the Compliance required from him under Companies Act, 2013, Listing Regulations and other various statutes and an affirmation is obtained.

The Chairman and Managing Director also have one to one discussion with the newly appointed Director to familiarize him with the Company's operations.

Further, on an ongoing basis as a part of Agenda of Board / Committee Meetings, presentations are regularly made to the Independent Directors on various matters inter-alia covering the Company's and its subsidiaries and operations, industry and regulatory updates, strategy, finance, risk management framework, role, rights, responsibilities of the Independent Directors under various statutes and other relevant matters. The details of the Familiarisation Programme for Directors are available on the Company's website and a web- link of the same was given in Table 16.

Compliance with the Code of Conduct

The Company's Board has laid down a Code of Conduct for all Board members and Senior Management of the Company. The Code of Conduct is available on the website of the Company. All Board members and Senior Management Personnel have affirmed compliance with the Code of Conduct during the financial year 2017-18. A declaration signed by the Chairman and Managing Director to this effect is enclosed at the end of this report.

Insider Trading Code

The Securities and Exchange Board of India (SEBI) has promulgated the SEBI (Prohibition of Insider Trading) Regulations, 2015 ("The PIT Regulations"). The PIT Regulations has come into effect from May 15, 2015 and replaced the earlier Regulations. The object of the PIT Regulations is to curb the practice of insider trading in the securities of a listed Company. The Company has adopted an 'Internal Code of Conduct for Regulating, Monitoring and Reporting of Trades by Insiders' ("the Code") in accordance with the requirements of the PIT Regulations. The Code is applicable to Promoters and Promoter's Group, all Directors and such Designated Employees who are expected to have access to unpublished price sensitive information relating to the Company. The Company Secretary is the Compliance Officer for monitoring adherence to the said Regulations. The Company has also formulated 'The Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information (UPSI)' in compliance with SEBI (Prohibition of Insider Trading) Regulations, 2015. This Code is displayed on the Company's website.

Board material distributed in advance

The agenda and notes on agenda are circulated to Directors in advance, and in the defined agenda format. All material information is incorporated in the agenda for facilitating meaningful and focused discussions at the meeting. Where it is not practicable to attach any document to the agenda, it is tabled before the meeting with specific reference to this effect in the agenda. In special and exceptional circumstances, additional or supplementary item(s) on the agenda are permitted after obtaining appropriate permissions and approvals (as required).

Recording minutes of proceedings at Board and Committee Meetings

The Company Secretary records minutes of proceedings of each Board and Committee meeting. Draft minutes are circulated to Board/ Board Committee members for their comments. The Minutes are entered in the Minutes Book within 30 days from the conclusion of the Meetings.

Committees of the Board

Audit Committee

The primary objective of the Audit Committee is to monitor and provide effective supervision of the Management's financial reporting process with a view to ensuring accurate and timely disclosures, with the highest levels of transparency, integrity and quality of financial reporting. The Committee oversees the work carried out in the financial reporting process by the Management, the internal auditors and the independent auditor, and notes the processes and safe guards employed by each. All possible measures are taken by the Committee to ensure the objectivity and independence of the independent auditor.

(a) Composition and Terms of Reference of Committee

The Board of Directors constituted an Audit Committee and the powers, role and terms of reference of the Audit Committee covers the areas as contemplated under Regulation 18 of Listing Regulations and Section 177 of the Companies Act, 2013. As on 31st March 2018, the Audit Committee of the Company comprises of 5 (five) Directors, viz.; Mr. Ashok Kumar Ladha, Mr. Vishal Lohia, Dr. Arvind Pandalai, Ms. Ranjana Agarwal and Mr. Suman Jyoti Khaitan. Mr. Ashok Kumar Ladha, Dr. Arvind Pandalai, Mr. Suman Jyoti Khaitan and Ms. Ranjana Agarwal are Independent Directors. Mr. Ashok Kumar Ladha, Independent Director acts as Chairman of the Audit Committee. All the members are financially literate and possess the requisite financial/business acumen to specifically look into the internal controls and audit procedures. The members of the Audit Committee have discussions with the Statutory Auditors during the meetings of the committee. The quarterly/half-yearly and un-audited/audited financial statements of the Company are reviewed by the Audit Committee before consideration and approval by the Board of Directors.

As per Regulation 18 (3) read with Part C of Schedule II of the Listing Regulations and Section177 of the Companies Act, 2013, the Audit Committee has been entrusted with the following responsibilities:-

- Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;

- Recommendation for appointment, remuneration and terms of appointment of auditors of the Company;
- Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
- Reviewing with the management, the annual financial statements and auditor's report thereon before submission to the board for approval;
- Reviewing matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013;
- Reviewing changes, if any, in accounting policies and practices and reasons for the same;
- Reviewing major accounting entries involving estimates based on the exercise of judgment by management;
- Reviewing significant adjustments made in the financial statements arising out of audit findings;
- Reviewing compliance with listing and other legal requirements relating to financial statements;
- Reviewing disclosure of any related party transactions;
- Reviewing qualifications in the draft audit report;
- Reviewing with the management, the quarterly financial statements before submission to the board for approval;
- Reviewing with the management, the statement of uses / application of funds raised through an issue (public issue, right issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/ prospectus/ notice and the report submitted by the monitoring agency, monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
- Reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;
- Approval or any subsequent modification of transactions of the Company with related parties;
- Scrutiny of inter-corporate loans and investments;
- Valuation of undertakings or assets of the Company, wherever it is necessary;
- Evaluation of internal financial controls and risk management systems;
- Reviewing with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
- Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
- Discussion with internal auditors of any significant findings and follow-up thereon;
- Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;
- Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
- To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
- Review of the functioning of Whistle Blower Mechanism;
- Approval of appointment of CFO (i.e., the Whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background etc. of the candidate;
- Review of Management Discussion and Analysis of financial condition and results of operations;
- Review Statement of significant related party transactions submitted by Management;

- Review of Management Letters/ Letters of internal control weaknesses issued by the statutory auditors;
- Review of Internal Audit Reports relating to internal control weaknesses and the appointment, removal and terms of remuneration of the chief internal auditor; and
- Review of statement of deviations, if any:
  - quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1); and
  - annual statement of funds utilized for purposes other than those stated in the offer document/ prospectus/notice in terms of Regulation 32(7).

(b) Meetings of Audit Committee and attendance of members during the year

During the financial year 2017-18, the Audit Committee of the Company met 4 (four) times on 18th May, 2017; 14th August, 2017; 7th November, 2017 and 7th February, 2018. Table 2 gives the attendance record of the members of the Audit Committee.

Table 2: Attendance record of the Audit Committee Meetings for 2017-18.

Name of Members	Category	Status	No. of Meetings	
			Held under tenure	Attended
Mr. Ashok Kumar Ladha	Independent Director	Chairman	4	4
Mr. Vishal Lohia	Executive Director	Member	4	4
Mr. Suman Jyoti Khaitan	Independent Director	Member	4	4
Ms. Ranjana Agarwal	Independent Director	Member	4	4
Dr. Arvind Pandalai	Independent Director	Member	4	4

In addition to the members of the Audit Committee, these meetings were attended by Chairman & Managing Director, President & Chief Financial Officer, Site- Head, Internal Auditor and Statutory Auditor of the Company, wherever necessary and those executives of the Company, who were considered necessary for providing inputs to the Committee.

The Company Secretary acts as the Secretary of the Audit Committee.

The Chairman of the Audit Committee Mr. Ashok Kumar Ladha attended the 31st Annual General Meeting (AGM) held on 19th September, 2017 and answered the shareholders queries.

(c) Role of Internal Auditor

Indo Rama has a robust Internal Control framework, which has been instituted considering the nature, size and risk in the business. The framework comprises, inter-alia, of a well-defined organisation structure, roles and responsibilities, documented policies and procedures, etc. Information Technology policies and processes were also updated to ensure that they satisfy the current business needs. This is complemented by the management information and monitoring system, which ensures compliance to internal processes, as well as with applicable laws and regulations. The operating management is not only responsible for revenue and profitability, but also for maintaining financial disciple and hygiene.

In order to ensure efficient Internal Control systems, the Company also has a well-established independent Internal Audit function that is responsible for providing, assurance on compliance with operating systems, internal policies and legal requirements, as well as, suggesting improvements to systems and processes. The Internal Audit has a well laid down internal audit methodology, with emphasis on risk based internal audits using data analytics and tools.

The Internal Auditor prepares a rolling annual internal audit plan, comprising of operational, financial, compliance and information systems audits, covering all the locations, operations and geographies of the Company. The audit plan for the year is reviewed and approved by the Audit Committee at the beginning of each financial year.

The Internal Audit reports on quarterly basis to the Audit Committee, the key internal audit findings, and action plan agreed with the management, the status of audits vis-à-vis the approved annual audit plan and status of open audit issues.

Nomination and Remuneration Committee

Composition of the Committee

The Board of Directors had constituted a Nomination and Remuneration Committee and the powers, role and terms of reference of the Committee covers the areas as contemplated under Listing Regulations and Section 178 of the Companies Act, 2013.

As on 31st March 2018, Nomination and Remuneration Committee comprises of 4 (four) Members, viz.; Mr. Ashok Kumar Ladha, Dr. Arvind Pandalai, Mr. Suman Jyoti Khaitan and Ms. Ranjana Agarwal. Mr. Ashok Kumar Ladha is the Chairperson of this committee. All are Independent Directors.

The Nomination and Remuneration Committee has devised a policy on Board diversity in terms with the requirement under Regulation 19 of Listing Regulations.

The Chairman of the Nomination and Remuneration Committee Mr. Ashok Kumar Ladha attended the 31st Annual General Meeting (AGM) held on 19th September 2017 and answered the shareholders queries.

The Company Secretary acts as the Secretary of the Committee.

Brief description of the Terms of Reference

The Nomination and Remuneration Committee has been entrusted with the responsibilities to review and grant annual increments, vary and/or modify the terms and conditions of appointment/ re-appointment including remuneration and perquisites, commission, etc., payable to Managing Directors within the overall ceiling of remuneration as approved by the members.

The Committee noted the following terms of reference pursuant to Section 178 of the Companies Act, 2013 & Regulation 19 (4) read with Part D Schedule II of Listing Regulations:

- Reviewing the overall compensation policy, service agreements and other employment: conditions of Managing/ Whole-time Directors, Key Managerial Personnel:
- to help in determining the appropriate size, diversity and composition of the Board:
- to recommend to the Board appointment/ re-appointment and removal of Directors:
- to frame criteria for determining qualifications, positive attributes and Independence of Directors:
- to recommend to the Board remuneration payable to Directors, while fixing remuneration to the Executive Directors, the restriction contained in the Companies Act, 2013 is to be considered:
- to create an evaluation performance framework for Independent Directors and the Board:
- to provide necessary report to the Chairman after the evaluation process is completed by the Directors:
- Devising a Policy to diversify of Board;
- To see that the relationship of remuneration to performance is clear and meets appropriate performance benchmarks:
- Whether to extend or continue the term of appointment of the Independent Director, on the basis of the report of performance evaluation of Independent Directors.

Nomination and Remuneration Policy

In terms of Section 178 of the Companies Act, 2013 and Regulation 19 of Listing Regulations, as amended from time to time, this policy on nomination and remuneration of Directors, Key Managerial Personnel (KMP), Senior Management and other employees of the Company has been formulated by the Nomination and Remuneration Committee of the Company and approved by the Board of Directors. The Nomination and Remuneration Policy is available on the website of the Company.

Remuneration of Directors

Subject to the approval of the Board of Directors and subsequent approval by the Shareholders at the General Meeting and such other authorities as the case may be the remuneration of the Managing Director and Whole-time Directors of the Company is fixed by the Nomination and Remuneration Committee. The remuneration is determined considering various factors such as qualification, experience, expertise, prevailing remuneration in the competitive industries, financial position of the Company, etc. The remuneration structure comprises Basic Salary, commission linked to profits, perquisites and allowances, contribution to provident fund and other funds in accordance with various related provisions of the Companies Act, 2013.

The non-executive Directors have not drawn any remuneration from the Company except sitting fee for meetings of the Board and Committees attended by them. The Company does not have a stock option scheme for its Directors.

The remuneration paid or payable to the Directors of the Company during the year ended 31st March, 2018 is set forth in Table 3 below.

Table 3: Remuneration paid or payable to Directors for 2017-18.

Name of the Director	Relationship with other Directors	Salary	Perquisites	Deferred Benefits (PF and Gratuity) #	Commission	Sitting Fees for Board and Committee Meetings	Total
Mr. Mohan Lal Lohia $ (Chairman-Emeritus)	Father of Mr. Om Prakash Lohia and Grandfather of Mr. Vishal Lohia	-	-	-	-	-	-
Mr. Om Prakash Lohia (Chairman & Managing Director)	Son of Mr. Mohan Lal Lohia and Father of Mr. Vishal Lohia	1.80	0.67	-		-	2.47
Mr. Vishal Lohia (Whole-time Director)	Grandson of Mr. Mohan Lal Lohia and Son of Mr. Om Prakash Lohia	1.00	1.47	-	-	-	2.47
Mr. Anant Kishore * (CEO)	None	0.17	0.16	0.60	-	-	0.93
Mr. Ashok Kumar Ladha	None	-	-	-	-	0.04	0.04
Dr. Arvind Pandalai	None	-	-	-	-	0.03	0.03
Mr. Suman Jyoti Khaitan	None	-	-	-	-	0.03	0.03
Ms. Ranjana Agarwal	None	-	-	-	-	0.03	0.03
Total		**2.97**	**2.30**	**0.60**	**-**	**0.13**	**6.00**

With regard to Leave Encashment and Gratuity Fund, the amount applicable to an individual is not ascertainable and hence not indicated.
$ Mr. Mohan Lal Lohia was ceased as the Director of the Company due to his sad demise on 1st June 2017.
* Mr. Anant Kishore retired on 7th April 2017.

Further, there is no notice period and severance fee for non-executive Directors. The provisions of the Companies Act, 2013 and appointment letter issued with respect to appointment of Executive Director(s) govern their service contracts and other terms and conditions (including notice period and severance fee) of appointment.

Meeting of Nomination and Remuneration Committee and attendance of members during the year

During the financial year 2017-18, the Nomination and Remuneration Committee of the Company met four times on 18th May, 2017; 7th November, 2017; 25th November, 2017; and 7th February, 2018. Table 4 gives the attendance record of the members of the Committee.

Table 4: Attendance record of the Nomination and Remuneration Committee Meetings for 2017-18.

Name of Members	Category	Status	No. of Meetings	
			Held under tenure	Attended
Mr. Ashok Kumar Ladha	Independent Director	Chairman	4	4
Mr. Suman Jyoti Khaitan	Independent Director	Member	4	4
Ms. Ranjana Agarwal	Independent Director	Member	4	3
Dr. Arvind Pandalai	Independent Director	Member	4	4

Performance Evaluation

Pursuant to the provisions of the Companies Act, 2013 and Regulation 17 of the Listing Regulation, the Board has carried out the annual evaluation of its own performance, its Committees and Directors individually. A structured questionnaire was prepared after circulating the draft forms, covering various aspects of the Board's functioning such as adequacy of the composition of the Board and its Committees, Board culture, execution and performance of specific duties, obligations and governance.

The performance evaluation of the Chairman and Managing Director and the Non-Independent Directors were carried out by the Independent Directors. The Directors express their satisfaction with the evaluation process.

Criteria for determining Independence and Performance evaluation criteria for Independent Director

The Independent Director shall qualify the criteria of independence mentioned in Section 149(6) of the Companies Act, 2013 and Rules related thereto and in Regulation 16 (b) & 25 of Listing Regulations.

Pursuant to the provisions of the Companies Act, 2013 and Regulation 17(10) of the Listing Regulations, the performance evaluation of Independent Directors was done by the entire Board of Directors and in the evaluation the directors, who are subject to evaluation had not participated. The evaluation of Independent Directors were based on criteria such as acting objectively and constructively while exercising their duties, exercise their responsibilities in a bona fide manner in the interest of the company etc.

Role of the Company Secretary in overall Governance Process

The Company Secretary plays a key role in ensuring that the Board procedures are followed and regularly reviewed. The Company Secretary ensures that all relevant information, details and documents are made available to the Directors and senior management for effective decision-making at the meetings. The Company Secretary is primarily responsible to assist and advise the Board in the conduct of affairs of the Company, to ensure compliance with applicable statutory requirements and Secretarial Standards, to provide guidance to directors and to facilitate convening of meetings. He interfaces between the management and regulatory authorities for governance matters.

Shares held by Non-Executive Directors

Table 5: Details of the shares$ held by the Non-Executive Directors as on 31st March 2018

Name of Members	Category	Number of shares held
Mr. Mohan Lal Lohia	Promoter- Non-Executive Director	Nil
Mr. Ashok Kumar Ladha	Independent Director	17,713
Dr. Arvind Pandalai	Independent Director	Nil
Mr. Suman Jyoti Khaitan	Independent Director	Nil
Ms. Ranjana Agarwal	Independent Director	Nil

$ As on the date of the report, the Company has not issued any convertible securities to any Non-Executive Director.

Stakeholders Relationship Committee

The Stakeholders Relationship Committee is primarily responsible to review / monitors and redressal of Investors' / Shareholders' grievances.

The Stakeholders Relationship Committee's composition and the terms of reference meet with the requirements of Listing Regulations and provisions of the Companies Act, 2013.

The Stakeholders Relationship Committee comprises of 3 (three) members, viz.; Mr. Ashok Kumar Ladha (Independent Director), Mr. Om Prakash Lohia (Chairman and Managing Director) and Mr. Vishal Lohia (Whole Time Director). Mr. Ashok Kumar Ladha is the Chairperson of this Committee. The Stakeholders Relationship Committee met 4 (four) times during the year 2017-18 on 30th June, 2017, 23rd September, 2017, 29th December, 2017 and 29th March, 2018.

Table 6 gives the details of attendance.

Table 6: Attendance record of the Stakeholders Relationship Committee for FY 2017-18.

Name of Members	Category	Status	No. of Meetings	
			Held under tenure	Attended
Mr. Ashok Kumar Ladha	Independent Director	Chairman	4	4
Mr. Om Prakash Lohia	Executive Director	Member	4	4
Mr. Vishal Lohia	Executive Director	Member	4	2

Terms of Reference

The Board has clearly defined the terms of reference for this committee, which generally meets quarterly. The Committee looks into the matters of shareholders/ Investors grievances.

The Secretarial Department of the Company and Registrar and share Transfer Agent, MCS Share Transfer Agent Limited, to attend all grievances of the shareholders received directly or through SEBI, Stock Exchanges, Ministry of Corporate Affairs, Registrar of Companies, etc.

The Minutes of the Stakeholders Relationship Committee Meetings are circulated to the Board and noted by the Board of Directors at the Board Meetings. Continuous efforts are made to ensure that grievances are more expeditiously redressed to the complete satisfaction of the Investors. Shareholders are requested to furnish their updated telephone numbers and e-mail addresses to facilitate prompt action.

As on 31stMarch 2018, no investor complaint was pending with the Company as well as Registrar and Share Transfer Agent of the Company. Table 7 gives data on the Shareholders/Investors complaints received and redressed during the financial year 2017-18.

Table 7: Shareholders and Investors complaint received and redressed during the FY 2017-18.

Total Complaints Received	Total Complaints Redressed *	Pending as on 31.03.2018
38	38	Nil

* All the complaints have been solved to the satisfaction of shareholders.
Mr. Jayant K Sood, CHRO & Company Secretary is the Compliance Officer of the Company.

Banking and Finance Committee

The Banking and Finance Committee presently comprises of 3 (three) Directors, viz.; Mr. Om Prakash Lohia, Mr. Ashok Kumar Ladha and Mr. Vishal Lohia. The Chairman of the Committee is appointed by voice vote at each meeting and any 2 (two) members present form a quorum. The Committee is authorised to decide and oversee matters relating to banking operations and to decide the investment strategy with regard to the available short term surplus funds with the Company as well as the borrowings from banks and financial institutions.

The Committee enjoys the delegation of the Board in matters relating to the borrowings/ placement of funds in normal and routine course of business and to change the signatories for availment of various facility from Banks/Financial Institutions, opening/modification of operation and closing of Bank accounts, grant of special/general Power of Attorney in favour of Employees of the Company from time to time in connection with the conduct of the business of the Company particularly with State/ Central Government and Quasi-Government, Bank/ financial Institutions, etc., and to grant authority to execute and sign foreign exchange contract and derivative transactions and to carry out any other duties that may be delegated to the Committee by the Board of Directors from time to time.

The other terms of reference, inter-alia, include review of capital structure, financial policies, treasury and foreign exchange risk management. During the financial year 2017-18, the Banking and Finance Committee met 4 (four) times on 17th April, 2017; 14th August, 2017; 7th November, 2017; and 17th November, 2017.

Allotment and Share Transfer Committee

The Company has a Committee of Directors known as the "Share Allotment and Transfer Committee" to look into and decide matters pertaining to share allotment, transfers, duplicate share certificates and related matters. As on 31st March 2018, the Committee comprises of Mr. Om Prakash Lohia, Mr. Ashok Kumar Ladha and Mr. Vishal Lohia. The Chairman is appointed by voice vote and quorum is any 2 (two) members present. During 2017-18, the Share Allotment and

Transfer Committee met 9 (nine) times on 17th April, 2017; 12th June, 2017; 14th August, 2017; 29th September, 2017; 7th November, 2017; 9th January, 2018; 24th January, 2018; 28th February, 2018; and 27th March, 2018.

Terms of Reference

The Board has clearly defined the terms of reference for this committee for looks into the matters of shareholders listed below:

- To approve transfer of shares and issue of duplicate/split/ consolidation/sub-division/ allotment of share certificates;
- To note Dematerialisation / Rematerialisation of shares;
- To fix record date / closure of Share Transfer books of the Company from time to time;
- To appoint representatives to attend the General Meeting of other Companies in which the Company is holding shares.

Corporate Social Responsibility Committee

The "Corporate Social Responsibility Committee" (CSR Committee) was constituted and considering the requirements of the Companies Act, 2013 relating to constitution of a Corporate Social Responsibility Committee. The CSR Committee shall institute a transparent monitoring mechanism for implementation of CSR projects or programmes, activities undertaken by the Company.

The Committee comprises of Mr. Om Prakash Lohia, Mr. Vishal Lohia, Dr. Arvind Pandalai and Ms. Ranjana Agarwal. Mr. Om Prakash Lohia is the Chairperson of this Committee. The Company Secretary acts as the Secretary to the CSR Committee. During the financial year 2017-18, 1 (one) meeting of the CSR Committee was held on 18th May, 2017 and all the Members were attended this meeting.

Terms of Reference

Formulate and recommend to the Board, a Corporate Social Responsibility Policy, which shall indicate the activities to be undertaken by the company as specified in Schedule VII of the Companies Act, 2013;

- To review the existing CSR Policy and to make it more comprehensive so as to indicate the activities to be undertaken by the Company as specified in schedule VII of the Companies Act, 2013;
- Recommend the amount of expenditure to be incurred on the CSR activities;
- Prepare a transparent monitoring mechanism for ensuring implementation of the project/programmes/activities proposed to be undertaken by the Company;

The Company formulated CSR Policy, which is available on the website of the Company.

Risk Management Committee

The Risk Management Committee comprises of 4 (four) Directors, viz.; Mr. Om Prakash Lohia, Mr. Vishal Lohia, Dr. Arvind Pandalai and Ms. Ranjana Agarwal. Mr. Om Prakash Lohia is the Chairman of the Risk Management Committee and others are members. The Company Secretary acts as the Secretary of the Committee.

Subsidiary Companies

The Company does not have any material subsidiary as defined under Listing Regulation. However, the Company has formulated the material subsidiary policy and uploaded on the website of the Company.

The Company has no any Subsidiary, Joint Venture or Associate Companies within the meaning of Section 2(6) of the Companies Act, 2013.

Affirmations and Disclosures

a) Compliances with Governance Framework

The Company is in compliance with all mandatory requirements under Listing Regulations.

b) Related Party Transactions

All transactions entered into with the related parties as defined under the Companies Act, 2013 and Regulation 23 of the Listing regulations during the financial year were in the ordinary course of business and on arm's length basis and do not attract the provisions of Section 188 of the Companies Act, 2013. Related parties transactions have been disclosed under the Note No. 34 of significant accounting policies and notes forming part of the financial statements in accordance with "Accounting Standard 18".The statement in summary form of transactions with related parties in ordinary course of business and arm's length basis is periodically placed before the Audit committee for review and recommendation to the Board for their approval.

As required under Regulation 23(1) of the Listing Regulations, the Company has formulated a policy on materiality of related party transactions. The Policy is available on the website of the Company.

None of the transactions with related parties were conflict with the interest of the Company .All the transactions are

in the ordinary course of business and have no potential conflict with the interest of the Company at large and are carried out on an arm's length or fair value basis.

c) The details of non-compliance by the Company, penalties and strictures imposed on the Company by the Stock Exchanges or SEBI of any statutory authorities, on any matter related capital markets during the last three years

The Company has complied with all requirements specified under Listing Regulations as well as other regulations and guidelines of SEBI. Consequently, there were no strictures or penalties imposed by either SEBI or the Stock Exchanges or any statutory authority for non-compliance of any matter related to the capital markets during the last three years.

d) Vigil Mechanism / Whistle Blower Policy

The Company has established a Vigil Mechanism (Whistle Blower) Policy for Directors and Employees to report concerns about unethical behaviour, actual or suspected fraud or violation of the Company's code of conduct or ethics policy.

The Vigil Mechanism shall provide adequate safeguards against victimization of Director(s) / Employee(s), who avail of the mechanism and also provide for direct access to the Chairman of the Audit Committee in exceptional cases. It is affirmed that no personnel has been denied access to the Audit Committee. The detail of establishment of the vigil mechanism is available on the website of the Company.

e) Risk Management

Business risk evaluation and management is an ongoing process within the Company. The assessment is periodically examined by the Board.

f) Commodity price risks and Commodity hedging activities

The Company is exposed to the risk of price fluctuation of raw materials as well as finished goods. The Company proactively manages these risks through forward booking Inventory management and proactive vendor development practices. The Company's reputation for quality, products differentiation and service, coupled with existence of powerful brand image with robust marketing network mitigates the impact of price risk on finished goods.

Accounting Treatment

In the preparation of the financial statements, the Company has followed the Accounting Standards referred to in Section 133 of the Companies Act, 2013. The significant accounting policies which are consistently applied are set out in the Notes to the Financial Statements.

Management Discussion and Analysis

This Annual Report has a detailed chapter on Management Discussion and Analysis.

General Body Meetings

Annual General Meeting

The date, time and venue for Annual General Meetings for the last 3 (three) years are given in Table 8 below:

Table 8: Details of General Meetings held during the last three years.

Financial year	Meeting	Date	Time	Venue	Special Resolutions Passed
2016-17	AGM	19th Sept 2017	1:30 PM	A-31, MIDC Industrial Area, Butibori Nagpur - 441122 Maharashtra	1. To enter into Related Party Transactions.
2015-16	AGM	30th Sept 2016	1:30 PM		1. Revision of remuneration of Mr. Om Prakash Lohia, Chairman and Managing Director; 2. Re-Appointment and revision of remuneration of Mr. Vishal Lohia, Whole-time Director; 3. To enter into related party Transactions; and 4. To approve/issue of unsecured Non-convertible debentures on private placement.
2014-15	AGM	30th July 2015	1:30 PM		1. To enter into Related Party Transactions; and 2. To adopt new set of Articles of Association of the Company pursuant to the Companies Act, 2013.

Resolutions passed last year through Postal Ballot

Resolutions passed during the financial year 2017-18: Pursuant to Section 110 of the Companies Act, 2013, read with the Rule22 of the Companies (Management and Administration) Rules, 2014, the Company had conducted the following voting through Postal Ballot (including Remote e-Voting) and sent the postal ballot form to the shareholders. The resolutions passed through postal ballot and voting pattern are given in Table 9 & 10 below.

Table 9: Details of resolutions passed through postal ballot for 2017-18:

Last Date of Dispatch of Postal Ballot Forms	Item approved by the Shareholders	Date of passing of Resolution	Ordinary / Special Resolution
11th December 2017	Issuance of Optionally Convertible Debentures on preferential basis to Promoter.	10th January 2018	Special Resolution

Table 10: Details of Voting Pattern of the Special Resolution passed through postal ballot for 2017-18:

Particulars	No. of PBF/ E-voting	No. of Shares Voted
Postal Ballot Form (PBF) received	14	4,934
e-Voting Confirmations	64	7,43,32,799
Total	78	7,43,37,733
Less: Invalid Postal Ballot Form /e-Voting Confirmations	-	-
Net valid Postal Ballot Forms / e-Voting for the Resolutions	78	7,43,37,733
Postal Ballot Forms/e-Voting cast in favour for the Resolution	62	7,43,23,614
Postal Ballot Forms/e-Voting cast against for the Resolution	16	14,119

Mr. Sanjay Grover, Managing Partner, M/s Sanjay Grover & Associates, Company Secretaries, (Membership No. FCS 4223 and CP No. 3850), New Delhi, was appointed as the Scrutinizer to conduct the postal ballot exercise in a fair and transparent manner.

Procedure for Postal Ballot: Where a Company is required or decides to pass any resolution by way of postal ballot, it shall send a notice to all the shareholders, along with a draft resolution explaining the reasons thereof and requesting them to send their assent or dissent in writing on a postal ballot because postal ballot means voting by post or through electronic means within a period of thirty days from the date of dispatch of the notice. Your Company has followed the aforesaid procedure stipulated in the Companies Act, 2013 & Listing Regulations and has carried out Postal Ballot for the item(s) mentioned above.

e-Voting

To widen the participation of shareholders in the Company decisions pursuant to provisions of Section 108 of Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended, the Company has provided e-Voting facility to its shareholders, in respect of all shareholders resolutions to be passed at general meeting.

Further, till the date of signing of this report, no Special Resolution is proposed to be conducted through postal ballot.

CEO / CFO Certification

The Whole-Time Director as the CEO of the Company has certified to the Board of Directors the accuracy of financial statements and adequacy of internal controls for financial reporting purposes, as required under the Listing Regulations, for the year ended 31st March 2018.

Shareholders

Appointment / Re-appointment of Directors

Mr. Vishal Lohia is retiring by rotation at the ensuing Annual General Meeting and being eligible, offer himself for re-appointment.

Brief resume of Director, nature of their expertise in special functional areas and Company names in which they hold Directorships, Memberships/ Chairmanships of Board Committees and shareholding in the Company are given in the notice of the 32nd Annual General Meeting.

Compliance

Mandatory Requirements

The Company is fully compliant with the applicable mandatory requirements of the Listing Regulations.

Adoption of Non-Mandatory Requirements

Separate posts of Chairman and CEO: The Company has appointed separate persons to the post of Chairman and CEO.

Reporting of Internal Auditor: The Internal Auditors of the Company report directly to the Audit Committee.

Auditor's Certificate on Corporate Governance

The Company has obtained a Certificate from the Company Secretary in Practice regarding compliance of conditions of corporate governance, as mandated in Listing Regulations. The certificate is annexed to this Report.

Disclosure of Compliance with the Corporate Governance Requirements specified in Regulation 17 to 27 and Regulation 46 of Listing Regulations

The Company has complied with the applicable provisions of Listing Regulations including Regulation 17 to 27 and clauses (b) to (i) of sub-regulation (2) of Regulation 46 except elsewhere mentioned in this report.

Further, there is no non-compliance of any requirement of corporate governance report of sub-paras (2) to (10) of Part C to Schedule V.

Means of Communication

Quarterly results: The Company's quarterly results are published in "The Indian Express", in English Language and "Loksatta" in Marathi Language and are displayed on its website. Hence, these are not separately sent to individual shareholders. The Company, however, furnishes the quarterly and half-yearly results on receipt of a request from any shareholder.

As per Regulation 47(1)(b) of the Listing Regulations, the detailed format of Quarterly/Annual Financial Results filed with the Stock Exchanges under Regulation 33 of the Listing Regulations and an Extract of the Financial Results are published in the News Papers. The full formats of the Quarterly/ Annual Financial Results are also available on the Company's website, i.e., http://www.indoramaindia.com and Stock Exchange websites, www.bseindia.com and www.nseindia.com.

News releases, presentations, among others: Official news releases and official media releases, if any are sent to the Stock Exchanges and also displayed on the Company's website.

Annual Report: The Annual Report containing, inter-alia, Audited Financial Statements, Board's Report, Auditors' Report and other important information is circulated to members and others entitled thereto. The Management's Discussion and Analysis (MDA) Report forms part of the Annual Report and is displayed on the Company's website.

NSE Electronic Application Processing System (NEAPS): The NEAPS is a web-based application designed by NSE for corporates. All periodical compliance filings like Shareholding Pattern, Corporate Governance Report, Voting Results, Media Releases, Audited/ Un-audited Financial Results are filed electronically on NEAPS.

BSE Corporate Compliance & Listing Centre (the "Listing Centre'): BSE's Listing Centre is a web-based application designed for corporates. All periodical compliances are filed electronically on the Listing Centre and Shareholding Pattern, Corporate Governance Report, Voting Results, Reconciliation of Share Capital Audit and Audited/Un-audited Financial Results are filed through XBRL (eXtensible Business Reporting Language).

SEBI Complaints Redress System (SCORES): The investor complaints are processed in a centralised web-based complaints redress system. The salient features of this system are: Centralised database of all complaints, online upload of Action Taken Reports (ATRs) by the Company and online viewing by investors of actions taken on the complaint and its current status.

Designated Exclusive email-id: The Company has designated the following email-id exclusively for investor servicing: investor-relations@indorama-ind.com.

General Shareholder Information

Registered Office / Registration Details

The Company's Registered Office situated at A-31, MIDC Industrial Area, Butibori, Nagpur-441122, Maharashtra. The Corporate Identity Number (CIN) allotted to the Company by the Ministry of Corporate Affairs (MCA) is L17124MH1986PLC166615.

Annual General Meeting

(Day, Date, Time and Venue)
Saturday, 28th July 2018 at 1:30 PM
Venue: A-31, MIDC Industrial Area, Butibori, Nagpur-441122, Maharashtra.

Financial Year

1st April to 31st March

Dividend Payment Date

No dividend has been recommended for the Financial Year 2017-18.

Financial Calendar, 2018-19 (tentative)

1st Quarter Results	1st /2nd Week of August, 2018
2nd Quarter Results	1st /2nd Week of November, 2018
3rd Quarter Results	1st /2nd Week of February, 2019
Audited Annual Accounts for the year ended 31st March 2019	3rd /4th Week of May, 2019
Annual General Meeting	August, 2019

Date of Book Closure

Saturday, 21st July 2018 to Saturday, 28th July 2018 (both days inclusive)

Listing on Stock Exchange and Stock Codes

Equity Shares of Indo Rama Synthetics (India) Limited is listed on the following Stock Exchanges:

i) BSE Limited (BSE)

P. J. Towers, 1st Floor
Dalal Street, Mumbai-400 001
Tel.: +91 22 22721233-34
Fax: +91 22 22721919
Email: corp.relations@bseindia.com

ii) National Stock Exchange of India Ltd. (NSE)
Exchange Plaza, BandraKurla Complex Bandra (E), Mumbai-400 051

Tel.: +91 22 26598100-14
Fax: +91 22 26598120
Email: cmlist@nse.co.in

The stock codes of the Company are as follows:

- BSE Limited : 500207
- National Stock Exchange of India Ltd. : INDORAMA

The ISIN number for Equity Shares of the Company on both the NSDL and CDSL is INE 156A 01020.

All listing and custodial fees to the Stock Exchanges and Depositories for the financial year 2017-18 have been paid to the respective institutions.

Listing of GDRs

The Company's GDRs, each comprising eight underlying shares of the Company, were listed with Luxembourg Stock Exchange at Societe de la Bourse de Luxembourg, 11, Avenue de la Porte -Neuve, L-2227 Luxembourg.

Since, all the Global Depository Receipts (GDR's) are duly converted into equity shares and the Depositary Agreement has been terminated and accordingly the GDR's program/ facility, de-listed from the Luxembourg Stock Exchange with effect from 16th October 2017.

There are no convertible instruments which could result in increasing the equity capital of the Company.

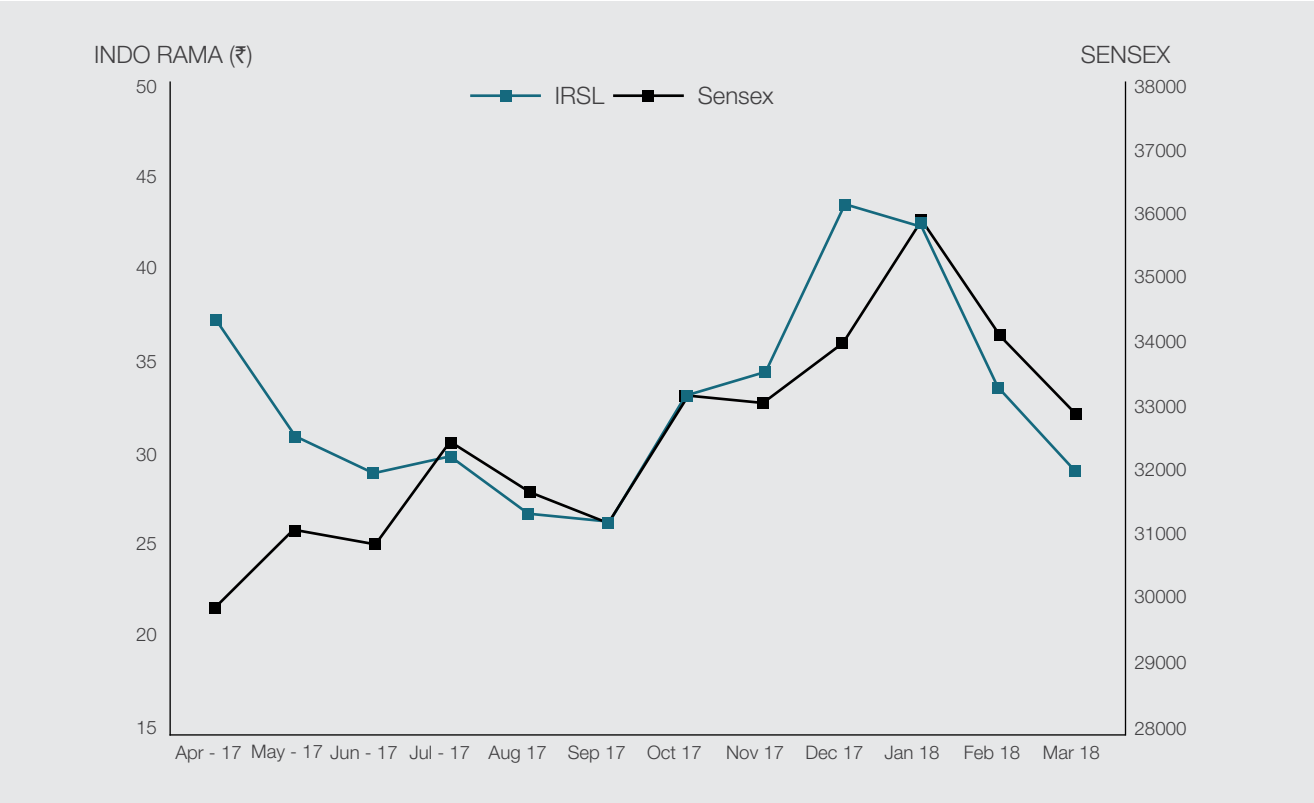
Stock Market Price Data

Table 11 below gives the monthly high and low prices of Indo Rama Synthetics (India) Limited equity shares at BSE Limited (BSE), the National Stock Exchange of India Limited (NSE) for the financial year 2017-18.

Table 11 : Monthly High and Low quotations of shares traded at the BSE and NSE.

Month	BSE Limited (BSE)		Exchange of India Ltd. (NSE)	
	High (₹)	Low (₹)	High (₹)	Low (₹)
April 2017	42.60	32.60	42.60	32.05
May 2017	40.25	29.90	40.25	29.75
June 2017	31.95	28.60	31.75	28.10
July 2017	32.05	29.50	32.10	29.05
August 2017	32.40	26.20	32.20	25.30
September 2017	30.80	26.25	30.90	26.20
October 2017	38.80	26.65	39.30	26.50
November 2017	39.80	29.00	39.80	29.10
December 2017	49.00	32.90	48.95	32.80
January 2018	57.50	41.10	56.90	40.55
February 2018	44.50	33.50	44.50	33.30
March 2018	35.90	28.00	36.50	28.65

Chart A: Share prices of Indo Rama versus BSE Sensex for the year ended 31st March 2018.



Note: Based on monthly closing share price on BSE (April, 2017 to March, 2018)

Registrar and Share Transfer Agent

MCS Share Transf0 6149-52, Fax No.: +91-11-4170 9881
E-mail: helpdeskdelhi@mcsregistrars.com/
admin@mcsregistrars.com

Share Transfer System

The transfer of shares in physical form is processed and completed by Registrar and Share Transfer Agent within a period of 15 (fifteen) days from the date of receipt thereof provided all the documents are in order. In case of shares in electronic form, the transfers are processed by National Securities Depository Limited (NSDL) and Central Depository Services Limited (CDSL) through respective Depository Participants.

Table 12 below gives the position of shares held in electronic form as on 31st March 2018.

Table 12: Status of Dematerialisation as on 31st March 2018.

The shares of the Company are in compulsory dematerialized segment and are available for trading system of both NSDL and CDSL. The details of the no. of shares held in Dematerialized form mode as on 31st March, 2018 are as follows:

No. of Shares Dematerialized	150,982,090	99.45% of total share capital
No. of shareholders in Demat Form	16,171	74.14% of the total shareholders

Reconciliation of Share Capital Audit

As stipulated by SEBI, a qualified Company Secretary in practice conducts the Reconciliation of Share Capital Audit of the Company for the purpose of reconciliation of total admitted capital with the depositories, i.e., National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL), and the total issued and listed capital of the Company.

The Company Secretary in practice conducts such audit in every quarter and issues a Reconciliation of Share Capital Audit Certificate to this effect to the Company. A copy of such audit report is submitted to the stock exchanges, where the Company's shares are listed and is also placed before the Board.

Electronic Clearing Service (ECS) Mandate

All the shareholders are requested to update their bank account details with their respective depositories urgently. This would facilitate transfer of dividend directly to the bank account of the shareholders.

Service of documents through Electronic Mode

As a part of Green Initiatives, the members who wish to receive the notice/documents through e-mail, may kindly intimate their e-mail address to the Company's Registrar and Share Transfer

Agent, MCS Share Transfer Agent Limited.

Transfer of unclaimed dividend to Investor Education and Protection Fund (IEPF)

Pursuant to the provisions of Investor Education and Protection Fund (Uploading of information regarding unpaid and unclaimed amounts lying with companies) Rules, 2012, the Company has uploaded the details of unpaid and unclaimed amounts lying with the Company as on 19th September 2017 (date of 31st Annual General Meeting) on the Company's website and on the website of the IEPF, viz.; www.iepf.gov.in.

Pursuant to Section 125 of the Companies Act, 2013, Table 13 below details the dates of declaration of Dividend and corresponding dates when unclaimed dividends are due for transfer to Investor Education and Protection Fund (IEPF).

Table 13: Dates of dividend declaration and corresponding dates when unclaimed dividends are due for transfer to IEPF.

Financial Year	Whether Interim / Final	Date of declaration of Dividend	Last date for transfer to IEPF
2010-11	Final	14th July 2011	13th August 2018
2011-12	Final	21st June 2012	20th July 2019
2012-13	Final	4th July 2013	3rd August 2020
2013-14	Final	1st August 2014	31st August 2021
2014-15	Final	30th July 2015	29th August 2022
2015-16	Final	30th September 2016	29th October 2023

Shareholders who have not so far encashed their dividend warrant(s) or have not received the same are requested to seek issue of duplicate warrant(s) by writing to the Company confirming non-encashment/non-receipt of dividend warrant(s).

Shareholding Pattern and Distribution of Shareholding as on 31st March 2018.

Tables 14 and 15 give the pattern of shareholding by ownership and share class respectively.

Table 14 : Pattern of shareholding by ownership as on 31st March 2018.

		No. of Equity Shares	Shareholding (%)
A.	PROMOTERS' HOLDING	112,187,551	73.89
B.	NON-PROMOTERS' HOLDING		
a)	Banks, Financial Institutions, Insurance Companies, Central / State Govt. Institutions, Non-government Institutions	170,144	0.11
b)	Foreign Institutional Investors (FIIs)	14,044,664	9.25
c)	Foreign Direct Investment (FDI)	-	-
d)	Mutual Funds (including UTI)	47,898	0.03
e)	Private Corporate Bodies	3,960,217	2.62
f)	Indian Public	20,786,110	13.69
g)	NRIs / OCBs	625,658	0.41
Grand Total		**151,822,242**	**100.00**

Table 15: Pattern of shareholding by share class as on 31st March 2018.

Shareholding class	Number of shareholders	Number of shares held	Shareholding %
Up to 500	17,503	2,738,280	1.80
501 to 1,000	2,087	1,712,097	1.13
1,001 to 5,000	1,681	3,937,294	2.59
5,001 to 10,000	250	1,979,766	1.31
10,001 to 50,000	217	4,937,962	3.25
50,001 to 100,000	39	2,826,786	1.86
100,001 and above	33	133,690,057	88.06
Total	**21,810**	**151,822,242**	**100.00**

Web link for various documents/policies

The Company's website contains a separate dedicated section "Investor Relations", where shareholders' information is available and Table 16 give the documents/information are linked with the website of the Company, i.e, www.indoramaindia.com.

Table 16 : Documents/information are linked with the website of the Company.

Particulars	Web link
Familiarization programmes for Independent Directors	http://www.indoramaindia.com/policies.php
Code of conduct for Directors and Senior Management	http://www.indoramaindia.com/code_of_conduct.php
Code of Practices and Procedures for Fair Disclosure of UPSI	http://www.indoramaindia.com/policies.php
Nomination and Remuneration Policy	http://www.indoramaindia.com/policies.php
CSR Policy	http://www.indoramaindia.com/policies.php
Policy for determining "material' subsidiaries	http://www.indoramaindia.com/policies.php
Policy on dealing with related party transactions	http://www.indoramaindia.com/policies.php
Whistle Blower Policy / Vigil Mechanism	http://www.indoramaindia.com/policies.php
Quarterly/Annual Financial Results	http://www.indoramaindia.com/financial_results.php
Annual Report	http://www.indoramaindia.com/annual_reports.php
Unpaid and Unclaimed Dividend Amount	http://www.indoramaindia.com/dividend_amount.php
Code for Independent Directors	http://www.indoramaindia.com/policies.php
Policy on Archival of documents	http://www.indoramaindia.com/policies.php
Policy for Preservation of documents	http://www.indoramaindia.com/policies.php
Contact details of KMP	http://www.indoramaindia.com/policies.php
Policy on determination of Materiality of Events or Information	http://www.indoramaindia.com/policies.php
Fair Disclosure Code	http://www.indoramaindia.com/policies.php
Code of Conduct for Internal Procedures	http://www.indoramaindia.com/policies.php
Policy on Preservation on Sexual Harassment	http://www.indoramaindia.com/policies.php
Risk Management Policy	http://www.indoramaindia.com/policies.php
Performance Evaluation Policy	http://www.indoramaindia.com/policies.php
Policy on Diversity of Board of Directors	http://www.indoramaindia.com/policies.php

Plant Location

The Company has its manufacturing and operating complex at:
A-31, MIDC Industrial Area, Butibori, Nagpur-441 122
Maharashtra, India
Tel. : +91-7104-663000-01
Fax. : +91-7104-663200

Compliance Officer for Investor Redressal/ Address for Correspondence

Mr. Jayantk Sood
CHRO &Company Secretary
Indo Rama Synthetics (India) Limited
20th Floor, DLF Square, DLF Phase-II, NH-8, Gurgaon-122002
Tel No.+91-124-4997000; Fax: +91-124-4997070
E-mail ID: investor-relations@indorama-ind.com

Address for Correspondence

Registered Office	Corporate Office	Registrar &Share Transfer Agent
Indo Rama Synthetics (India) Limited	Indo Rama Synthetics (India) Limited	MCS Share Transfer Agent Limited
A-31, MIDC, Industrial Area	20th Floor, DLF Square	F-65, First Floor
Butibori, Nagpur-441122	DLF Phase - II, NH-8	Okhla Industrial Area, Phase-1
Maharashtra, India	Gurgaon-122 002, Haryana, India.	New Delhi-110 020, India
Tel. No.:+91-7104-663000-01	Tel. No.:+91-124-4997000	Tel. No.:+91-11-4140 6149-52
Fax No.: +91-7104-663200	Fax No.: +91-124-4997070	Fax No.:+91-11-4170 9881
Website: www.indoramaindia.com	E-Mail: investor-relations@indorama-ind.com	E-mail: helpdeskdelhi@mcsregistrars.com

For guidance on depository services, Shareholders may write to the Company or to the respective Depositories:

National Securities Depository Ltd.	Central Depository Services (India) Ltd.
4th Floor, 'A' Wing, Trade World	PhirozeJeejeebhoy Towers
Kamala Mills Compound, SenapatiBapat Marg	17th Floor, Dalal Street, Fort
Lower Parel, Mumbai-400013	Mumbai-400001
Telephone :+91-22-24994200	Telephone : +91-22-22723333
Fax : +91-22-24976351	Fax : +91-22-22723199
E-mail : info@nsdl.co.in	E-mail : investors@cdslindia.com
Website : www.nsdl.co.in	Website : www.cdslindia.com

For and on behalf of the Board of Directors of
Indo Rama Synthetics (India) Limited

Place: Gurugram
Date: 28th May 2018

Om Prakash Lohia
Chairman &Managing Director
(DIN 00206807)

Declaration regarding Code of Conduct

As provided under Listing Regulations, all Board Members and Senior Management have affirmed Compliance with the Code of Conduct for the financial year 2017-18.

For and on behalf of the Board of Directors of
Indo Rama Synthetics (India) Limited

Place: Gurugram
Date: 28th May 2018

Om Prakash Lohia
Chairman &Managing Director
(DIN 00206807)

Practising Company Secretary's Certificate on Corporate Governance to the Members of Indo Rama Synthetics (India) Limited

We, Sadhna Sharma & Associates, Company Secretaries, have examined the compliance of conditions of Corporate Governance by Indo Rama Synthetics (India) Limited for the year ended 31st March, 2018 as para C of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations').

Managements' Responsibility

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

Our Responsibility

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

Opinion

Based on our examination of the relevant records and according to the information and explanations provided to us and the representations provided by the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the para C of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

For **Sadhna Sharma & Associates**
Company Secretaries

Sadhna Sharma
Proprietor
ACS 46639; CP 17870

New Delhi, 28th May, 2018

CEO / CFO Certificate

To
The Board of Directors
Indo Rama Synthetics (India) Limited
CIN: L17124MH1986PLC166615
20th Floor, DLF Square
DLF Phase-II, NH-8
Gurugram -122 002

We, Vishal Lohia (DIN 00206458), Whole-time Director and Rajendra Kumar Gupta (ICAI M. No. 083783), Chief Financial Officer of Indo Rama Synthetics (India) Limited, certify that:

We have reviewed the Financial Statements and the Cash Flow Statement of Indo Rama Synthetics (India) Limited ('The Company") for the year ended 31st March 2018, and that to the best of our knowledge and belief:

A. That they have reviewed the Financial Statements and the cash flow statement for the year and that to the best of their knowledge and belief:

   (1) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;

   (2) these statements together present a true and fair view of the Company's affairs and are in compliance with the existing accounting standards, applicable laws and regulations.

B. There are, to the best of their knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the company's code of conduct;

C. They accept responsibility for establishing and maintaining internal controls for financial reporting and that they have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and they have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which they are aware and the steps they have taken or propose to take to rectify these deficiencies;

D. They have indicated to the Auditors and the Audit Committee -

   (1) significant changes in internal control over financial reporting during the year;

   (2) significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and

   (3) instances of significant fraud of which they have become aware and the involvement therein, if any, of the management or an employee having a significant role in the company's internal control system over financial reporting.

Vishal Lohia
Whole-time Director
(DIN: 00206458)

Rajendra Kumar Gupta
Chief Financial Officer
(ICAI M. No.: 083783)

Place : Gurugram
Date : 28th May 2018

BOARD'S REPORT

The Members,
The Board of Directors is pleased to present the Company's 32nd Annual Report along with the Audited Financial Statements of your Company for the financial year ended 31st March, 2018.

1. Financial Highlights

The financial performance of the Company for the year ended 31st March, 2018 is summarized below:

(₹ In Crores)

Particulars	Year Ended	
	31 March 2018	31 March 2017
Total Income	2317.44	2729.57
Profit before Financial Costs, Depreciation, Foreign exchange fluctuation, Exceptional items and Tax (EBIDTA)	60.22	23.76
Finance Costs	94.37	91.08
Profit/(loss) before Depreciation, Foreign exchange fluctuation, Exceptional items and Tax (EBDTA)	(34.15)	(67.32)
Depreciation	83.20	79.48
Profit before Foreign exchange fluctuation, Exceptional items and Tax (EBTA)	(117.35)	(146.80)
Foreign exchange fluctuation	(0.15)	13.52
Profit / (Loss) before Exceptional items and Tax	(117.50)	(133.28)
Exceptional Items:		
- Others	(7.36)	(4.73)
Profit / (Loss) before Tax	**(124.86)**	**(138.01)**
Tax (Credit) / Charge	(42.17)	(53.98)
Profit / (Loss) after Tax from continuing operations	**(82.69)**	**(84.03)**
Other comprehensive income/(expense) (net of tax)	0.67	(0.20)
Total comprehensive income / (expense) after tax	**(82.02)**	**(84.23)**
Profit brought forward from previous year	105.15	207.65
Profits available for Appropriation	**23.13**	**123.42**
Appropriations :		
Dividend paid on Equity Shares pertaining to previous years	-	15.18
Tax on Dividend	-	3.09
Transfer to General Reserve	-	-
Surplus carried to Balance Sheet	23.13	105.15
Total Appropriation	**-**	**-**

2. Operational and Financial Review

During the financial year 2017-18, we achieved revenue from operations of ₹ 2,313.70 crore (₹ 2,701.05 crore in 2016-17), on account of focused marketing efforts and better outreach to customers nationally and internationally. Our net loss for the year was of ₹ 82.02 crore against loss of ₹ 84.23 crore in the financial year 2016-17. Our earnings per share stood at ₹ (5.45) and book value per share at ₹ 27.64 as on 31st March, 2018.

Your Company focused on widening product basket, expanding market reach, cost optimization, growing portfolio of specialty products and elevating people potential. As a result, your company has creating a more robust business model.

The demand for man-made fibers is showing signs of improvement and we are hopeful that the demand for polyester will see revival. Polyester demand will be driven by its growing relevance in daily life across home textiles, apparel, automotive, furnishing fabrics, technical textile and non-woven segments.

Moving ahead, with rising demand in the domestic and international markets, we are hopeful that we will be able

to enhance our production capacity and grow business volumes and value-added products.

3. Dividend and Reserves

In view of loss suffered by the Company, your Directors regret tor their inability to recommend dividend for the year under review. No amount being transferred to the General Reserves.

4. Change in the Nature of Business

There was no change in the nature of the business of the Company, during the financial year.

5. Material Changes and Commitments

There have not been any material changes and commitments affecting the financial position of the Company between the end of the financial year as on 31st March, 2018 and the date of this report, i. e., 28th May 2018.

6. Committees of the Board

The Board of Directors has the following Committees:

i) Audit Committee;
ii) Nomination and Remuneration Committee;
iii) Stakeholders Relationship Committee;
iv) Banking and Finance Committee;
v) Share Allotment and Transfer Committee;
vi) Corporate Social Responsibility Committee; and
vii) Risk Management Committee.

The details of the Committees along with their composition, number of meetings and attendance at the meetings are provided in the Corporate Governance Report.

7. Number of Meetings of the Board

During the financial year 2017-18, you Company has convened and held six (6) Board Meetings. The details of which are given in the Corporate Governance Report. The intervening gap between the meetings was within the period prescribed under the Companies Act, 2013.

8. Directors' Identification Number (DIN)

The following are the Directors Identification Number (DIN) of your Directors:

Name	DIN	Name	DIN
Mr. Om Prakash Lohia	00206807	Dr. Arvind Pandalai	00352809
Mr. Vishal Lohia	00206458	Mr. Suman Jyoti Khaitan	00023370
Mr. Ashok Kumar Ladha	00089360	Ms. Ranjana Agarwal	03340032

9. Directors and Key Managerial Personnel

Pursuant to the provisions of Section 149 of the Companies Act, 2013, Mr. Ashok Kumar Ladha, Mr. Suman Jyoti Khaitan, Dr. Arvind Pandalai were appointed as Independent Directors at the 28th Annual General Meeting of the Company held on 1st August, 2014 and Ms. Ranjana Agarwal was appointed as Woman Independent Director at the 29th Annual General Meeting of the Company held on 30th July 2015. They have submitted a declaration that each of them meets the criteria of Independence as provided in Section 149(6) of the Act and there has been no change in the circumstances which may affect their status as Independent Directors during the financial year 2017-18.The Appointment and Tenure of the Independent Directors, including code for Independent Directors are available on the website of the Company, www.indoramaindia.com.

Mr. Vishal Lohia, Whole Time-Director of the Company, Retire by Rotation at the ensuing 32nd Annual General Meeting and, being eligible, offers himself for re-appointment.

The details of proposal for appointment/re-appointment of Director is mentioned in the Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 of the Notice of the ensuing 32nd Annual General Meeting of the Company scheduled to be held on Saturday, 28th July 2018.

During the year, the Non-Executive Directors of the Company had no pecuniary relationship or transactions with the Company, other than sitting fee for the purpose of attending the meetings of the Board and committees of the Board.

During the year, Mr. Anant Kishore, Chief Executive Officer (CEO) of the Company, retired from the post of CEO/KMP of the Company, with effect from 7th April 2017 and Mr. Sanjeev Aggarwal, Chief Financial Officer of the Company resigned from the post of CFO/KMP of the Company with effect from 30th November 2017.

Pursuant to the provisions of Section 203 of the Companies Act, 2013, the Key Managerial Personnel of the Company is Mr. Jayantk Sood, CHRO & Company Secretary.

10. Policy on Directors' Appointment and Remuneration

The Board has, on the recommendation of the Nomination and Remuneration Committee, laid down a Nomination and Remuneration Policy for selection and appointment of the Directors, Key Managerial Personnel and their remuneration. The Committee comprises of Four Members, viz; Mr. Ashok Kumar Ladha as Chairman, Mr. Suman Jyoti Khaitan, Dr. Arvind Pandalai and Ms. Ranjana Agarwal as Members. The Committee reviews and recommend to the Board for remuneration of the Directors and Key Managerial Personnel.The details of terms of reference of Nomination and Remuneration Committee, number and dates of meetings held, attendance of the directors and remunerations paid to them and the brief outline of the Remuneration Policy of the Company are given separately in the attached Corporate Governance Report.

The Company does not pay any remuneration to the Non-Executive/Independent Directors of the Company other than sitting fee for attending the meetings of the Board and Committees of the Board. The Executive Director(s) do not take any sitting fee for attending such meetings. The Remuneration to the Executive Directors including Chairman & Managing Director and Whole-time Director is governed by the recommendation of Nomination and Remuneration Committee, Resolutions passed by Board of Directors and shareholders of the Company at the General Meetings and such other approvals pursuant to the provisions of the Companies Act, 2013. The Company has displayed the Nomination and Remuneration Policy on its website, www.indoramaindia.com.

11. Declaration by Independent Directors

Necessary declarations have been obtained from all the Independent Directors, meeting the criteria of independence as provided in sub-section (6) of Section 149 of the Companies Act, 2013.

12. Board Evaluation

Pursuant to the provisions of the Companies Act, 2013 and SEBI Regulations, the Board has carried out the annual performance evaluation of its own performance of the Directors individually, as well as the evaluation of the working of the its Audit, Nomination & Remuneration and other Committees of the Board. At the meeting of the Board, all the relevant factors that are material for evaluation the performance of individual Directors, the Board and its various Committees, were discussed in detail and structured questionnaire each, for evaluation of the Board, its various Committee and individual Directors, was prepared and recommended to the Board by the Nomination and Remuneration Committee, for doing the required evaluation, after taking into consideration the input received from the Directors, covering various aspect of the Board's functioning, such as adequacy of the composition of the Board and its Committee, execution and performance of specific duties, obligations and governance, etc.

A separate exercise was carried out to evaluate the performance of individual Directors, including the Chairman of the Board, who was evaluated on the parameters such as level of engagement and contribution, Independence of judgement, safeguarding the interest of the Company and its minority shareholders, etc. The performance evaluation of the Independent Directors was carried out by the entire Board. The performance evaluation of the chairman and non-Independent Directors were also carried out by the Independent Directors at their separate meeting. The Directors expressed their satisfaction with the evaluation process.

13. Separate Meeting of Independent Directors

In terms of the requirements under Schedule IV of the Companies Act, 2013 and Regulation 25 (3) of the Listing Regulations, a separate meeting of the Independent Directors was held on 7th February 2018. The Independent Directors at the meeting, inter-alia, reviewed the following:-

- Performance of Non-Independent Directors and Board as a whole;
- Performance of the Chairperson of the Company, taking into account the views of Executive Directors and Non-Executive Directors; and
- Assessed the quality, quantity and timeliness of flow of information between the Company management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

14. Familiarization program for independent directors

The familiarization programmes to Independent Directors with the Company, their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, business mode of the Company and related matters are put up on the website of the Company, www.indoramaindia.com.

15. Secretarial Standards

The Directors state that applicable Secretarial Standards, i.e., SS-1 and SS-2, relating to Meetings of the Board of Directors and General Meetings, respectively, have been duly followed by the Company.

16. Directors' Responsibility Statement

Your Directors state that:

(a) in the preparation of Annual Accounts, for the year ended 31stMarch,2018, the applicable Accounting Standards read with requirements set out under Schedule- III to the Act have been followed and there are no material departures from the same;

(b) they have 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 the financial year as on 31st March, 2018 and the Profit and Loss of the Company for that year;

(c) they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

(d) they have prepared the annual accounts on a going concern basis;

(e) they have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively; and

(f) they have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

Based on the framework of Internal Financial Controls and compliance systems established and maintained by the Company, work performed by the Internal, Statutory and Secretarial Auditors and external consultants, including audit of Internal Financial Controls over financial reporting by the Statutory Auditors and the reviews performed by the Management and the relevant Board Committees, including the Audit Committee, the Board is of the opinion that the Company's Internal Financial Controls were adequate and effective during the financial year 2017-18.

17. Particulars of Employees and Related Disclosures

In terms of the provision s of Section 197(12) of the Act read with Rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014,as amended, a statement showing the names and other particulars of the employees drawing remuneration in excess of the limits set out in the said rules are provided in the Annual Report, which forms part of this Report.

Disclosures relating to remuneration and other details as required under Section 197(12) read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, are provided in the Annual Report, which forms part of this Report.

In terms of Section 136(1) of the Act, the Annual Report excluding the aforesaid information is being sent to the members of the Company. The said information is available for inspection at the registered office of the Company during working hours. Any member interested in obtaining such information may write to the Company Secretary and the same will be furnished on request.

18. Policy on Prevention of Sexual Harassment

The Company has a Policy on "Prevention of Sexual Harassment of Women at Workplace" and matters connected therewith or incidental thereto covering all the aspects as contain under "The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013".

The Policy of the "Prevention of Sexual Harassment of Women at Workplace" of the Company is available on the website of the Company, www.indoramaindia.com.

19. Audit Committee

The Audit Committee of the Board of Directors of the Company consisting of four members, Mr. Ashok Kumar Ladha as Chairman and Mr. Vishal Lohia, Mr. Suman Jyoti Khaitan, Dr. Arvind Pandalai and Ms. Ranjana Agarwal as Members. The Company Secretary is the Secretary of the Committee. The Managing Director, Chief Financial Officer and Auditors are permanent invitees to the Committee Meetings. The details of terms of reference of Audit Committee, number and dates of meetings held, attendance of the Directors and remunerations paid to them are given separately in the attached Corporate Governance Report. During the year, there were no instances where the Board had not accepted the recommendations of the Audit Committee.

20. Vigil Mechanism / Whistle Blower

Your Company has a Vigil Mechanism/Whistle Blower Policy, pursuant to the provisions of the Companies Act, 2013, for the Directors and Employees to report their genuine concerns or grievances. The Chairman of the Audit Committee, Mr. Ashok Kumar Ladha, will oversee the Vigil Mechanism and to ensure that adequate safeguards are provided to persons against victimization and protected disclosures can also be reported orally by

leaving voice mail on toll free number, i.e., 18001035679. The details of the Vigil Mechanism Policy is explained in the Corporate Governance Report and also posted on the website of the Company, www.indoramaindia.com.

21. Conversion of Global Depository Receipts (GDRs)

9,01,000 Global Depository Receipts (GDRs) were converted into 72,08,000 Equity Shares of ₹ 10/- each on 7th February 2017 and 3,83,500 GDRs were also converted into 30,68,000 Equity Shares of ₹ 10/- each of the Company on 15th April 2017 in the name of Brookgrange Investments Limited, a Promoter Group Company.

The above converted Equity Shares were also listed at BSE Limited and National Stock Exchange of India Limited, Mumbai.

Since, all the Global Depository Receipts (GDR's) are duly converted into equity shares and the Depositary Agreement has been terminated, accordingly the GDR's program/ facility de-listed from the Luxembourg Stock Exchange with effect from 16th October 2017.

22. Allotment Optionally Convertible Debentures (OCDs)

The Company has allotted 20 (Twenty) unsecured 12% Optionally Convertible Debentures (OCDs) to the Promoter of the Company (Preferential Basis) on 24th January 2018 bearing face value of ₹ 1,00,00,000/- each as per the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009.The said OCDs are convertible into equity shares at the option of OCD holder within a period of twelve months subject to maximum eighteen months from the date of allotment.

23. Credit Rating

The Company's financial discipline and prudence is reflected in the credit ratings ascribed by CARE Ratings, CARE BB (Double BB).

24. Subsidiary, Joint Venture and Associate Company

The Company has no any Subsidiary, Joint Venture or Associate Companies within the meaning of Section 2(6) of the Companies Act, 2013.

25. Related Party Transactions

Your Company has formulated a policy on related party transactions which is also available on Company's website, www.indoramaindia.com. This policy deals with the review and approval of related party transactions. The Board of Directors of the Company has approved the criteria for making the omnibus approval by the Audit Committee within the overall framework of the policy on related party transactions. The omnibus approval is required to be obtained for related party transactions which are of repetitive nature and entered in the ordinary course of business and at arm's length basis. All related party transactions are placed before the Audit Committee for review and approvals. All related party transactions entered during the financial year were in ordinary course of the business and on arm's length basis.

The details of contracts/arrangement with the related parties are appearing under Note No. 34 in the Financial Statements and form part of this Board's Report. The particulars of contracts or arrangements with related parties prepared under Section 188(1) of Companies Act, 2013 read with Rule 8 (2) of Companies (Accounts) Rule, 2014 is annexed with this Report in **Form AOC-2,** as **Annexure - 1**.

All the Related Party Transactions were placed before the Audit Committee and Board of Directors for approvals.

26. Statutory Auditors

Your Company pursuant to the provisions of sections 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies(Audit and Auditors) Rules,2014 as may be applicable and pursuant to the recommendations of the Audit Committee, M/s Walker Chandiok & Co LLP (FRN 00/076N/N 500013), appointed as statutory Auditors of the Company, in place of retiring Auditors M/s B S R and Associates, Chartered Accountants (ICAI Firm Registration No. 128901W), to hold office from the conclusion this Annual General Meeting (AGM) until the conclusion of the 37th AGM, subject to ratification by the members at every year, as applicable, at such remuneration and out of pocket expenses as may be decided by the Board of Directors of the Company.

With regard to the observations made by the Auditors' in paragraph 4(i) and 4(ii), we would like to inform that:

i) the Company is of the view on paragraph 4(i) that its business comprises of Polyester products, which had been highly competitive resulting into losses in the current as well as previous period but over the period the demand and supply in the industry has balanced, resulting in improved plant operating rate. This has resulted in improved profit margins in the industry. The Company has also taken several initiatives to improve its operational performance in terms of specialty products, cost control initiatives and addition of new customers. The Company has

plans to secure additional working capital funds to ease the liquidity position and improve the capacity utilization. Based on the above, the Company believes that the profitability will improve over the next few years. The Company is confident that the deferred tax assets carried at the end of the period is fully recoverable.

ii) in respect of paragraph 4(ii), on the basis of legal advice the amounts recognised are fully recoverable.

27. Cost Auditors

Your Company, as recommended by the Audit Committee, appointed Mr. R. Krishnan, Cost Accountants, (Membership No. 7799), New Delhi, as Cost Auditors of the Company, for conducting the audit of cost records of the Company for the financial year 2017-18, i.e., from 1st April 2017 to 31st March 2018, to fill the casual vacancy caused due to sad demise of Shri S. N. Balasubramanian, Partner of M/s Balaji & Associates, Cost Accountants, (Firm Registration No. 000112),on 20th November, 2017 and the remuneration payable to the Cost Auditors has to be ratified by the members in the ensuing 32nd Annual General Meeting of the Company.

The Company has also appointed Mr. R. Krishnan, Cost Accountants, (Membership No. 7799) as Cost Auditors of the Company for the financial year 2018-19, in accordance with the applicable provisions of the Companies Act, 2013 and Rules framed thereunder, as recommended by the Audit Committeeand the requisite resolution for ratification of remuneration of Cost Auditors by the members has been set out in the notice of 32nd Annual General Meeting of your Company.

28. Secretarial Auditor

The Board has appointed M/s Sanjay Grover and Associates, Company Secretaries, (Firm Registration Number P2001DE052900), to conduct the Secretarial Audit for the financial year 2018-19.

The Secretarial Audit report, for the financial year ended 31st March 2018 is annexed herewith and marked as Annexure - 2 to this Board's Report.

The Secretarial Auditors of the Company have given a qualified report for the financial year 2017-18. The Management's Reply to the observations is submitted as under:

Auditor's Comment	Management's Reply
The remuneration paid to Mr. Om Prakash Lohia, Chairman and Managing Director of the Company, after December 25, 2017 (prior to this remuneration was paid in terms of approval of Central Government) is in excess of the limits specified under Section 197 read with Schedule V of the Act and the Company is required to seek approval of the Central Government.	The shareholders approved re-appointment and revised remuneration of Mr. Om Prakash Lohia, Chairman & Managing Director of the Company vide Special Resolution on 7th April, 2018, w.e.f 26th December 2017 to 25th December 2020. The Company will make an application to the Central Government for approvals as required as per Section 197 read with Schedule V of the Companies Act, 2013.
The Company is not having adequate number of directors liable to be retired by rotation in accordance with the provisions of Section 152 of the Act.	The Management of the Company is the process of finding the suitable candidate for the position of Director (liable to be retired by rotation).
The Company is yet to transfer the shares due for transfer, to Investor Education and Protection Fund Authority, under Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016.	The Company is in the process of transferring the shares due for transfer, to Investor Education and Protection Fund Authority, under Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016. The Company is also trying to complete all legal formalities as earliest as possible for making above transfer.

29. Conservation of Energy, Technology Absorption, Foreign Exchange Earnings and Outgo

The information required pursuant to Section 134(3)(m) of the Companies Act, 2013, read with Rule 8(3) of the Companies (Accounts)Rules, 2014 relating to conservation of energy, technology absorption, foreign exchange earnings and outgo are set out in the Annexure – 3 forming part of this Board's Report.

30. Public Deposits

During the Financial Year 2017-18, the Company has not accepted and deposit from the public and as such, there are no outstanding deposits in term of the Companies (Acceptance of Deposits) Rules, 2014.

31. Significant and Material Orders passed by the Regulators

There were no significant and material orders passed by regulators/ courts or tribunals impacting the going concern status and Company's operations in future.

32. Internal Control Systems and their Adequacy

The Company has in place Internal Control System designed to ensure proper recording of financial and operational information and compliance of various internal controls and other regulatory and statutory compliances. Self-certification exercise is also conducted by which senior management certifies effectiveness of the internal control system of the Company. Internal Audit has been conducted throughout the organization by qualified outside Internal Auditors. The findings of the internal Audit Report are reviewed by the top Management and by the Audit Committee of the Board and proper follow-up action are ensured wherever required. The Statutory Auditors have evaluated the internal financial controls framework of the Company and have reported that the same are adequate and commensurate with the size of the Company and nature of its business.

33. Particulars of Loans, Guarantee or Investments

The Particulars of Loans, Guarantees and Investments have been disclosed under Note No. 38 in the Financial Statements, for the financial year 2017-18.

34. Risk Management Policy

The Board of Directors has constituted Risk Management Committee to identify elements of risk in different areas of operations and develop policy for actions associated to mitigate the risks. It regularly analyses and takes corrective actions for managing / mitigating the same. Your Company's Risk management framework ensures compliance with the provisions of the Listing Regulations.

Your Company has institutionalized the process for identifying, minimizing and mitigating risks which is periodically reviewed. Some of the risks identified and been acted upon by your Company are Securing critical resources; ensuring sustainable plant operations; ensuring cost competitiveness including logistics; completion of CAPEX; maintaining and enhancing customer service standards and resolving environmental and safety related issues.

35. Corporate Social Responsibility (CSR) Committee

Your Company aims to remain essential to the society with its social responsibility, strongly connected with the principle of sustainability, an organization based not only on financial factors, but also on social and environmental consequences.

As required under Section 135 of the Companies Act, 2013, the CSR Committee comprising of Mr. Om Prakash Lohia as the Chairman, Mr. Vishal Lohia and Dr. Arvind Pandalai, Ms. Ranjana Agarwal are Members.The CSR Committee of the Company has laid down the policy to meet the Corporate Social Responsibility. The CSR Policy includes any activity that may be prescribed as CSR activity as per the Rules of the Companies Act, 2013. The main focus areas taken in the policy are Education, Health Care and Family Welfare, Environmental Safety, contribution to any relief fund setup by the Government of India and any State Government.

Due to the average net profit for the last three financial years are being negative, your Company not allocated/ required to spend any amount on the CSR activities during the year under review.

However, your Company contributed amounting to ₹ 28,83,400/- (Rupees Twenty Eight Lakhs Eighty Three Thousand Four Hundred only) for various CSR activities under taken by the Company during the financial year 2017-18.

The CSR Committee met once during the year to review the Corporate Social Responsibility Policy. The details of amount spent on CSR activities and projects undertaken during the year are given in the Annexure - 4 to the Board's Report.

The detailed CSR policy of the Company is also available on the website of the Company, www.indoramaindia.com.

36. Listing

The shares of your Company are listed at BSE Limited and National Stock Exchange of India Limited, Mumbai. The listing fees to the Stock Exchanges for the financial year 2018-19 have been paid.

37. Corporate Governance

Your Company is committed to maintain the highest standards of corporate governance and adhere to the corporate governance requirements set out by Securities and Exchange Board of India (SEBI). Your Company has also implemented several best corporate governance

practices. The Report on Corporate Governance as stipulated under Regulation 34 of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 forms integral part of this Annual Report.

The requisite certificate from the Practicing Company Secretary confirming compliance with the conditions of corporate governance as stipulated under the aforesaid Regulation is attached to the Report on Corporate Governance.

38. Management Discussion and Analysis Report

Management Discussion and Analysis Report for the year under review, as stipulated under the Listing Regulations with the Stock Exchanges, is presented in a separate chapter forming part of this Annual Report.

39. Transfer of unclaimed dividend to Investor Education and Protection Fund (IEPF)

Pursuant to the provisions of Section 125 of the Companies Act, 2013, relevant amounts, which remained unpaid or unclaimed for a period of seven years have been transferred by the Company, from time to time on due dates, to the Investor Education and Protection Fund (IEPF).

Pursuant to the provisions of Investor Education and Protection Fund, the Company has uploaded the details of unpaid and unclaimed dividend amounts lying with the Company as on 19th September 2017 (date of last Annual General Meeting) on the Company's website, www.indoramaindia.com and also on the Ministry of Corporate Affairs' website.

40. Industrial Relations / Human Resources

Your Company maintained healthy, cordial and harmonious industrial relations at all levels during the year under report. Your Company firmly believes that a dedicated workforce constitute the primary source of sustainable competitive advantage. Accordingly, human resource development continues to receive focused attention. Your Directors wish to place on record their appreciation for the dedicated and commendable services rendered by the staff and workforce of your Company. There are 700 numbers of employees of the Company as on 31st March, 2018.

41. Extract of Annual Return

The details forming part of the extract of the Annual Return in Form MGT-9 is annexed as Annexure - 5 to this report.

42. Acknowledgements

Your Directors would like to express their appreciation for the assistance and co-operation received from the Financial Institutions, Banks, Government authorities, customers, vendors and members during the year under review. Your Directors also wish to place on record their deep sense of appreciation for the committed services by the Company's executives, staff and workers.

For and on behalf of the Board of Directors of
Indo Rama Synthetics (India) Limited

Place: Gurugram
Date: 28th May 2018

Om Prakash Lohia
Chairman & Managing Director
(DIN 00206807)

ANNEXURE - 1 TO THE BOARD'S REPORT

FORM NO. AOC - 2

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

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

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

Sl. No.	Name(s) of the related party and nature of relationship	Nature of contracts/ arrangements/ transactions	Duration of contracts/ arrangements/ transactions	Salient terms of the contracts/ arrangements/ transactions including the value, if any	Justification for entering into contracts/ arrangements/ transactions	Date(s) of approval by the Board	Amount paid as advances, if any	Date on which the special resolution was passed in general meeting (u/s 188)
Not Applicable								

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

(₹ In Crore)

Sl. No.	Name(s) of the Related Party and nature of Relationship	Nature of Contracts/ Arrangements/ Transactions	Duration of the Contracts/ Arrangements/ Transactions	Main terms of the Contracts/ Arrangements/ Transactions including the value, if any	Date(s) of approval by the Board, if any	Amount paid as advances, if any
1	Wearit Global Limited, Relative	Buying MEG	General	5.02	14-Aug-17	-
2	Wearit Global Limited, Relative	Buying MEG	General	5.85	07-Nov-17	-
3	Wearit Global Limited, Relative	Buying MEG	General	2.02	07-Feb-18	-
Sub-Total MEG (A)				12.89		
4	Wearit Global Limited, Relative	Buying DEPB Scrip	General	0.41	28-May-18	
Sub-Total DEPB (B)				0.41		
5	Wearit Global Limited, Relative	Sale of PSF	General	11.19	14-Aug-17	-
6	Wearit Global Limited, Relative	Sale of PSF	General	17.31	07-Nov-17	-
7	Wearit Global Limited, Relative	Sale of PSF	General	1.07	07-Feb-18	-
8	Wearit Global Limited, Relative	Sale of PSF	General	13.71	28-May-18	-
9	Dhanterash Sale Pvt. Limited, Relative	Sale of PSF	General	4.34	07-Nov-17	
10	Dhanterash Sale Pvt. Limited, Relative	Sale of PSF	General	0.10	07-Feb-18	
Sub-Total PSF (C)				47.72		
Grand Total (A+B+C)				**61.02**		

For and on behalf of the Board of Directors of
Indo Rama Synthetics (India) Limited

Place: Gurugram
Date: 28th May 2018

Om Prakash Lohia
Chairman &Managing Director
(DIN 00206807)

ANNEXURE - 2 TO THE BOARD'S REPORT

Form No. MR-3

SECRETARIAL AUDIT REPORT

For the financial year ended 31St March, 2018

[Pursuant to section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members
Indo Rama Synthetics (India) Limited
(CIN: L17124MH1986PLC166615)
A-31, MIDC Industrial Area Butibori,
Nagpur-441122 Maharashtra.

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

We report that-

a) 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.

b) We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed, provide a reasonable basis for our opinion.

c) We have not verified the correctness and appropriateness of the financial statements of the Company.

d) Wherever required, we have obtained the Management representation about the compliances of laws, rules and regulations and happening of events etc.

e) The compliance of the provisions of the corporate and other applicable laws, rules, regulations, standards is the responsibility of the management. Our examination was limited to the verification of procedures on test basis.

f) 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.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2018 ("Audit Period") 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 31st March, 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 prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-

(a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

(b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

(c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;

(d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;

(e) *The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;

(f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;

(g) *The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;

(h) *The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; and

(i) The Securities and Exchange Board of India (Listing obligations and Disclosures requirements) Regulations, 2015;

*No event took place under these regulations during the audit period.

We have also examined compliance with the applicable clauses of the Secretarial Standard on Meetings of the Board of Directors (SS-1) and on General Meetings (SS-2) issued by The Institute of Company Secretaries of India, with which the company has generally complied with.

During the Audit Period, the Company has complied with the provisions of the Act, Rules, Regulations and Guidelines to the extent applicable except that:

- The remuneration paid to Mr. Om Prakash Lohia, Chairman and Managing Director of the Company, for the financial year 2016-17, was in excess of approval granted by the Ministry of Corporate Affairs, Central Government (MCA) and the representation of the Company to reconsider its approval is pending with MCA;
- The remuneration paid to Mr. Om Prakash Lohia, Chairman and Managing Director of the Company, after December 25, 2017 (prior to this remuneration was paid in terms of approval of Central Government) is in excess of the limits specified under Section 197 read with Schedule V of the Act and the Company is required to seek approval of the Central Government;
- The Company is not having adequate number of directors liable to be retire by rotation in accordance with the provisions of Section 152 of the Act; and
- The Company is yet to transfer the shares due for transfer, to Investor Education and Protection Fund Authority, under Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016.

(vi) The Company is engaged in the business of manufacturing of Polyester and its manufacturing plant is located at A-31, MIDC Industrial Area, Butibori, Nagpur-441122, Maharashtra and the Company has also its own thermal plant having the capacity of 40 MW commissioned in such manufacturing plant. As informed by the management, the following laws are the specific laws, specifically applicable to the Company;

(a) The Indian Electricity Act, 2003 and Rules/ regulations made thereunder;

(b) Indian Boilers Act, 1923 and Rules/regulations made thereunder; and

(c) Indian Explosive Act , 1884 Rules/regulations made thereunder

We have checked the compliance management system of the Company to obtain reasonable assurance about the adequacy of systems in place to ensure compliance of specifically applicable laws and this verification was done on test basis. We believe that the Audit evidence which we have obtained is sufficient and appropriate to provide a basis for our audit opinion. In our opinion and to the best of our information and according to explanations given to us, we believe that the Company seems to have adequate systems in place to check the compliance of laws specifically applicable to the Company.

We further report that the Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors except the Company is not having adequate number of directors liable to be retire by rotation in accordance with the provisions of Section 152 of the Act. The changes in the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

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

Board decisions are carried out with unanimous consent and therefore, no dissenting views were required to be captured and recorded as part of the minutes.

We further report that systems and processes in the company may be further strengthened to commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the audit period:

- The Company has filed Form INC-28 with concerned Registrar of Companies in relation to the order passed by Hon'ble NCLT, Mumbai dated March 29, 2017 approving Scheme of Amalgamation between Indo Rama Renewables Limited, Indo Rama Renewables Ramgarh Limited, Indo Rama Renewables Porbandar Limited ("Transferor Companies") and Indo Rama Synthetics (India) Limited ("Transferee Company") which was duly approved on June 05, 2017;
- The members of the Company through postal ballot (Scrutinizer's Report dated March 22, 2018), passed a special resolution for creating, offering, issuing and allot 20 (Twenty), 12% Un- secured Optionally Convertible Debentures ("OCDs") to Promoter of the Company on the preferential basis, in one or more tranches, bearing face value of ₹ 1,00,00,000/- (Rupees One Crore only) per OCD, for an aggregating amount up to ₹ 20,00,00,000/- (Rupees Twenty Crores only); and
- The Shareholders of the Company in its Extra Ordinary General Meeting held on April 07, 2018 passed a Special resolution for issuance of secured, redeemable, Non-Convertible Debentures ("NCDs") aggregating to ₹ 183.33 Crore (Indian Rupees One Hundred Eighty Three Crores and Thirty Three Lakhs only) and the redemption / coupon rate for the said NCDs will be decided by the Board of Directors from time to time.

For **Sanjay Grover & Associates**
Company Secretaries
Firm Registration No.: P2001DE052900

Sanjay Grover
Managing Partner
CP No.: 3850

New Delhi
May 28, 2018

ANNEXURE - 3 TO THE BOARD'S REPORT

Particulars required under Section 134(3)(m) of the Companies Act, 2013, read with Rule 8(3) of the Companies (Accounts) Rules, 2014 and forming part of the Board's Report for the financial year ended 31st March, 2018.

A. Conservation of Energy:

Energy Saving measures taken and proposals under implementation.

1. HV variable frequency drive (VFD) installed for boiler feed pumps (BFPs) at CPP for energy saving. With installation of VFD the auxiliary power consumption reduced by more than 165 Kwh. Project commissioned in March 2017;

2. Around 80% of conventional lighting at IRSL complex replaced with energy efficient LED type lighting;

3. In CFHTM ash handling system operation time reduced by 50% by way of doing timer based ash conveying in tuen saving in energy.

FORM – A

Form for disclosure of particulars with respect to Conservation of Energy.

PARTICULARS	Current Year 31 March 2018	Previous Year 31 March 2017
(A) POWER & FUEL CONSUMPTION		
1) ELECTRICAL		
a) Purchases from MSEDCL & Other		
Units (kwh in '000)	59,593	53,866
Total Amount (₹ in '000)	**3,37,229**	**259,566**
Rate / kwh (in ₹)	5.66	4.82
b) Generation for own consumption		
(Net of power sale including auxiliary consumption)		
i) Through DG (FO Based)		
Units (kwh in '000)	13,535	5,588
Units / Ltr of FO	3.89	3.76
Cost / Unit (₹/Unit)	6.40	5.37
ii) Through STG (Coal based)		
Units (kwh in '000)	1,92,226	243,936
Units / kg of Coal	0.90	0.97
Cost / Unit (₹/Unit)	3.87	3.59
2) COAL		
Quantity in MT	373,618	444,996
Total Cost (₹ in ' 000)	**1,295,010**	**1,553,164**
Average Rate (₹ / MT)	3,466	3,490
3) FURNACE OIL		
Quantity (KL)	4,025	3,280
Total Cost (₹ in ' 000)	**100,297**	**66,254**
Average Rate (₹ / Lt)	24.92	20.20
(B) CONSUMPTION PER UNIT OF PRODUCTION		
Production of Polymer products (Fresh) - MT	325,349	408,745
Electricity / Kg (in kwh)	0.82	0.74

Previous year figures are regrouped to make them comparable.

B. Technology Absorption:

1. Non Siliconized Hollow Conjugate Fibre technology established successfully;
2. In PSF area established 6900 hole spinneret for 0.8, 1.0, 1.1,1.2D fiber for SHT;
3. Modification of POY creel cart.

Form for disclosure of particulars with respect to technology absorption (Form-B).

Research & Development

1. Specific Areas in which R&D carried out by the company:

(Product Development & Process Improvement Areas)

1) New Product 72/48 IM DTY developed for WARP application;
2) New Product 74/72 SIM DTY developed for Twisting application;,
3) New Product 148/48 HIM DTY developed for Warp / Weft in Air Jet loom;
4) New Product 450/144 ATY developed for Industrial application;
5) New POY Product 335/144 developed in coarse denier machine;
6) Product POY 485/96 and 250/48 developed for ATY application;
7) Developed and implemented in-house Auto coal sampler for efficient and accurate coal sampling;
8) New 1.2,1.4D Semi dull PSF developed for SHT;
9) Developed OPW Semi dull PSF product 1.2,1.4D.

2. Benefit derived as a result of above Product development and process improvement:

1) At CPP the In-house Auto coal sampler resulted in savings of INR 18 Lakhs. This will improve sampling efficiency and accuracy;
2) DTY new product have increased IRSL product basket and customer base;
3) New POY products have given new application area and flexibility of machines;
4) New PSF products have widen the customer base and new areas of application.

3. Import Substitution:

Indigenous Development:

1) Alternate indigenous spare motor developed for Hollow fibre project;
2) Samsung Germany process control valve diaphragm developed from indigenously;
3) For DTY machines on-line thread tension monitoring system developed indigenously;
4) Replaced Centc-C Obsolete CMC controller with Siemens PLC & HMI based system;
5) 'Tyco' make Control Valve Positioners of Compressor and Process plant are substituted with indigenous Positioners;
6) In PSF Hydraulic cylinders of baler system spare parts like rod seals and piston seals developed from local vendor(saving ₹ 15 Lakhs);
7) POY 5 Polymer block chain developed from local vendor (saving ₹ 1.5 Lakhs);
8) In POY 5 booster pump developed from alternate vendor to increase reliability of gear failure 02 Nos. (savings ₹ 30 Lakhs)

4. Future Plan of Action (2018-19):

1) At CPP the DM water plat and coal handling plant PLCs will be replaced with new PLCs;
2) On line Effluent Monitoring System with connectivity to CPCB & MPCB as per compliance;
3) Development alternates Obsolete Inverters for CP4 draw-lines and other applications;
4) Up-gradation of Obsolete Servers and PLC of CP2/3 POY Automation;
5) Obsolete Barmag Communication Control (BCC) system for CP1 POY replacement with indigenous developed system;
6) At CFHTM In-house Auto coal sampler to be installed.

5. Expenditure on Research & Development:

- Capital (₹ in '000)	- Nil
- Recurring	- Nil
- Total	- Nil
- Total R & D expenditure as % of Turnover	- Nil

6. Technology Absorption, Adoption and Innovation:

- Replaced the old obsolete Ash handling PLC by Siemens PLC;
- In-house developed energy monitoring system with better features for continuous monitoring and reporting on line;
- In-House developed SCADA for Plant-1 HTM and Boiler for better monitoring and cost saving.

7. Benefits derived as a result of above efforts:

- Substitution of Maintenance spares with low cost sourcing;
- Reliable process control;
- 100% POY spool transfer to DTY on creel cart only;
- Cost saving and reliability enhancement on engineering aspects;
- Modification of POY creel cart has minimized damages and improved the quality.

C. Foreign Exchange Earnings and Outgo of the Company:

Earnings in Foreign Currency (accrual basis)

(₹ In Crores)

Particulars	2017-18	2016-17
F.O.B. value of exports	356.20	488.46
Dividend	-	-
Sale of current investments (Gross consideration)	-	-
Total	**356.20**	**488.46**

CIF value of imports

(₹ In Crores)

Particulars	2017-18	2016-17
Raw materials	184.35	325.96
Stores and spares	4.22	3.69
Capital goods	0.06	1.38
Total	**188.63**	**331.03**

Expenditure in Foreign Currency (accrual basis)

(₹ In Crores)

Particulars	2017-18	2016-17
Travelling	0.73	1.29
Commission	2.06	2.84
Interest	-	3.08
Others	0.88	1.27
Total	**3.67**	**8.48**

Net dividend remitted in Foreign Exchange*

(₹ In Crores)

Particulars	2017-18	2016-17
Period to which dividend relates to	1 April 2016 to 31 March 2017	1 April 2015 to 31 March 2016
- Number of Non-Resident Shareholders(Nos.)	NA	1
- Number of Equity Shares held on which dividend was due (Nos.)	NA	43,288,057
- Amount remitted Nil (Previous year USD 648,655) (₹ in Crores)	NA	4.33

For and on behalf of the Board of Directors of
Indo Rama Synthetics (India) Limited

Place: Gurugram
Date: 28th May 2018

Om Prakash Lohia
Chairman &Managing Director
(DIN 00206807)

ANNEXURE - 4 TO THE BOARD'S REPORT

DETAILS OF CSR EXPENSES DURING THE FINANCIAL YEAR 2017-18

(₹ In Crore)

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Sl. No.	CSR project of activities 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 was undertaken	Amount outlay (budget) or project or programs wise	Amount spent on the projects or programs Sub-heads: (1) Direct expenditure on projects or programs (2) Overheads	Cumulative expenditure upto the reporting period	Amount Spent: Direct or through implementing agency
1	Promotion of Education	Education	New Delhi	0.02	0.02	0.02	Direct
2	Health Care	Eye donation and Health care of deprived children	New Delhi	0.04	0.04	0.04	Direct
3	Rural Development	Rural Development	Wardha, Maharashtra	0.23	0.23	0.23	Direct
Total				**0.29**	**0.29**	**0.29**	

For and on behalf of the Board of Directors of
Indo Rama Synthetics (India) Limited

Place: Gurugram
Date: 28th May 2018

Om Prakash Lohia
Chairman & Managing Director
(DIN 00206807)

ANNEXURE - 5 TO THE BOARD'S REPORT

Form No. MGT 9

EXTRACT OF ANNUAL RETURN

As on the Financial Year ended 31st March, 2018

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

I.	**REGISTRATION & OTHER DETAILS**	
i)	CIN	L17124MH1986PLC166615
ii)	Registration Date	28th April, 1986
iii)	Name of the Company	Indo Rama Synthetics (India) Limited
iv)	Category / Sub-category of the Company	Public Company / Limited by shares
v)	Address of the Registered Office and contact details	A-31, MIDC Industrial Area, Butibori, Nagpur - 441122, Maharashtra, India. Tel.: 07104-663000/01 Fax: 07104-663200
vi)	Whether Listed Company	Yes
vii)	Name, Address and contact details of the Registrar and Transfer Agent, if any	MCS Share Transfer Agent Limited F-65, First Floor, Okhla Industrial Area, Phase-1, New Delhi-110 020, India Tel.: 011-4140 6149-52 Fax No.: 011-4170 9881
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	As per Attachment - A
III.	**PARTICULARS OF HOLDING, SUBSIDIARY INCLUDING SUBSIDIARIES OF SUBSIDIARIES AND ASSOCIATE COMPANIES**	As per Attachment - B
IV.	**SHAREHOLDING PATTERN (EQUITY SHARE CAPITAL BREAKUP AS PERCENTAGE OF TOTAL EQUITY)**	
i)	Category-wise Shareholding	As per Attachment - C
ii)	Shareholding of Promoters	As per Attachment - D
iii)	Change in Promoters' Shareholding	As per Attachment - E
iv)	Shareholding Pattern of top ten Shareholders (Other than Directors, Promoters and Holders of GDRs and ADRs)	As per Attachment - F
v)	Shareholding of Directors and Key Managerial Personnel	As per Attachment - G
V.	**INDEBTEDNESS**	
	Indebtedness of the Company including interest outstanding/accrued but not due for payment	As per Attachment - H
VI.	**REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL**	
A.	Remuneration to Managing Director, Whole-time Directors and/ or Manager	As per Attachment - I
B.	Remuneration to other Directors	As per Attachment - J
C.	Remuneration to Key Managerial Personnel other than MD/Manager/WTD	As per Attachment - K
VII.	**PENALTIES / PUNISHMENT / COMPOUNDING OF OFFENCES**	As per Attachment - L

ATTACHMENT - A

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10% or more of the total turnover of the Company are given below:

Sl. No.	Name and Description of main products / services	NIC Code of the product / service	% to total turnover of the Company #
1	Polyester Staple Fibre	55032000	48.15%
2	Polyester Filament Yarn	54024200	13.05%
3	Draw Texturised Yarn	54023300	34.67%

Products contributing 10% or more of Gross Turnover.

ATTACHMENT - B

III. PARTICULARS OF HOLDING, SUBSIDIARY INCLUDING SUBSIDIARIES AND ASSOCIATE COMPANIES

Sl. No.	Name and Address of the Company	CIN / GIN	Holding / Subsidiary /Associate	% of Share held	Applicable Section
		NIL			

ATTACHMENT - C

IV. SHAREHOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

i) Category-wise Shareholding

Category of Shareholders	No. of Shares held at the beginning of the year (As on 1st April, 2017)				No. of Shares held at the end of the year (As on 31st March, 2018)				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoter									
(1) Indian									
a) Individual/ HUF	58524294		58524294	38.55%	58524294		58524294	38.55%	0.00%
b) Central Govt.	-	-	-		-	-	-		-
c) State Govt(s)	-	-	-		-	-	-		-
d) Bodies Corp.	-	-	-	-	-	-	-	-	-
e) Banks / FI	-	-	-		-	-	-		-
f) Any other	-	-	-		-	-	-		-
Sub Total A(1)	**58524294**	**-**	**58524294**	**38.55%**	**58524294**	**-**	**58524294**	**38.55%**	**0.00%**
(2) Foreign									
a) NRIs - Individuals	99200	-	99200	0.07%	99200	-	99200	0.07%	0.00%
b) Other - Individuals	-	-	-		-	-	-		
c) Bodies Corp.	50496057	-	50496057	33.26%	53564057	-	53564057	35.28%	2.02%
d) Banks/FI	-	-	-		-	-	-		
e) Any Other	-	-	-		-	-	-		
Sub-Total A(2)	**50595257**	**-**	**50595257**	**33.33%**	**53663257**	**-**	**53663257**	**35.35%**	**2.02%**
Total Shareholding of Promoter A=A(1)+A(2)	**109119551**	**-**	**109119551**	**71.87%**	**112187551**	**-**	**112187551**	**73.89%**	**2.02%**
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	29214	5420	34634	0.02%	42478	5420	47898	0.03%	0.01%
b) Banks / FI	1541775	144	1541919	1.02%	170000	144	170144	0.11%	-0.90%
c) Central Govt.	-	-	-	-	-	-	-	-	-
d) State Govt(s)	-	-	-	-	-	-	-	-	-

Category of Shareholders	No. of Shares held at the beginning of the year (As on 1st April, 2017)				No. of Shares held at the end of the year (As on 31st March, 2018)				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	4006850	-	4006850	2.64%	4006850	-	4006850	2.64%	0.00%
g) FIIs	14113701	9590	14123291	9.30%	14035074	9590	14044664	9.25%	-0.05%
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others (Specify)	-	-	-	-	-	-	-	-	-
Sub-total (B) (1)	**19691540**	**15154**	**19706694**	**12.98%**	**18254402**	**15154**	**18269556**	**12.03%**	**-0.95%**
2. Non-Institutions									
a) Bodies Corp.									
i) Indian	2928776	15560	2944336	1.94%	3945057	15160	3960217	2.61%	0.67%
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals									
i) Individuals shareholders holding nominal share capital upto ₹ 2 Lakh	8831473	833660	9665133	6.37%	9655360	809708	10465068	6.89%	0.53%
ii) Individual shareholders holding nominal share capital in excess of ₹ 2 Lakh	6275717	-	6275717	4.13%	6314192	-	6314192	4.16%	0.03%
c) Others (specify)	-	-	-	-	-	-	-	-	-
Non Resident Indians	1028251	-	1028251	0.68%	625528	130	625658	0.41%	-0.27%
Overseas Corporate Bodies	-	-	-	-	-	-	-	-	-
Foreign Nationals	-	-	-	-	-	-	-	-	-
Clearing Members	-	-	-	-	-	-	-	-	-
Trusts	-	-	-	-	-	-	-	-	-
Foreign Bodies-D R	-	-	-	-	-	-	-	-	-
Sub-total (B) (2)	**19064217**	**849220**	**19913437**	**13.12%**	**20540137**	**824998**	**21365135**	**14.07%**	**0.96%**
Total Public Shareholding (B)=(B) (1) + (B) (2)	**38755757**	**864374**	**39620131**	**26.10%**	**38794539**	**840152**	**39634691**	**26.11%**	**0.01%**
C. Shares held by Custodian for GDRs & ADRs	3082560	0	3082560	2.03%	0	0	0	0.00%	-2.03%
Grand Total (A+B+C)	**150957868**	**864374**	**151822242**	**100.00%**	**150982090**	**840152**	**151822242**	**100.00%**	**0.00%**

ATTACHMENT - D

IV. SHAREHOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

(ii) Shareholding of Promoters

S. No.	Shareholder's Name	Shareholding at the beginning of the year (As on 1st April, 2017)			Shareholding at the end of the year (As on 31st March, 2018)			% change in shareholding during the year
		No. of Shares	% of total Shares of the Company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the Company	% of shares Pledged / encumbered to total shares	
1	Brookgrange Investments Ltd.	5,04,96,057	33.26	0.00	5,35,64,057	35.28	0.00	2.02
2	Mr. Om Prakash Lohia	3,79,84,000	25.02	0.00	3,79,84,000	25.02	0.00	0.00
3	Mrs. Urmila Lohia	1,81,84,518	11.98	0.00	1,81,84,518	11.98	0.00	0.00
4	Mr. Aloke Lohia	99,200	0.07	0.00	99,200	0.07	0.00	0.00
6	Mrs.Ritika Kumar	4,14,796	0.27	0.00	4,14,796	0.27	0.00	0.00
7	Mr. Vishal Lohia	11,37,896	0.75	0.00	11,37,896	0.75	0.00	0.00
8	Ms. Aradhna Lohia	3,13,256	0.21	0.00	3,13,256	0.21	0.00	0.00
9	Mrs.Rimple Lohia	2,39,940	0.16	0.00	2,39,940	0.16	0.00	0.00
10	Mr. Yashovardhan Lohia	2,49,888	0.16	0.00	2,49,888	0.16	0.00	0.00
	Total	**10,91,19,551**	**71.87**	**0.00**	**11,21,87,551**	**73.89**	**0.00**	**2.02**

ATTACHMENT - E

IV. SHAREHOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

iii) Change in Promoters' Shareholding

Sl. No.	Particulars	Shareholding at the beginning of the year (As on 1st April, 2017)		Cumulative Shareholding during the year (1st April, 2017 to 31st March, 2018)	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
1	At the beginning of the year	10,91,19,551	71.87		
2	Date wise Increase/Decrease in Promoters Shareholding during the year specifying the reasons for increase/ decrease (e.g. allotment/transfer/bonus/sweat equity, etc.): #			#	
3	At the end of the year			11,21,87,551	73.89 *

The details of shares through inter-se transfer and conversion of GDRs into Equity Shares.

Note: * Increase in the percentage of total equity shares of the Promoters from 71.87% to 73.89%, due to conversion of 3,83,500 Global Depository Receipts (GDRs) into 30,68,000 equity shares.

The details of shares through inter-se transfer and conversion of GDRs into Equity Shares.

Sl. No.	Name	Shareholding		Date	Increase/ Decrease in shareholding	Reason	Cumulative Shareholding during the year (01-04-17 to 31-03-18)	
		No. of shares at the beginning (01-04-17) / end of the year (31-03-18)	% of the total shares of the Company				No. of Shares	% of total shares of the Company
1	Brookgrange Investments Ltd.	5,04,96,057	33.26	1-Apr-17		Conversion of 3,83,500 GDRs into Equity Shares		
				15-Apr-17	30,68,000		5,35,64,057	35.28
		5,35,64,057	35.28	31-Mar-18			5,35,64,057	35.28

ATTACHMENT - F

IV. SHAREHOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

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

Sl. No.	Name	Shareholding		Date	Increase/ Decrease in shareholding	Reason	Cumulative Shareholding during the year (01-04-17 to 31-03-18)	
		No. of shares at the beginning (01-04-17) / end of the year (31-03-18)	% of the total shares of the Company				No. of Shares	% of total shares of the Company
1	APMS Investment Fund Ltd.	1,26,52,175	8.33	1-Apr-17	0	Nil movement during the year		
		1,26,52,175	8.33	31-Mar-18			1,26,52,175	8.33
2	Life Insurance Corporation of India	30,05,152	1.98	1-Apr-17	0	Nil movement during the year		
		30,05,152	1.98	31-Mar-18			30,05,152	1.98
3	Asia Investment Corporation (Mauritius) Limited	13,81,861	0.91	1-Apr-17	0	Nil movement during the year		
		13,81,861	0.91	31-Mar-18			13,81,861	0.91
4	Monica Burman	10,00,000	0.66	1-Apr-17	0	Nil movement during the year		
		10,00,000	0.66	31-Mar-18			10,00,000	0.66

Sl. No.	Name	Shareholding		Date	Increase/ Decrease in shareholding	Reason	Cumulative Shareholding during the year (01-04-17 to 31-03-18)	
		No. of shares at the beginning (01-04-17) / end of the year (31-03-18)	% of the total shares of the Company				No. of Shares	% of total shares of the Company
5	United India Insurance Company Ltd.	6,13,536	0.40	1-Apr-17	0	Nil movement during the year		
		6,13,536	0.40	31-Mar-18			6,13,536	0.40
6	Lal Tolani	4,34,745	0.29	1-Apr-17	0	Market Purchase		
				25-Aug-17	208		4,34,953	
				22-Sep-17	2,000		4,36,953	
				29-Sep-17	4,000		4,40,953	
		4,40,953	0.29	31-Mar-18			4,40,953	0.29
7	The Oriental Insurance Company Ltd.	3,88,162	0.26	1-Apr-17	0	Nil movement during the year		
		3,88,162	0.26	31-Mar-18			3,88,162	0.26
8	Sailaja Construction Pvt. Ltd.	0	0	1-Apr-17		Market Purchase		
				3-Nov-17	2,25,655			
		2,25,655	0.15	31-Mar-18			2,25,655	0.15
9	Deepak Pens & Plastics Pvt. Ltd.	0	0	1-Apr-17		Market Purchase		
				26-Jan-18	2,17,100			
		2,17,100	0.14	31-Mar-18			2,17,100	0.14
10	Subhash Chander Kathuria	2,95,092	0.19	1-Apr-17		Market Sale		
				9-Aug-17	-10,000		2,85,092	
				19-Jan-18	-29,182		2,55,910	
				9-Mar-18	-44,076		2,11,834	
		2,11,834	0.14	31-Mar-18			2,11,834	0.14

ATTACHMENT - G

IV. SHAREHOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

v) Shareholding of Directors and Key Managerial Personnel

Sl. No.	Name	Shareholding		Date	Increase/ Decrease in shareholding	Reason	Cumulative Shareholding during the year (01-04-17 to 31-03-18)	
		No. of shares at the beginning (01-04-17) / end of the year (31-03-18)	% of the total shares of the Company				No. of Shares	% of total shares of the Company
A	DIRECTORS:							
1	Mr. Om Prakash Lohia Chairman & Managing Director	3,79,84,000	25.02	1-Apr-17	0	Nil movement during the year		
		3,79,84,000	25.02	31-Mar-18			3,79,84,000	25.02
2	Mr. Vishal Lohia Whole-time Director	2,75,372	0.18	1-Apr-17	0	Nil movement during the year		
		11,37,896	0.75	31-Mar-18			11,37,896	0.75
3	Mr. Ashok Kumar Ladha Independent Director	17,713	0.01	1-Apr-17	0	Nil movement during the year		
		17,713	0.01	31-Mar-18			17,713	0.01
4	Dr. Arvind Pandalai Independent Director	0	0	1-Apr-17	0	Nil Holding during the year		
		0	0	31-Mar-18			0	0

Sl. No.	Name	Shareholding		Date	Increase/ Decrease in shareholding	Reason	Cumulative Shareholding during the year (01-04-17 to 31-03-18)	
		No. of shares at the beginning (01-04-17) / end of the year (31-03-18)	% of the total shares of the Company				No. of Shares	% of total shares of the Company
5	Mr. Suman Jyoti Khaitan Independent Director	0	0	1-Apr-17	0	Nil Holding during the year		
		0	0	31-Mar-18			0	0
6	Ms. Ranjana Agarwal Independent Director	0	0	1-Apr-17	0	Nil Holding during the year		
		0	0	31-Mar-18			0	0
B	Key Managerial Personnel							
1	Mr. Anant Kishore Chief Executive Officer	0	0	1-Apr-17	0	Nil Holding during the year		
	(Retired on 7-Apr-17)	0	0	31-Mar-18			0	0
2	Mr. Sanjeev Aggarwal President & CFO	0	0	1-Apr-17	0	Nil Holding during the year		
	(Resigned on 30-Nov-17)	0	0	31-Mar-18			0	0
3	Mr. Jayantk Sood CHRO & Company Secretary	0	0	1-Apr-17	0	Nil Holding during the year		
		0	0	31-Mar-18			0	0

ATTACHMENT - H

V. INDEBTEDNESS

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

Amount (₹ in Crore)

	Secured Loans excluding Deposits	Unsecured Loans	Depsosits	Total Indebtedness
Indebtedness at the beginning of the financial year (01/04/17)				
i) Principal Amount	307.41	-	-	307.41
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	2.69	-	-	2.69
TOTAL (i+ii+iii)	**310.10**			**310.10**
Change in Indebtedness during the financial year				
Addition	-	20.00	-	20.00
Reduction	35.38	-	-	35.38
Exchange Difference	6.47	-	-	6.47
Net Change	**41.85**	**-**	**-**	**61.85**
Indebtedness at the end of the financial year (31/03/18)				
i) Principal Amount	346.46	20.00	-	366.46
ii) Interest due but not paid	4.77	-	-	4.77
iii) Interest accrued but not due	0.72	-	-	0.72
TOTAL (i+ii+iii)	**351.95**	**20.00**		**371.95**

ATTACHMENT - I

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

(₹ In Crore)

S. No.	Particulars of Remuneration	Name of MD / WTD / Manager			Total Amount
		Om Prakash Lohia *	Vishal Lohia *	Anant Kishore	
1	Gross Salary				
	(a) Salary as per provisions contained in Section 17 (1) of the Income-tax Act, 1961	1.80	1.00	0.01	2.81
	(b) Value of perquisites u/s 17 (2) Income-tax Act, 1961	0.06	0.53	-	0.59
	(c) Profits in lieu of salary under Section 17 (3) Income-tax Act, 1961	0.40	0.35	0.63	1.38
2	Stock Option	-	-	-	-
3	Sweat Equity	-	-	-	-
4	Commission	-	-	-	-
	- as % of profit	-	-	-	-
	- others, specify	-	-	-	-
5	Others, please specify	-	-	-	-
	Total (A)	**2.26**	**1.88**	**0.63**	**4.77**
	Ceiling as per the Act	* As per Central Govt. approval			

Note : Above payments includes perquisite value as defined under Income Tax Act 1961 for various payment made during the period.

ATTACHMENT - J

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

B. Remuneration to other Directors

(₹ In Crore)

S. No.	Particulars of Remuneration	Ashok Kumar Ladha	Arvind Pandalai	Suman Jyoti Khaitan	Ranjana Agarwal	Total Amount
1	Independent Directors					
	- Fee for attending Board / Committee meetings	0.04	0.03	0.03	0.03	0.13
	- Commission	-	-	-	-	-
	- Others, please specify	-	-	-	-	-
	Total (1)	0.04	0.03	0.03	0.03	0.13
2	Other Non-Executive Directors					
	- Fee for attending Board / Committee meetings	-	-	-	-	-
	- Commission	-	-	-	-	-
	- Others, please specify	-	-	-	-	-
	Total (2)	-	-	-	-	-
	Total (B) = (1+2)	0.04	0.03	0.03	0.03	0.13
	Total Managerial Remuneration					**4.90**
	Overall Ceiling as per the Act	No Remuneration, only Sitting Fee				

ATTACHMENT - K

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

(₹ In Crore)

S. No.	Particulars of Remuneration	Key Managerial Personnel		Total Amount
		CFO (Sanjeev Aggarwal)	Company Secretary (Jayantk Sood)	
1	Gross Salary			
	(a) Salary as per provisions contained in section 17 (1) of the Income-tax Act, 1961	0.40	0.36	0.76
	(b) Value of perquisites u/s 17 (2) Income-tax Act, 1961	0.004	0.005	0.009
	(c) Profits in lieu of salary under section 17 (3) Income-tax Act, 1961	0.63	0.14	0.77
2	Stock Option			
3	Sweat Equity			
4	Commission			
	- as % of profit			
	- others, specify			
5	Others, please specify			
	Total	**1.03**	**0.50**	**1.54**

Note : Above payments includes perquisite value as defined under Income Tax Act 1961 for various payment made during the period.

ATTACHMENT - L

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)
A. COMPANY					
Penalty					
Punishment					
Compounding					
B. DIRECTORS					
Penalty					
Punishment			NIL		
Compounding					
C. OTHER OFFICERS IN DEFAULT					
Penalty					
Punishment					
Compounding					

For and on behalf of the Board of Directors of
Indo Rama Synthetics (India) Limited

Place: Gurugram
Date: 28th May 2018

Om Prakash Lohia
Chairman &Managing Director
(DIN 00206807)

INDEPENDENT AUDITOR'S REPORT

To the Members of
Indo Rama Synthetics (India) Limited

1. Report on the Audit of the Ind AS Financial Statements

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

2. Management's Responsibility for the 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 Ind AS financial statements that give a true and fair view of the state of affairs, profit/loss and other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) prescribed under section 133 of the Act.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

3. Auditor's Responsibility

Our responsibility is to express an opinion on these Ind AS financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit of the 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 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 Ind AS financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the 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 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 Ind AS financial statements.

We are also responsible to conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in the auditor's report to the related disclosures

in the financial statements or, if such disclosures are inadequate, to modify the opinion. Our conclusions are based on the audit evidence obtained up to the date of the auditor's report. However, future events or conditions may cause an entity to cease to continue as a going concern.

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

4. Basis for Qualified Opinion

(i) Attention is drawn to note 41(a) of the Ind AS financial statements relating to Deferred Tax Assets amounting to ₹ 95.90 crores as at 31 March 2018 recognised by the Company on the basis of future outlook of business confirming that sufficient future taxable income will be available against which these assets will be realised. In view of losses suffered in the current as well as preceding periods, and other unused tax losses available to the Company, we are not in agreement with the deferred tax assets recognised. Had such asset not been recognised, the net loss after tax for the year ended 31 March 2018 and 31 March 2017 would have been higher by ₹ 41.82 crores and ₹ 54.08 crores respectively, and other equity as at 31 March 2018 and 31 March 2017 would have been lower by ₹ 95.90 crores and ₹ 54.08 crores respectively. The matter was subject to qualification in the previous period as well.

(ii) Attention is drawn to note 39(b) of the Ind AS financial statements, which enumerates recognition of interest of ₹ 16.79 crores in the books by the Company on the insurance claim recoverable from its insurance company for the loss of certain assets and loss suffered due to business interruption at its plant in 2007-08. The said recognition of asset being contingent in nature, is not in accordance with accounting principle stated in Ind AS 37, 'Provisions, Contingent Liabilities and Contingent Assets'. Had such asset not been recognised, the net loss before and after tax for the year ended 31 March 2018 and 31 March 2017 would have been higher by ₹ 2.92 crores and ₹ 2.92 crores respectively, and other equity as at 31 March 2018 and 31 March 2017 would have been lower by ₹ 16.79 crores and ₹ 13.87 crores respectively. The matter was subject to qualification in the previous periods as well.

5. Qualified Opinion

In our opinion and to the best of our information and according to the explanations given to us, except for the matter described in the 'Basis for Qualified Opinion' paragraph above, the aforesaid 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 including Ind AS, of the state of affairs of the Company as at 31 March 2018, its loss, other comprehensive income, changes in equity and its cash flows for the year ended on that date.

6. Going Concern

We draw attention to note 41 of the Ind AS financial statements, which indicates that the Company has incurred a net loss before tax of ₹ 124.86 crores during the year ended 31 March 2018 and, as of that date, the Company's current liabilities exceeded its current assets. Based on, and as fully explained by the management in note 41 of the Ind AS financial statements on the initiatives taken, we believe the Company shall be able to continue as a going concern.

7. Emphasis of matter

We draw an attention to note 39(a) of the Ind AS financial statements which describes the uncertainty related to the outcome of the lawsuit filed by the Company against an insurance company.

Our opinion is not modified in respect of this matter.

8. Report on Other Legal and Regulatory Requirements

(i) 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 I", a statement on the matters specified in paragraphs 3 and 4 of the Order.

(ii) As required by Section 143(3) of the Act, we report that:

a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;

b. Except for the effects of the matter described in the 'Basis for Qualified Opinion' paragraph above, in our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;

c. The Balance Sheet, the Statement of Profit and Loss, the Cash Flow Statement and Statement of Changes in Equity, dealt with by this Report, are in agreement with the books of account;

d. Except for the effects of the matter described in the 'Basis for Qualified Opinion' paragraph, in our opinion, the aforesaid Ind AS financial statements comply with the Indian Accounting Standards prescribed under Section 133 of the Act;

e. The matter described in the 'Basis for Qualified Opinion', 'Going concern' and 'Emphasis of matter' paragraph above, in our opinion, may have an adverse effect on the functioning of the Company;

f. On the basis of the written representations received from the directors, as on 31 March 2018 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2018 from being appointed as a director in terms of Section 164 (2) of the Act;

g. The qualification relating to the maintenance of accounts and other matters connected therewith are as stated in the 'Basis for Qualified Opinion' paragraph above;

h. With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure II";

i. 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 Ind AS financial statements – Refer notes 37 and 39 to the Ind AS financial statements;

(ii) The Company did not have any long-term contracts, including derivative contracts outstanding as at 31 March 2018 for which there were any material foreseeable losses;

(iii) There has been no delay in transferring amounts that were required to be transferred to the Investor Education and Protection Fund by the Company; and

(iv) The disclosure in the financial statements regarding holdings as well as dealings in Specified Bank Notes during the period from 8 November 2016 to 30 December 2016 have not been made since they do not pertain to the financial year ended 31 March 2018. However, amounts as appearing in the audited financial statements for the year ended 31 March 2017 have been disclosed - Refer note 36 to the Ind AS financial statements.

For **B S R and Associates**
Chartered Accountants
ICAI Firm Registration Number: 128901W

Jiten Chopra
Partner
Membership No.: 092894

Place: Gurugram
Date: 28 May 2018

ANNEXURE I REFERRED TO IN PARAGRAPH 8(I) OF THE INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF INDO RAMA SYNTHETICS (INDIA) LIMITED ON THE IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018:

(i) (a) According to the information and explanations given to us, the Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets (property, plant and equipment and intangible assets).

(b) According to the information and explanations given to us, the fixed assets are physically verified by the management in accordance with a phased programme designed to cover all items of fixed assets over a period of three years, which, in our opinion, is reasonable having regard to the size of the Company and nature of its fixed assets. In accordance with this programme, certain categories of fixed assets at certain locations have been physically verified by the management during the year. As informed to us, no material discrepancies were observed on such verification.

(c) According the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of the immovable properties are held in the name of the Company.

(ii) According to the information and explanations given to us, the inventories, except for goods in transit and stocks with third parties, have been physically verified, at reasonable interval by the management during the year. For stocks lying with third parties at the year end, written confirmations are obtained. As informed to us, no material discrepancies were noticed on such 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 required under section 189 of the Companies Act, 2013 ('the Act'). Accordingly, paragraph 3(iii) of the Order is not applicable.

(iv) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no loans, investments, guarantees, and security where provisions of section 185 and 186 of the Act are required to be complied with. Accordingly, the provisions of paragraph 3(iv) of the Order is not applicable.

(v) According to the information and explanations given to us, the Company has not accepted any deposits covered under section 73 to 76 of the Act. Accordingly, the provisions of paragraph 3(v) of the Order is not applicable.

(vi) We have broadly reviewed the books of account maintained by the Company in respect of products where, pursuant to the rules made by the Central Government, the maintenance of cost records has been prescribed under sub section (1) of section 148 of the Companies Act, 2013 and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. However, we have not made a detailed examination of such records with a view to determine whether they are accurate or complete.

(vii) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/ accrued in the books of account in respect of undisputed statutory dues including Income tax, Sales tax, Service tax, Duty of Customs, Duty of Excise, Value Added Tax, Cess and any other material statutory dues, to the extent applicable, have generally been regularly deposited with the appropriate authorities except dues related to Provident Fund, Employees' State Insurance, Tax Deducted at Source and Goods and Service Tax which have not generally been regularly deposited with the appropriate authorities and there has been significant delays during the year.

According to the information and explanations given to us, no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income tax, GST, Sales tax, Service tax, Duty of Customs, Duty of Excise, Value Added tax, Cess and other material statutory dues, to the extent applicable, were in arrears as at 31 March 2018 for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us, and on the basis of the records of the Company examined by us, there are no dues of Income tax, Sales tax, Service tax, Duty of Customs, Duty of Excise and Value Added Tax, which have not been deposited with the appropriate authorities on account of any dispute, except as mentioned below:

Name of the statute	Nature of dues	Amount of dispute (₹ Crores) #	Amount paid under protest (₹ Crores)	Period to which it relates	Forum where dispute is pending
The Central Excise Act, 1944	Duty of Excise	1.06	-	2002-03	Bombay High Court, Nagpur Bench
		5.70	2.50	2003-04 to 2005-06	
		0.51	-	March 2008-December 2010	
		59.34	5.90	1996- 97 and 2001-02 to 2009-10	Customs, Excise and Service Tax Appellate Tribunal
		29.44	-	1996-97 to 2002-03, 2004-05 to 2008-09 and 2011-12 to 2015-16	Commissioner of Central Excise and Customs (Appeals)
		6.66	0.05	1997-98 to 2012-13	Commissioner/ Assistant Commissioner/ Deputy Commissioner
Bombay Sales Tax Act,1959/ Central Sales Tax Act, 1956	Sales Tax	0.43	0.13	1998-99 to 1999-00	Joint Commissioner Sales Tax (Appeals), Nagpur
Maharashtra Value Added Tax Act, 2002	Value Added Tax	17.59	5.60	2008-09 to 2013-14	
Customs Act, 1962	Duty of Customs	214.25	-	2006-07	Supreme Court
		3.67	0.13	2014-15 and 2015-16	Customs, Excise and Service Tax Appellate Tribunal
		6.01	-	2006-07	Commissioner of Customs
		0.04	-	1997- 98 to 1998-99	Assistant Commissioner/ Deputy Commissioner
Finance Act, 1994	Service Tax	0.22	0.08	2004-05 to 2009-10	Customs, Excise and Service Tax Appellate Tribunal
		0.22	-	2002-03 to 2005-06	Commissioner, Nagpur
		0.93	0.01	2007-08, 2010-11 to 2013-14	Commissioner (Appeals), Nagpur
		0.31	-	1997-98, 2000-01 and 2010-11 to 2014-15	Assistant/ Deputy Commissioner Nagpur
Income tax Act, 1961 *	Income Tax	0.26	0.26	AY 2006-07	Commissioner of Income Tax (Appeals)
		0.33	-	AY 2017-18	Commissioner of Income Tax (Appeals)

*excluding cases where losses/unabsorbed depreciation have been adjusted by the tax authorities without raising any demands, though disputed by the Company.
including interest/penalties, where quantified and demanded by authorities.

(viii) According to the information and explanations given to us, the Company has not defaulted in the payment of loans or borrowing to the banks, except for delays in the repayment of term loans and dues (cash credit accounts) to banks. Details of delays and amount in default outstanding as at 31 March 2018 are given below:

Bank Name	Nature of loan	Total amount delayed (₹ Crores)	No of days	Amount outstanding as at 31 March 2018 (₹ Crores)
Cash Credit				
Bank of India	Overdue	549.15	1 to 56 days	141.00
HDFC Bank		155.46	1 to 77 days	-
Punjab National Bank		154.68	1 to 65 days	26.58
State Bank of India		385.52	1 to 66 days	0.72
Oriental Bank of Commerce		271.67	1 to 84 days	17.76
Axis Bank		148.41	1 to 72 days	5.07
Term Loan				
Bank of India	Overdue	10.00	1 to 37 days	-
State Bank of India		5.62	1 to 58 days	-
IKB Deutsche Bank		26.62	1 to 530 days	26.62

Further, there are no loans or borrowings from financial institutions or government and there are no dues to debenture holders during the year.

(ix) According to the information and explanations given to us, the term loan taken by the Company have been applied for the purposes for which they were raised. The Company has not raised any moneys by way of initial public offer or further public offer.

(x) According to the information and explanations given to us, no fraud by the Company or on the Company by its officers or employees has been noticed or reported during the year.

(xi) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the managerial remuneration has been paid/ provided in accordance with the provisions of section 197 read with Schedule V to the Companies Act, 2013 except ₹ 0.97 crores which had been paid as Managerial Remuneration by the Company to one of its directors for services rendered in excess of the amount approved by the Central Government vide approval SRN G02817724/2016-CL.VII respectively. The Company is awaiting approval of its submission filed under relevant rules.

(xii) According to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, the provisions of paragraph 3(xii) of the Order is not applicable.

(xiii) According to information and explanations given to us and on the basis of our examination of the records of the Company, all transactions with the related parties are in compliance with section 177 and 188 of the Act where applicable and the details have been disclosed in the standalone Ind AS financial statements, as required by the applicable accounting standards.

(xiv) According to information and explanations given to us, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, the provisions of paragraph 3(xiv) of the Order is not applicable.

(xv) According to information and explanations given to us, the Company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, the provisions of paragraph 3(xv) of the Order is not applicable.

(xvi) According to information and explanations given to us, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For **B S R and Associates**
Chartered Accountants
ICAI Firm Registration Number: 128901W

Jiten Chopra
Partner
Membership No.: 092894

Place: Gurugram
Date: 28 May 2018

ANNEXURE II REFERRED TO IN PARAGRAPH 8(II)(H) OF THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE IND AS FINANCIAL STATEMENTS OF INDO RAMA SYNTHETICS (INDIA) LIMITED FOR THE YEAR ENDED 31 MARCH 2018

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls with reference to financial statements of Indo Rama Synthetics (India) Limited ("the Company") as of 31 March 2018 in conjunction with our audit of the 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 with reference to financial statements 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 ('ICAI'). 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 Company's internal financial controls with reference to financial statements 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") and the Standards on Auditing, issued by ICAI and deemed to be 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 ICAI. 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 with reference to financial statements 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 with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, 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 with reference to financial statements.

Meaning of Internal Financial Controls with reference to Financial Statements

A company's internal financial control with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial statements and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to financial statements 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 with reference to Financial Statements

Because of the inherent limitations of internal financial controls with reference to financial statements, 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 with reference to financial statements to future periods are subject to the risk that the internal financial control with reference to financial statements 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 with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at 31 March 2018, based on the internal control over financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

For **B S R and Associates**
Chartered Accountants
ICAI Firm Registration Number: 128901W

Jiten Chopra
Partner
Membership No.: 092894

Place: Gurugram
Date: 28 May 2018

BALANCE SHEET

as at 31 March 2018

(All amounts in ₹ crores, except for share data and if otherwise stated)

	Note No.	As at 31 March 2018		As at 31 March 2017	
Assets					
[1] Non-current assets					
(a) Property, plant and equipment	3		839.72		898.02
(b) Capital work-in-progress	4		2.67		10.88
(c) Intangible assets	5		-		-
(d) Financial assets					
(i) Investments	6	-		-	
(ii) Loans	7	2.09		2.43	
(iii) Other financial assets	8	8.27	10.36	8.10	10.53
(e) Deferred tax assets (net)	9		95.90		54.08
(f) Other tax assets (net)	10		11.70		11.53
(g) Other non-current assets	11		15.79		11.42
			976.14		**996.46**
[2] Current assets					
(a) Inventories	12		116.21		194.58
(b) Financial assets					
(i) Investments	6	0.90		1.22	
(ii) Trade receivables	13	110.90		133.20	
(iii) Cash and cash equivalents	14	13.64		5.90	
(iv) Bank balances other than cash and cash equivalents	14.1	68.88		64.08	
(v) Loans	7	1.11		-	
(vi) Other financial assets	8	71.52	266.95	75.60	280.00
(c) Other current assets	11		137.97		136.74
			521.13		**611.32**
Total			**1,497.27**		**1,607.78**
Equity and liabilities					
[1] Equity					
(a) Equity share capital	15		151.82		151.82
(b) Other equity	15.1		267.86		349.88
			419.68		**501.70**
[2] Non-current liabilities					
(a) Financial liabilities					
(i) Borrowings	16	36.77		80.94	
(ii) Other financial liabilities	18	-	36.77	0.10	81.04
(b) Provisions	19		21.14		20.77
[3] Current liabilities					
(a) Financial liabilities					
(i) Borrowings	17	253.39		167.78	
(ii) Trade payables	20				
- Dues of micro enterprises and small enterprises		0.49		0.70	
- Other trade payable		623.32		703.38	
(iii) Other financial liabilities	18	100.75	977.95	88.67	960.53
(b) Other current liabilities	21		38.59		40.89
(c) Provisions	19		3.14		2.85
			1,077.59		**1,106.08**
Total			**1,497.27**		**1,607.78**
Significant accounting policies	2				

The accompanying notes 1 to 45 form an integral part of the Ind AS financial statements.

As per our report of even date attached

For **B S R and Associates**
Chartered Accountants
ICAI Firm registration number: 128901W

Jiten Chopra
Partner
Membership No.: 092894

Place: Gurugram
Date: 28 May 2018

For and on behalf of the Board of Directors of
Indo Rama Synthetics (India) Limited

Om Prakash Lohia
Chairman and Managing Director
DIN Number: 00206807

Ashok Kumar Ladha
Director
DIN Number: 00089360

Jayantk Sood
Company Secretary
ICSI Membership No.: FCS4482

Rajendra Kumar Gupta
Chief Financial Officer
ICAI Membership No.: 083783

Place: Gurugram
Date: 28 May 2018

STATEMENT OF PROFIT AND LOSS

for the year ended 31 March 2018

(All amounts in ₹ crores, except for share data and if otherwise stated)

	Note No.	Year ended 31 March 2018	Year ended 31 March 2017
Income			
Revenue from operations	22	2,313.70	2,701.05
Other income	23	3.74	28.52
Total income		**2,317.44**	**2,729.57**
Expenses			
Cost of materials consumed	24	1,572.89	1,923.78
Purchases of stock-in-trade		72.57	-
Changes in inventories of finished goods, work-in-progress and stock-in-trade	25	44.36	27.49
Excise duty on sales		58.06	233.01
Employee benefits expense	26	99.56	104.53
Other expenses	27	409.78	417.00
Expenses before finance costs, depreciation and amortisation, foreign exchange fluctuation and exceptional items		**2,257.22**	**2,705.81**
Profit before finance costs, depreciation and amortisation, foreign exchange fluctuation and exceptional items		**60.22**	**23.76**
Finance costs	28	94.37	91.08
Depreciation and amortisation expense	29	83.20	79.48
Foreign exchange fluctuation gain / (loss)		(0.15)	13.52
Profit / (loss) before exceptional items and tax		**(117.50)**	**(133.28)**
Exceptional items	43		
Others		(7.36)	(4.73)
Profit / (loss) before tax		**(124.86)**	**(138.01)**
Tax expense :	9		
Deferred tax credit		(42.17)	(53.98)
Total tax expenses		**(42.17)**	**(53.98)**
Profit / (loss) for the year		**(82.69)**	**(84.03)**
Other comprehensive income / (expense) (OCI)			
- Items that will not be reclassified to income / (expense)			
Remeasurement of defined benefit liability		1.02	(0.30)
Less / (add): Income tax relating to remeasurement of defined benefit liability	9	0.35	(0.10)
Other comprehensive income / (expense) for the year, net of tax		**0.67**	**(0.20)**
Total comprehensive income / (expense) for the year		**(82.02)**	**(84.23)**
Basic and diluted earnings / (loss) per equity share (in ₹) (Face value ₹10 each)	30	(5.45)	(5.53)
Significant accounting policies	2		

The accompanying notes 1 to 45 form an integral part of the Ind AS financial statements.

As per our report of even date attached

For **B S R and Associates**
Chartered Accountants
ICAI Firm registration number: 128901W

Jiten Chopra
Partner
Membership No.: 092894

Place: Gurugram
Date: 28 May 2018

For and on behalf of the Board of Directors of
Indo Rama Synthetics (India) Limited

Om Prakash Lohia
Chairman and Managing Director
DIN Number: 00206807

Ashok Kumar Ladha
Director
DIN Number: 00089360

Jayantk Sood
Company Secretary
ICSI Membership No.: FCS4482

Rajendra Kumar Gupta
Chief Financial Officer
ICAI Membership No.: 083783

Place: Gurugram
Date: 28 May 2018

CASH FLOW STATEMENT

for the year ended 31 March 2018

(All amounts in ₹ crores, except for share data and if otherwise stated)

	Year ended 31 March 2018	Year ended 31 March 2017
A. Cash flow from operating activities		
Profit / (loss) before tax	(124.86)	(138.01)
Acturial gain/(loss) on remeasurement through OCI	1.02	(0.30)
Depreciation/ amortisation of property, plant, equipment and intangible assets	83.20	79.48
Loss on sale/retirement of property plant and equipment	0.21	4.12
Finance cost	70.74	64.63
Interest income	(11.05)	(13.95)
Provision for doubtful debts and advances	9.35	-
Advances written off	0.86	-
Dividend income	(0.01)	(0.01)
Provision for diminution in the value of current investments	0.32	-
Profit on sale of investments (net)	-	(23.61)
Operating profit/(loss) before working capital changes	**29.78**	**(27.65)**
Decrease in trade receivables	12.88	64.89
Increase in financial assets - loans	(0.77)	(0.39)
Decrease in other financial assets	0.89	5.26
Increase in other assets	(5.27)	(22.77)
Decrease in inventories	78.37	62.13
Decrease in trade payables	(80.27)	(30.81)
Increase in provisions	0.66	1.87
Decrease in other financial liabilities	(5.73)	(1.05)
Decrease in other liabilities	(2.30)	(12.03)
Cash generated from operations before tax	**28.24**	**39.45**
Income taxes refund received/ (taxes paid) - (net)	(0.17)	(0.24)
Net cash flow from operating activities	**28.07**	**39.21**
B. Cash flow from investing activities		
Acquisition of property plant & equipment.	(13.17)	(77.22)
Recovery of loans from subsidiaries	-	15.88
Sale of property plant and equipment	-	0.03
Sale of investments in subsidiary	-	83.91
Movement in bank deposits (net) having originial maturity of more than 3 months	(4.12)	11.57
Interest received	11.45	18.40
Dividend received	0.01	0.01
Net cash (used in) / flow from investing activities	**(5.83)**	**52.58**

CASH FLOW STATEMENT

for the year ended 31 March 2018

(All amounts in ₹ crores, except for share data and if otherwise stated)

	Year ended 31 March 2018	Year ended 31 March 2017
C. Cash flow from financing activities		
Long-term borrowings repaid during the year	(32.14)	(34.50)
Long-term borrowings taken during the year	-	32.66
Short-term borrowings taken / (repaid) during the year (net)	85.61	(9.94)
Dividend paid	(0.03)	(15.11)
Taxes on dividend paid	-	(3.09)
Finance cost paid	(67.94)	(62.61)
Net cash used in financing activities	**(14.50)**	**(92.59)**
Net decrease in cash & cash equivalents	**7.74**	**(0.80)**
Opening balance of cash & cash equivalent	5.90	6.70
Closing balance of cash & cash equivalent	13.64	5.90
Note: Cash and cash equivalents as per the Cash Flow Statement comprise of the following:-		
i) Cash balance on hand	1.30	0.36
ii) Balance with banks :		
-In current accounts	12.34	4.47
-In fixed deposits	-	1.07
Total	**13.64**	**5.90**
See accounting policies 2		

1. The accompanying notes 1 to 45 form an integral part of the Ind AS financial statements.

2. The Cash Flow Statement has been prepared under the 'indirect method' as set out in Ind AS-7 "Statement of Cash Flows", as specified under section 133 of the Companies Act, 2013.

3. **Amendment to Ind AS 7**

   Effective 01 April 2017, the Company adopted the amendment to Ind AS 7, which require the entities to provide disclosures that enable users of financial statements to evaluate changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes, suggesting inclusion of a reconciliation between the opening and closing balances in the Balance Sheet for liabilities arising from financing activities, to meet the disclosure requirement. The adoption of amendment did not have any material impact on the financial statements. Refer note 16.

As per our report of even date attached

For **B S R and Associates**
Chartered Accountants
ICAI Firm registration number: 128901W

Jiten Chopra
Partner
Membership No.: 092894

Place: Gurugram
Date: 28 May 2018

For and on behalf of the Board of Directors of
Indo Rama Synthetics (India) Limited

Om Prakash Lohia
Chairman and Managing Director
DIN Number: 00206807

Ashok Kumar Ladha
Director
DIN Number: 00089360

Jayantk Sood
Company Secretary
ICSI Membership No.: FCS4482

Rajendra Kumar Gupta
Chief Financial Officer
ICAI Membership No.: 083783

Place: Gurugram
Date: 28 May 2018

STATEMENT OF CHANGES IN EQUITY

for the year ended 31 March 2018

(All amounts in ₹ crores, except for share data and if otherwise stated)

A. Equity share capital

Particulars	As at 31 March 2018	As at 31 March 2017
Balance at the beginning of the year	151.82	151.82
Changes in equity share capital during the year	-	-
Balance at the end of the year	**151.82**	**151.82**

B. Other equity

Particulars	Reserves and surplus				Total
	Capital reserve	Securities premium account	General reserve	Retained earnings	
Balance at 31 March 2016	20.38	166.22	58.13	207.65	452.38
Profit/(loss) for the year	-	-	-	(84.03)	(84.03)
Other comprehensive income for the year	-	-	-	(0.20)	(0.20)
Total comprehensive income for the year	**-**	**-**	**-**	**(84.23)**	**(84.23)**
Dividends	-	-	-	(15.18)	(15.18)
Dividend distribution tax	-	-	-	(3.09)	(3.09)
Balance at 31 March 2017	**20.38**	**166.22**	**58.13**	**105.15**	**349.88**
Profit/(loss) for the year	-	-	-	(82.69)	(82.69)
Other comprehensive income for the year	-	-	-	0.67	0.67
Total comprehensive income for the year	**-**	**-**	**-**	**(82.02)**	**(82.02)**
Balance at 31 March 2018	20.38	166.22	58.13	23.13	267.86
Significant accounting policies	2				

The accompanying notes 1 to 45 form an integral part of the Ind AS financial statements.
As per our report of even date attached

For **B S R and Associates**
Chartered Accountants
ICAI Firm registration number: 128901W

Jiten Chopra
Partner
Membership No.: 092894

Place: Gurugram
Date: 28 May 2018

For and on behalf of the Board of Directors of
Indo Rama Synthetics (India) Limited

Om Prakash Lohia
Chairman and Managing Director
DIN Number: 00206807

Ashok Kumar Ladha
Director
DIN Number: 00089360

Jayantk Sood
Company Secretary
ICSI Membership No.: FCS4482

Rajendra Kumar Gupta
Chief Financial Officer
ICAI Membership No.: 083783

Place: Gurugram
Date: 28 May 2018

NOTES

to the financial statements for the year ended 31 March 2018

1. General information

Indo Rama Synthetics (India) Limited (hereinafter referred to as 'the Company' or 'IRSL') is a company domiciled in India, with its registered office situated at A-31, MIDC Industrial Area, Butibori, Nagpur. The Company has been incorporated under the provisions of Indian Companies Act and its equity shares are listed on the National Stock Exchange (NSE) and Bombay Stock Exchange (BSE) in India. The Company's GDRs, each comprising eight underlying shares of the Company, which were listed with Luxembourg Stock Exchange have been delisted during the year w.e.f 16 October 2017. The Company is a manufacturer of polyester filament yarn (PFY), polyester staple fibre (PSF), draw texturised yarn (DTY), specialty fiber and chips. The Company is also engaged in power generation, which is used primarily for captive consumption.

The financial statements of the Company for the year ended 31 March 2018 were approved for issue in accordance with the resolution of the Board of Directors on 28 May 2018.

2. Significant accounting policies

a. Basis of preparation and presentation

These financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules, 2015 notified under Section 133 of Companies Act, 2013, (the 'Act') and other relevant provisions of the Act.

Effective April 1, 2016, the Company has adopted all the IND AS standards and the adoption is carried out in accordance with IND AS 101, First time adoption of Indian Accounting Standards, with April 1, 2015 as the transition date. The transition was carried out from Indian accounting principles generally accepted in India described under section 133 of the Act, read with rule 7 of the Companies (accounts) rules, 2014 (IGAAP), which was the previous GAAP.

These financial statements are presented in Indian Rupees (INR), which is also the Company's functional currency. All amounts have been rounded-off to the nearest crores and two decimals thereof, unless otherwise indicated.

Transactions and balances with values below the rounding off norm adopted by the Company have been reflected as "0" in the relevant notes in these financial statements.

The financial statements have been prepared on the historical cost basis except for the following items:

- Certain financial assets and liabilities (including derivatives instruments) are recorded at fair value.
- Net defined benefit liabilities are measured at present value of defined benefit obligation.

b. Use of estimates and judgements

The preparation of financial statements in conformity with Ind AS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income, expenses and other comprehensive income (OCI) that are reported and disclosed in the financial statements and accompanying notes. Actual results may differ from these estimates.

These estimates and judgment are based on the management's best knowledge of current events, historical experience, actions that the Company may undertake in the future and on various other estimates and judgments that are believed to be reasonable under the circumstances. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised prospectively. In particular, information about significant areas of estimation, uncertainty and critical judgments in applying accounting policies that have the most significant effect of the amounts recognized in the financial statements is included in the following notes:

- Note 9 – recognition of deferred tax assets: availability of future taxable profit against which tax losses carried forward can be used
- Note 32 – measurement of defined benefit obligations: key actuarial assumptions
- Note 3 and 4 - estimation of useful lives of property, plant and equipment and intangible assets

NOTES
to the financial statements for the year ended 31 March 2018

- Notes 37 and 39 – recognition and measurement of provisions and contingencies: key assumptions about the likelihood and magnitude of an outflow of resources

- Note 2(o) – impairment of financial and non-financial assets.

c. Current/ non-current classification

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 services 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 or non-current classification of assets and liabilities.

Assets

An asset is classified as current when it satisfies any of the following criteria:

1) It is expected to be realised in, or is intended for sale or consumption in, the company's normal operating cycle;

2) It is held primarily for the purpose of being traded;

3) It is expected to be realised within 12 months after the reporting date; or

4) It is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least 12 months after the reporting date.

Current assets include the current portion of non-current financial assets. All other assets are classified as non-current.

Liabilities

A liability is classified as current when it satisfies any of the following criteria:

1) It is expected to be settled in the company's normal operating cycle;

2) It is held primarily for the purpose of being traded;

3) It is due to be settled within 12 months after the reporting date; or

4) The company does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting date.

Current liabilities include current portion of non-current financial liabilities. All other liabilities are classified as non-current.

d. Property, plant and equipment

Recognition and measurement

Items of property, plant and equipment are measured at cost, which includes capitalised borrowing costs, less accumulated depreciation and accumulated impairment losses, if any. Cost of an item of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates, any directly attributable cost of bringing the item to its working condition for its intended use. The Company identifies and determines separate useful lives for each major component of the property, plant and equipment, if they have a useful life that is materially different from that of the asset as a whole.

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the Statement of Profit and Loss when the asset is derecognised.

Property, plant and equipment under construction and cost of assets not ready for use at the year-end are disclosed as capital work- in- progress.

Foreign currency exchange differences are capitalized as per the policy stated in note 2(h) below.

NOTES

to the financial statements for the year ended 31 March 2018

Subsequent expenditure

Subsequent expenditure related to an item of property, plant and equipment is added to its book value only if it increases the future benefits from the existing asset beyond its previously assessed standard or period of performance. All other expenses on existing property, plant and equipment, including day-today repairs, maintenance expenditure and cost of replacing parts, are charged to the Statement of Profit and Loss for the period during which such expenses are incurred.

Depreciation

Depreciation on property, plant and equipment is provided on the straight-line method over their estimated useful lives, as determined by the management. Depreciation is charged on a pro-rata basis for assets purchased/sold during the year.

Based on technical assessment made by technical expert and management estimate, the Company have assessed the estimated useful lives of certain property, plant and equipment are different from the useful life prescribed in Schedule II to the Companies Act, 2013. The management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used.

The estimated useful lives of items of property, plant and equipment are as follows:

Particulars	Management estimate of useful life	Useful life as per Schedule II
Building (factory buildings/ non factory buildings)	28 years/ 58 years	30 years/ 60 years
Plant and equipment (continuous process plant)	18 years/ 6 years	25 years/ 3 years
Furniture and fixtures	15 years	10 years
Vehicles	10 years	8 years
Office equipment	20 years	5 years

Leasehold improvements are amortised over the period of lease or their useful lives, whichever is shorter.

Assets costing less than ₹ 5,000 are fully depreciated over the period of one year from the date of purchase/ acquisition and such treatment did not have any material impact on financial statements of the Company for the current year.

Assets acquired under finance leases are depreciated over the shorter of the lease term or their useful lives on straight line basis (not being greater than the useful life envisaged in Schedule II to the Companies Act, 2013) unless it is reasonably certain that the Company will obtain ownership by the end of the lease term, in which case the depreciation rates applicable for similar assets owned by the Company are applied.

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.

e. Intangible assets

Recognition and measurement

Intangible assets includes software, that are acquired by the Company are measured initially at cost. After initial recognition, an intangible asset is carried at its cost less any accumulated amortisation and any accumulated impairment loss, if any.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the Statement of Profit and Loss when the asset is derecognised.

Subsequent expenditure

Subsequent expenditure related to an item of intangible asset is added to its book value only if it increases the future benefits from the existing asset beyond its previously assessed standard or period of performance. All other expenses are charged to the Statement of Profit and Loss for the period during which such expenses are incurred.

Amortisation

Intangible assets includes software that are amortised over the useful economic life of 3 years. The amortisation period and the amortisation method for an intangible

NOTES
to the financial statements for the year ended 31 March 2018

asset with a finite useful life are reviewed at least at the end of each reporting period.

f. Impairment

(i) Impairment of financial assets

The Company recognises loss allowance for expected credit losses on financial assets measured at amortised cost. At each reporting date, the Company assesses whether financial assets carried at amortised cost are credit impaired. A financial asset is 'credit impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Evidence that a financial asset is credit impaired includes the following observable data:

- significant financial difficulty of the debtor;
- a breach of contract such as a default in payment within the due date;
- the restructuring of a loan or advance by the entity on terms that the Company would not consider otherwise;
- it is probable that the debtor will enter bankruptcy or other financial reorganisation; or
- the disappearance of an active market for a security because of financial difficulties.

The Company measures loss allowances at an amount equal to lifetime expected credit losses. Loss allowances for trade receivables are always measured at an amount equal to lifetime expected credit losses. Lifetime expected credit losses are the expected credit losses that result from all possible default events over the expected life of a financial instrument.

In all cases, the maximum period considered when estimating expected credit losses is the maximum contractual period over which the Company is exposed to credit risk.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating expected credit losses, the Company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Company's historical experience and informed credit assessment and including forward looking information. The Company considers a financial asset to be in default when the debtor is unlikely to pay its credit obligations to the Company in full, without recourse by the Company to actions such as realising security (if any) is held.

Measurement of expected credit losses

Expected credit losses are a probability weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the Company in accordance with the contract and the cash flows that the Company expects to receive).

Presentation of allowance for expected credit losses in the balance sheet

Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets.

Write-off

The gross carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Company determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Company's procedures for recovery of amounts due.

(ii) Impairment of non-financial assets

The Company's non-financial assets, other than inventories and deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. For impairment testing, assets that do not generate independent cash inflows are grouped together into cash-generating units (CGUs). Each CGU represents the smallest group of assets that

NOTES

to the financial statements for the year ended 31 March 2018

generates cash inflows that are largely independent of the cash inflows of other assets or CGUs.

The recoverable amount of a CGU (or an individual asset) is the higher of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, 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 CGU (or the asset).

An impairment loss is recognised if the carrying amount of an asset or CGU exceeds its estimated recoverable amount. Impairment losses are recognised in the Statement of Profit and Loss. Impairment loss recognised in respect of a CGU is allocated to reduce the carrying amounts of the assets of the CGU (or group of CGUs) on a pro rata basis.

In respect of assets for which impairment loss has been recognised in prior periods, the Company reviews at each reporting date whether there is any indication that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. Such a reversal is made only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

g. Inventories

Inventories are measured at the lower of cost and net realisable value. The cost of inventories is calculated on weighted average basis, and includes expenditure incurred in acquiring the inventories, production or conversion costs and other costs incurred in bringing them to their present location and condition. In the case of manufactured inventories and work-in-progress, cost includes an appropriate share of fixed production overheads based on normal operating capacity.

Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and selling expenses. The net realisable value of work-in-progress is determined with reference to the selling prices of related finished products.

Raw materials, components and other supplies held for use in the production of finished products are not written down below cost except in cases where material prices have declined and it is estimated that the cost of the finished products will exceed their net realisable value.

The comparison of cost and net realisable value is made on an item-by-item basis.

h. Foreign exchange transactions

Transactions in foreign currencies are translated at the exchange rates at the dates of the transactions or an average rate if the average rate approximates the actual rate at the date of the transaction.

All monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate at the reporting date. Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated into the functional currency at the exchange rate when the fair value was determined. Non-monetary assets and liabilities if any that are measured based on historical cost in a foreign currency are translated at the exchange rate at the date of the transaction.

All exchange differences except those relating to long-term monetary foreign currency items are dealt with in the Statement of Profit and Loss. Exchange differences in respect of long-term monetary foreign currency items prior to 1 April 2016, are added to or deducted from the cost of asset and are depreciated over the balance life of the asset.

i. Employee benefits

i. Short-term employee benefits

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognised for the amount expected to be paid e.g., under short-term cash bonus, if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee, and the amount of obligation can be estimated reliably.

NOTES
to the financial statements for the year ended 31 March 2018

ii. Defined contribution plans

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. The Company makes specified monthly contributions towards Government administered provident fund scheme. Obligations for contributions to defined contribution plans are recognised as an employee benefit expense in Statement of Profit and Loss in the periods during which the related services are rendered by employees.

Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in future payments is available.

iii. Defined benefit plans

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. The Company's net obligation in respect of defined benefit plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in the current and prior periods, discounting that amount and deducting the fair value of any plan assets.

The calculation of defined benefit obligation is performed annually by a qualified actuary using the projected unit credit method.

Remeasurements of the net defined benefit liability, which comprise actuarial gains and losses, are recognised in OCI. The Company determines the net interest expense (income) on the net defined benefit liability or the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period to the then net defined benefit liability, taking into account any changes in the net defined benefit liability during the period as a result of contributions and benefit payments. Net interest expense and other expenses related to defined benefit plans are recognised in Statement of Profit and Loss.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service ('past service cost' or 'past service gain') or the gain or loss on curtailment is recognised immediately in Statement of Profit and Loss. The Company recognises gains and losses on the settlement of a defined benefit plan when the settlement occurs.

iv. Other long-term employee benefits

Entitlements to annual leave are recognised when they accrue to employees. Leave entitlements may be availed while in service or encashed at the time of retirement/termination of employment, subject to a restriction on the maximum number of accumulation. The Company determines the liability for such accumulated leave entitlements on the basis of actuarial valuation carried out by an independent actuary at the year end.

j. Revenue

i. Sale of goods

Revenue from sale of products in the course of ordinary activities is measured at the fair value of the consideration received or receivable, net of returns, trade discounts, and volume rebates.

Revenue is recognised when the significant risks and rewards of ownership have been transferred to the buyer, recovery of the consideration is probable, the associated costs and possible return of goods can be estimated reliably, there is no continuing effective control over or managerial involvement with, the goods, and the amount of revenue can be measured reliably. Where the payment extends beyond normal credit period interest is recovered separately.

Sales are stated inclusive of excise duty.

ii. Insurance claims

Insurance claims are accounted for on an accrual basis, to the extent these are measurable and ultimate collection is reasonably certain (Also refer to note 39).

iii. Interest income

Interest income is recognised on a time proportion basis taking into account the amount outstanding and the interest rate applicable.

NOTES

to the financial statements for the year ended 31 March 2018

k. Borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in Statement of Profit and Loss over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down.

Borrowings are removed from the balance sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in Statement of Profit and Loss as other gains/(losses).

Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period. Where there is a breach of a material provision of a long-term loan arrangement on or before the end of the reporting period with the effect that the liability becomes payable on demand on the reporting date, the entity does not classify the liability as current, if the lender agreed, after the reporting period and before the approval of the financial statements for issue, not to demand payment as a consequence of the breach.

l. Borrowing cost

Borrowing cost are interest and other costs incurred in connection with borrowing of funds. Borrowing costs directly attributable to acquisition or construction of qualifying assets are capitalized as part of the cost of such assets to the extent that they relate to the period till such assets are ready to be put to use. Qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use. All other borrowing costs are recognised as expense in the period in which they are incurred.

m. Government grants

Government grants are recognised where there is reasonable assurance that the grant will be received and all attached conditions will be complied with. When the grant relates to an expense item, it is recognised as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed.

n. Leases

A lease is classified at the inception date as a finance lease or an operating lease. Leases under which the company assumes substantially all the risks and rewards of ownership are classified as finance leases. When acquired, such assets are capitalized at fair value or present value of the minimum lease payments at the inception of the lease, whichever is lower.

Lease payments under operating leases are recognised as an expense on a straight line basis in the Statement of Profit and Loss over the lease term unless such payments are structured to increase in line with expected general inflation to compensate for lessor's expected inflationary cost increases.

o. Financial instruments

i. Recognition and initial measurement

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability of another entity. Trade receivables are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognised when the Company becomes a party to the contractual provisions of the instrument. A financial asset or financial liability is initially measured at fair value plus, for an item not at fair value through profit and loss (FVTPL), transaction costs that are directly attributable to its acquisition or issue.

ii. Classification and subsequent measurement

Financial assets

On initial recognition, a financial asset is classified as measured at amortised cost or at FVTPL. Financial assets are not reclassified subsequent to their initial

NOTES
to the financial statements for the year ended 31 March 2018

recognition, except if and in the period the Company changes its business model for managing financial assets.

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

– the asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and

– the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets are not reclassified subsequent to their initial recognition, except if and in the period the Company changes its business model for managing financial assets.

All financial assets not classified as measured at amortised cost as described above are measured at FVTPL. This includes all derivative financial assets. On initial recognition, the Company may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Financial assets: Business model assessment

The Company makes an assessment of the objective of the business model in which a financial asset is held at a portfolio level because this best reflects the way the business is managed and information is provided to management. The information considered includes:

– the stated policies and objectives for the portfolio and the operation of those policies in practice. These include whether management's strategy focuses on earning contractual interest income, maintaining a particular interest rate profile, matching the duration of the financial assets to the duration of any related liabilities or expected cash outflows or realising cash flows through the sale of the assets;

– how the performance of the portfolio is evaluated and reported to the Company's management;

– the risks that affect the performance of the business model (and the financial assets held within that business model) and how those risks are managed;

– how managers of the business are compensated – e.g. whether compensation is based on the fair value of the assets managed or the contractual cash flows collected; and

– the frequency, volume and timing of sales of financial assets in prior periods, the reasons for such sales and expectations about future sales activity.

Transfers of financial assets to third parties in transactions that do not qualify for derecognition are not considered sales for this purpose, consistent with the Company's continuing recognition of the assets.

Financial assets that are held for trading or are managed and whose performance is evaluated on a fair value basis are measured at FVTPL.

Financial assets: Assessment whether contractual cash flows are solely payments of principal and interest

For the purposes of this assessment, 'principal' is defined as the fair value of the financial asset on initial recognition. 'Interest' is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs (e.g. liquidity risk and administrative costs), as well as a profit margin.

In assessing whether the contractual cash flows are solely payments of principal and interest, the Company considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition. In making this assessment, the Company considers:

– contingent events that would change the amount or timing of cash flows;

– terms that may adjust the contractual coupon rate, including variable interest rate features;

NOTES

to the financial statements for the year ended 31 March 2018

– prepayment and extension features; and

– terms that limit the Company's claim to cash flows from specified assets (e.g. non recourse features).

A prepayment feature is consistent with the solely payments of principal and interest criterion if the prepayment amount substantially represents unpaid amounts of principal and interest on the principal amount outstanding. Additionally, for a financial asset acquired at a significant discount or premium to its contractual par amount, a feature that permits or requires prepayment at an amount that substantially represents the contractual par amount plus accrued (but unpaid) contractual interest is treated as consistent with this criterion if the fair value of the prepayment feature is insignificant at initial recognition. Financial assets at amortised cost are measured at amortised cost using the effective interest method. Interest income recognised in Statement of Profit and Loss.

Subsequent measurement and gains and losses

Financial assets at FVTPL	These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in Statement of Profit and Loss
Financial assets at amortised cost	These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in Statement of Profit and Loss. Any gain or loss on derecognition is recognised in Statement of Profit and Loss.

Financial liabilities

Financial liabilities are classified as measured at amortised cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held for trading. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in Statement of Profit and Loss. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in Statement of Profit and Loss. Any gain or loss on derecognition is also recognised in Statement of Profit and Loss.

iii. Derecognition

Financial assets

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Company neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset. If the Company enters into transactions whereby it transfers assets recognised on its balance sheet, but retains either all or substantially all of the risks and rewards of the transferred assets, the transferred assets are not derecognised.

Financial liabilities

The Company derecognises a financial liability when its contractual obligations are discharged or cancelled, or expire. The Company also derecognises a financial liability when its terms are modified and the cash flows under the modified terms are substantially different. In this case, a new financial liability based on the modified terms is recognised at fair value. The difference between the carrying amount of the financial liability extinguished and the new financial liability with modified terms is recognised in Statement of Profit and Loss.

iv. Derivative financial instruments

Foreign exchange forward contracts are purchased to mitigate the risk of changes in foreign exchange rates associated with forecast transactions denominated in certain foreign currencies. The Company recognizes all derivatives as assets or liabilities measured at their fair value. The changes by marked to market then at each reporting date and the related gains (losses) are recognised in the Statement of Profit and Loss.

v. Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis to realise the assets and settle the liabilities simultaneously.

p. Measurement of fair values

In determining the fair value of its financial instruments, the Company uses a variety of methods and assumptions

NOTES
to the financial statements for the year ended 31 March 2018

that are based on market conditions and risks existing at each reporting date. All methods of assessing fair value result in general approximation of value, and such value may never actually be realised.

Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows.

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.

- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs)

When measuring the fair value of an asset or a liability, the Company uses observable market data as far as possible. If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Company recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

q. Cash and cash equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand, which are not subject to risk of changes in value. Also for the purpose of the statement of cash flows, cash and cash equivalents consist of cash at banks and on hand.

r. Earning per share

Basic earning per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the year.

For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

s. Provisions, contingent liabilities and contingent assets

A provision is recognised if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future obligation at pre-tax rate that reflects current market assessments of the time value of money risks specific to liability. They are not discounted where they are assessed as current in nature. Provisions are not made for future operating losses.

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly with in the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or reliable estimate of the amount cannot be made. Contingent assets are disclosed in the financial statements.

Provisions, contingent liabilities and contingent assets and commitments are reviewed at each balance sheet date.

t. Business combinations under common control

Business combinations arising from transfers of interests in entities that are under the control of the shareholder that controls the Company are accounted for as if the acquisition had occurred at the beginning of the earliest comparative period presented or, if later, at the date that common control was established; for this purpose comparatives are revised.

Business combinations involving entities or businesses under common control are accounted for using the pooling

NOTES

to the financial statements for the year ended 31 March 2018

of interests method. Under pooling of interests method, the asset and liabilities of the combining entities are reflected at their carrying amounts, the only adjustments that are made are to harmonise accounting policies. The identity of the reserves is preserved and they appear in the financial statements of the Company in the same form in which they appeared in the financial statements of the previous entity. The difference, if any, between the consideration and the amount of share capital of the acquired entity is transferred to capital reserve.

u. Taxation

Income tax comprises current and deferred tax. It is recognised in Statement of Profit and Loss except to the extent that it relates to a business combination or to an item recognised directly in equity or in other comprehensive income.

i. Current tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax reflects the best estimate of the tax amount expected to be paid or received after considering the uncertainty, if any, related to income taxes. It is measured using tax rates (and tax laws) enacted or substantively enacted by the reporting date.

Current tax assets and current tax liabilities are offset only if there is a legally enforceable right to set off the recognised amounts, and it is intended to realise the asset and settle the liability on a net basis or simultaneously.

ii. Deferred tax

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the corresponding amounts used for taxation purposes. Deferred tax is also recognised in respect of carried forward tax losses and tax credits.

Deferred tax assets are recognised to the extent that it is probable that future taxable profits will be available against which they can be used. The existence of unused tax losses is strong evidence that future taxable profit may not be available. Therefore, in case of a history of recent losses, the Company recognises a deferred tax asset only to the extent that it has sufficient taxable temporary differences or there is convincing other evidence that sufficient taxable profit will be available against which such deferred tax asset can be realised. Deferred tax assets – unrecognised or recognised, are reviewed at each reporting date and are recognised/ reduced to the extent that it is probable/ no longer probable respectively that the related tax benefit will be realised.

Deferred tax is measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on the laws that have been enacted or substantively enacted by the reporting date.

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

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

v. Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker.

The Company's Board of Directors assesses the financial performance and position of the Company, and makes strategic decision. The Board has been identified as the chief operating decision maker. The Company's business activity are organised and managed separately according to the nature of the products, with each segment representing a strategic business unit that offers different products and serves different market. The Company prepares its segment information in conformity with the accounting policies adopted for preparing and presenting the financial statement of the company as a whole. Refer note 33 for segment information presented.

NOTES

to the financial statements for the year ended 31 March 2018

w. Recent accounting pronouncements

Standards issued but not yet effective

(i) Appendix B to Ind AS 21, Foreign currency transactions and advance consideration: On 28 March 2018, Ministry of Corporate Affairs ("MCA") has notified the Companies (Indian Accounting Standards) Amendment Rules, 2018 containing Appendix B to Ind AS 21, Foreign currency transactions and advance consideration which clarifies the date of the transaction for the purpose of determining the exchange rate to use on initial recognition of the related asset, expense or income, when an entity has received or paid advance consideration in a foreign currency. The amendment will come into force from 1 April 2018. The Company has evaluated the effect of this on the financial statements and is of the view that no change in accounting policy is required and the impact is not material.

(ii) Ind AS 115- Revenue from Contracts with Customers: On 28 March 2018, Ministry of Corporate Affairs ("MCA") has notified the Ind AS 115, Revenue from Contract with Customers. The core principle of the new standard is that an entity should recognise revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. Under Ind AS 115, an entity recognises revenue when (or as) a performance obligation is satisfied, i.e. when 'control' of the goods or services underlying the particular performance obligation is transferred to the customer. Moreover, the new standard requires enhanced disclosures about the nature, amount, timing and uncertainty of revenue and cash flows arising from the entity's contracts with customers. The effective date for adoption of Ind AS 115 is financial periods beginning on or after 1 April 2018. The Company will adopt the standard on 1 April 2018 by using the cumulative catch-up transition method as defined under standard and accordingly, comparatives for the year ending or ended 31 March 2018 will not be retrospectively adjusted. While, the Company is in the process of implementing Ind AS 115 on financial statement, it is of the view that there will not be any significant change in its revenue recognition policy and the impact of the same will not be material.

NOTES

to the financial statements for the year ended 31 March 2018

3. Property, plant and equipment

See accounting policy in note 2(d)

Reconciliation of carrying amount

(All amounts in ₹ crores, except for share data and if otherwise stated)

	Freehold land	Leasehold land	Buildings	Leasehold improvements	Plant and equipment	Furniture and Fixtures	Vehicles	Office equipments	Total
A. Gross carrying amount									
Balance as at 31 March 2016	0.16	2.89	106.85	1.27	887.19	2.20	3.06	5.04	1,008.66
Additions	-	-	-	-	44.70	0.02	2.10	0.37	47.19
Disposals (refer foot note 1)	-	-	-	-	4.41	0.08	0.31	0.29	5.09
Balance as at 31 March 2017	**0.16**	**2.89**	**106.85**	**1.27**	**927.48**	**2.14**	**4.85**	**5.12**	**1,050.76**
Additions (refer foot note 2)	-	-	0.09	-	20.77	0.79	-	3.47	25.12
Disposals	-	-	-	-	-	0.04	0.09	0.14	0.27
Balance as at 31 March 2018	**0.16**	**2.89**	**106.94**	**1.27**	**948.25**	**2.89**	**4.76**	**8.45**	**1,075.61**
B. Accumulated depreciation									
Balance as at 31 March 2016	**-**	**0.04**	**3.78**	**0.36**	**68.52**	**0.15**	**0.46**	**0.58**	**73.89**
Depreciation charge for the year	-	0.04	3.77	0.37	73.90	0.20	0.57	0.63	79.48
Disposals	-	-	-	-	0.16	0.03	0.27	0.17	0.63
Balance as at 31 March 2017	**-**	**0.08**	**7.55**	**0.73**	**142.26**	**0.32**	**0.76**	**1.04**	**152.74**
Depreciation charge for the year	-	0.04	3.78	0.36	76.84	0.18	0.52	1.48	83.20
Disposals	-	-	-	-	-	0.01	0.02	0.02	0.05
Balance as at 31 March 2018	**-**	**0.12**	**11.33**	**1.09**	**219.10**	**0.49**	**1.26**	**2.50**	**235.89**
Net carrying value									
As at 31 March 2017	**0.16**	**2.81**	**99.30**	**0.54**	**785.22**	**1.82**	**4.09**	**4.08**	**898.02**
As at 31 March 2018	**0.16**	**2.77**	**95.61**	**0.18**	**729.15**	**2.40**	**3.50**	**5.95**	**839.72**

Notes:

1. Disposal to plant and equipment include gain on foreign exchange fluctuation on long term monetary items for purchase of property, plant and equipment amounting to ₹ Nil (previous year ₹ 3.66 crores).
2. Additions to plant and equipment include loss on foreign exchange fluctuation on long term monetary items for purchase of property, plant and equipment amounting to ₹ 6.23 crores (previous year ₹ Nil).
3. Charge is created over property, plant and equipment in respect of long term and short term borrowings taken by the Company, refer note 16 and 17.

NOTES
to the financial statements for the year ended 31 March 2018

(All amounts in ₹ crores, except for share data and if otherwise stated)

4. Capital work-in-progress
See accounting policy in note 2(d)

Reconciliation of carrying amount

Software	As at 31 March 2018	As at 31 March 2017
Opening balance	10.88	16.50
Additions	12.19	40.13
Addition pursuant to common control business combination	-	4.73
Transfer to property, plant and equipment	(20.40)	(45.75)
Impairment during the year	-	(4.73)
Closing balance	**2.67**	**10.88**

Captial work-in-progress includes property, plant and equipment under construction installation and cost of asset not ready for use as at year end.

5. Intangible assets
See accounting policy in note 2(e)

Reconciliation of carrying amount

Software	As at 31 March 2018	As at 31 March 2017
A. Gross carrying amount		
Opening balance	0.05	0.05
Additions	-	-
Disposals	-	-
Closing balance	**0.05**	**0.05**
B. Accumulated amortisation		
Opening balance	0.05	0.05
Charge for the year	-	-
Disposals	-	-
Closing balance	**0.05**	**0.05**

	As at 31 March 2018	As at 31 March 2017
Net carrying value	-	-

NOTES

to the financial statements for the year ended 31 March 2018

(All amounts in ₹ crores, except for share data and if otherwise stated)

6. Investments

See accounting policy in note 2(o)

	As at 31 March 2018	As at 31 March 2017
A. Non-current investments		
Unquoted equity shares		
Equity share at FVTPL		
15,00,000 (31 March 2017: 15,00,000) equity shares of Ritspin Synthetics Limited (₹10 each, fully paid up)	1.50	1.50
Less: Provision for impairment in the value of investment	(1.50)	(1.50)
	-	-
Aggregate amount of unquoted investments	-	-
Aggregate amount of impairment in value of investments	1.50	1.50

	As at 31 March 2018	As at 31 March 2017
B. Current investments at FVTPL		
Quoted equity shares		
52,501 (31 March 2017: 52,501) equity shares of Optel Telecommunications Limited (₹10 each, fully paid up)	-*	-*
7,08,400 (31 March 2017: 7,08,400) equity shares of Sanghi Polyesters Limited (₹10 each, fully paid up)	-*	-*
10 (31 March 2017: 10) equity shares of Reliance Industries Limited (₹10 each, fully paid up)	-**	-**
72,601 (31 March 2017: 72,601) equity shares of Balasore Alloys Limited (₹5 each, fully paid up)	0.34	0.50
	0.34	**0.50**
Quoted preference shares		
8,92,000 (31 March 2017: 8,92,000) 0.01% cumulative redeemable preference of JSW Steel Limited (₹10 each, fully paid up)	0.56	0.72
	0.90	**1.22**
Aggregate amount of quoted investments	1.69	1.69
Market value of quoted investments	0.90	1.22

* Fair value of the investments are ₹ Nil (31 March 2017: ₹ Nil)

**₹ 8,816 (31 March 2017: ₹13,209), amount in absolute rupees.

NOTES
to the financial statements for the year ended 31 March 2018

(All amounts in ₹ crores, except for share data and if otherwise stated)

7. Loans
See accounting policy in note 2(o)

	Non-current		Current	
	As at 31 March 2018	As at 31 March 2017	**As at 31 March 2018**	As at 31 March 2017
Unsecured considered good, unless otherwise stated				
Security deposits	2.09	2.43	1.11	-
	2.09	**2.43**	**1.11**	**-**

8. Other financial assets
See accounting policy in note 2(o)

	Non-current		Current	
	As at 31 March 2018	As at 31 March 2017	**As at 31 March 2018**	As at 31 March 2017
Surrender value of keyman insurance	7.31	6.43	-	-
Claims and other receivables	-	-	68.89	65.67
Forward cover receivable	-	-	-	5.84
Interest accrued on deposits	-	-	1.43	2.47
Fixed deposits (due to mature more than twelve months on the reporting date) #	0.27	0.98	-	-
Other advances	0.69	0.69	-	-
Advance to employees	-	-	1.20	1.62
	8.27	**8.10**	**71.52**	**75.60**

Pledged with bank for credit limits.

9. Income tax
See accounting policy in note 2(u)

A. Recognition of deferred tax assets and liabilities

	Deferred tax assets		Deferred tax (liabilities)		Net deferred tax assets (liabilities)	
	As at		As at		As at	
	31 March 2018	31 March 2017	**31 March 2018**	31 March 2017	**31 March 2018**	31 March 2017
Property, plant and equipment	-	-	(175.09)	(183.45)	(175.09)	(183.45)
Investment at FVTPL	0.99	0.88	-	-	0.99	0.88
Employee benefit	5.21	4.99	-	-	5.21	4.99
Provision for doubtful debts and advances	5.28	2.05	-	-	5.28	2.05
Brought forward business loss	32.66	25.61	-	-	32.66	25.61
Brought forward unabsorbed depreciation	223.32	203.83	-	-	223.32	203.83
Other items	3.67	0.24	(0.14)	(0.07)	3.53	0.17
	271.13	**237.60**	**(175.23)**	**(183.52)**	**95.90**	**54.08**
Offsetting of deferred tax assets and deferred tax liabilities	(175.23)	(183.52)	175.23	183.52	-	-
Net deferred tax assets	**95.90**	**54.08**	**-**	**-**	**95.90**	**54.08**

NOTES

to the financial statements for the year ended 31 March 2018

(All amounts in ₹ crores, except for share data and if otherwise stated)

B. Movement in temporary differences

	As at 31 March 2018	As at 31 March 2017
Opening balance of deferred tax asset (liability) (refer note 41)	54.08	-
Tax income during the period recognised in profit or loss (refer note 41)	42.17	53.98
Tax income/(expense) during the period recognised in OCI	(0.35)	0.10
Closing balance of deferred tax asset (liability)	**95.90**	**54.08**

C. Unrecognised deferred tax assets

	As at 31 March 2018		As at 31 March 2017	
	Gross amount	Unrecognised tax effect	Gross amount	Unrecognised tax effect
Brought forward unabsorbed depreciation	491.85	170.23	489.07	169.26

Deferred tax assets have not been recognised in respect of above items, because it is not probable that future taxable profits will be available against which the Company can use the benefits therefrom.

D. Effective tax rate

	As at 31 March 2018		As at 31 March 2017	
	Percentage (%)	Amount	Percentage (%)	Amount
Loss before tax including OCI	-	(124.19)	-	(138.21)
Tax expense as per statutory income tax rate	34.61%	(95.90)	34.61%	(47.83)
DTA recognised against temporary differences of previous years for which DTA was not recognised in previous years (refer note 41)	-	-	-	-
DTA arising due to indexation benefit on sale of shares	-	-	4.56%	(6.30)
Net tax impact on deduction/ disallowances/ taxable income as per Income Tax Act 1961	-	-	-(0.04%)	0.05
Income tax reported in statement of profit and loss and effective tax rate	**34.61%**	**(95.90)**	**39.13%**	**(54.08)**

10. Other tax assets (net)

	As at 31 March 2018	As at 31 March 2017
Non-current		
Advance tax [net of provisions of ₹106.42 crores (31 March 2017: ₹106.42 crores)]	11.70	11.53
	11.70	**11.53**

NOTES
to the financial statements for the year ended 31 March 2018

(All amounts in ₹ crores, except for share data and if otherwise stated)

11. Other assets

	Non-current		Current	
	As at 31 March 2018	As at 31 March 2017	**As at 31 March 2018**	As at 31 March 2017
Capital advances	1.33	0.51	-	-
Claims and other receivables	13.97	10.89	88.88	81.24
Customs and excise duties	-	-	-	22.84
GST receivable	-	-	9.48	-
Prepaid expenses	-	-	4.83	4.34
National Savings Certificates VIth issue (pledged with sales tax authorities) *	-*	-*	-	-
Advance rent	0.49	0.02	0.11	0.06
Advances to vendors	2.84	2.84	34.67	28.26
Less: provision for doubtful advances	(2.84)	(2.84)	-	-
	15.79	**11.42**	**137.97**	**136.74**

* ₹ 4,000 (31 March 2017: ₹ 4,000), amount in absolute rupees.

12. Inventories
See accounting policy in notes 2(g)

	As at 31 March 2018	As at 31 March 2017
Raw materials [include in transit ₹5.40 crores (31 March 2017: ₹44.09 crores)]*	27.40	68.96
Work-in-progress*	6.82	15.73
Finished goods*[include in transit ₹17.60 crores (31 March 2017: ₹18.18 crores)]	53.50	87.48
Stores and spares # [include in transit ₹0.14 crores (31 March 2017: ₹0.01 crores)]	20.97	13.96
Packing material #	2.77	3.28
Waste $	3.70	5.17
Stock-in-trade	1.05	-
	116.21	**194.58**

* valued at the lower of cost and net realisable value. The inventories were reduced by ₹1.17 crores (31 March 2017: ₹ 5.28 crores) on account of net realisable value being lower than the cost.
# valued at cost or under
$ at realisable value
The carrying amount of inventories is pledged as security for borrowings (refer note 16 and 17).

13. Trade receivables
See accounting policy in notes 2(o)

	As at 31 March 2018	As at 31 March 2017
Unsecured, considered good	110.90	133.20
Doubtful	12.43	3.08
	123.33	**136.28**
Less: allowance for doubtful debts	(12.43)	(3.08)
	110.90	**133.20**

NOTES
to the financial statements for the year ended 31 March 2018

(All amounts in ₹ crores, except for share data and if otherwise stated)

All the trade receivables are due immediately. In case of delay beyound 10 days, the interest is generally recovered at the rate of 18% upto 30 days from the date of invoice and if the delay is beyond 30 days, it is recovered at the rate of 24% from the date of invoice. Average recovery rate of interest from overdue trade receivables in past years was 12-14%.

The Company's exposure to credit and currecy risks and loss allowances related to trade receivables are disclosed in note 31.

The trade receivables are also pledged as security towards borrowings (refer note 16 and 17)

14. Cash and cash equivalents

See accounting policy in notes 2(q)

	As at 31 March 2018	As at 31 March 2017
Balance with banks		
Current accounts	12.34	4.47
Fixed deposits (due to mature within three months of the reporting date)	-	1.07
Cash on hand	1.30	0.36
	13.64	**5.90**

14.1 Bank balances other than cash and cash equivalents

	As at 31 March 2018	As at 31 March 2017
Fixed deposits (due to mature within twelve months of the reporting date) #	57.80	52.97
Balance with banks		
Unpaid dividend $	0.43	0.46
Margin money accounts **	10.65	10.65
	68.88	**64.08**

Pledged with bank for credit limits (refer note 17)
$ Earmarked against the corresponding provision.
** Pledged with banks for non fund based limits.

15. Equity share capital

	As at 31 March 2018	As at 31 March 2017
Authorised		
23,51,00,000 (31 March 2017 : 23,51,00,000) equity shares of ₹10 each	235.10	235.10
Issued, subscirbed and fully paid up		
15,18,22,242 (31 March 2017 : 15,18,22,242) equity shares of ₹10 each fully paid-up	151.82	151.82
	151.82	**151.82**

Notes:

1. During the current year and in the previous years, there have been no movements in the number of outstanding equity shares.

2. The Company has only one class of equity shares, having a par value of ₹10 each. Each shareholder is eligible to one vote per share held, except for shares held against Global Depository Receipts (GDR). The dividend proposed, if any, by the Board

NOTES
to the financial statements for the year ended 31 March 2018

(All amounts in ₹ crores, except for share data and if otherwise stated)

of Directors is subject to approval of shareholders in the ensuing Annual General Meeting, except in case of interim dividend. The repayment of equity share capital in the event of liquidation and buy back of shares are possible subject to prevalent regulations. In the event of liquidation, normally the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

3. Shares in the Company held by each shareholder holding more than 5% (also refer note 4 below) are as under:

Names	As at 31 March 2018		As at 31 March 2017	
	Number of shares	% of shares held	Number of shares	% of shares held
Brookgrange Investments Limited	5,35,64,057	35.28	5,04,96,057	33.26
Mr.O.P. Lohia (Chairman and Managing Director)	3,79,84,000	25.02	3,79,84,000	25.02
Mrs.Urmila Lohia	1,81,84,518	11.98	1,81,84,518	11.98
APMS Investment Fund Limited	1,26,52,175	8.33	1,26,52,175	8.33
	12,23,84,750	**80.61**	**11,93,16,750**	**78.59**

4. Equity shares of ₹10 each include, 31 March 2018 Nil (31 March 2017 : 3,082,560) equity shares (representing Nil (31 March 2017 : 2.03%) of total number of shares), outstanding against Global Depository Receipts (GDR), each GDR comprising 8 underlying fully paid up equity shares of ₹10 each, outstanding against Nil GDRs (31 March 2017 : 385,320). Since, the same were held by depository, details of individual beneficiaries was not available with the Company. During the current year, these GDRs have been duly converted into equity shares and the Depository Agreement entered into between the Company and the Bank of New York Mellon (the "Depository") has been terminated and accordingly the GDR's program/facility, has been de-listed from the Luxembourg Stock Exchange with effect from 16 October 2017.

5. The Company does not have any holding/ultimate holding company.

15.1. Other equity

	As at 31 March 2018	As at 31 March 2017
a. Capital reserve		
As at the beginning and at the end of the year	20.38	20.38
b. Securities premium account		
As at the beginning and at the end of the year	166.22	166.22
c. General reserve		
As at the beginning and at the end of the year	58.13	58.13
d. Retained earning		
Opening balance	105.15	207.65
Profit / (loss) for the year	(82.69)	(84.03)
Remeasurement of defined employee benefit plans	0.67	(0.20)
Less: Dividend	-	(15.18)
Less: Dividend distribution tax	-	(3.09)
Closing Balance	23.13	105.15
	267.86	**349.88**

NOTES

to the financial statements for the year ended 31 March 2018

(All amounts in ₹ crores, except for share data and if otherwise stated)

Nature of reserves

Capital reserve

It comprises of money received against forfeiture of equity shares and preference share warrants. It is not available for distribution as dividend. It is utilised in accordance with the provisions of Companies Act 2013.

Securities premium account:

It is used to record the premium received on issue of shares. It is utilised in accordance with the provisions of Companies Act, 2013.

General reserve

Free reserve to be utilised as per provisions of Companies Act, 2013.

Retained Earning

Profit / (loss) that the Company has earned till date including acturial gain / (loss) on remeasurement of defined plans, less any dividends or other distributions paid to share holders.

16. Borrowings

	Non-current		Current maturities	
	As at 31 March 2018	As at 31 March 2017	**As at 31 March 2018**	As at 31 March 2017
Secured loan				
Term loans - from banks				
Rupee loans from banks	16.90	45.59	30.58	34.23
Foreign currency loans from banks	18.71	33.80	45.32	24.00
	35.61	**79.39**	**75.90**	**58.23**
Less : current maturities presented in note 18	-	-	(75.90)	(58.23)
	35.61	**79.39**	**-**	**-**
Deferred payment liabilities				
Deferred payment liabilities towards acquisition of fixed assets	1.16	1.55	0.39	0.36
Less : current maturities presented in note 18			(0.39)	(0.36)
	36.77	**80.94**	**-**	**-**

	Nature of security	Terms of repayment
a)	**Rupee term loans from banks with carrying amount:**	
i)	of ₹ 5.41 crores (31 March 2017: ₹ 11 crores) are secured by exclusive charge on the captive power plant at Butibori, Maharashtra.	Repayable in 18 equal quarterly installments of ₹ 1.39 crores each commencing from 30 September 2014 along with interest at 3.25% over base rate.
ii)	of ₹ 14.94 crores (31 March 2017: ₹ 34.82 crores) are secured primarily by first pari-passu charge on the current assets and collaterally by first pari-passu charge on the fixed assets of the company. Further, the same is secured by the personal gaurantee of promoters, i.e., Mr. Om Prakash Lohia and Mr.Vishal Lohia.	Repayable in 8 equal quarterly installments of ₹ 3.12 crores each commencing from 30 September 2014 and 10 equal quarterly installments of ₹ 5 crores thereafter, along with interest at 3% over base rate.

NOTES

to the financial statements for the year ended 31 March 2018

(All amounts in ₹ crores, except for share data and if otherwise stated)

Nature of security	Terms of repayment
iii) of ₹ 26.28 crores (31 March 2017: ₹ 32.33 crores) are secured primarily by first pari-passu charge on entire movable and immovable fixed assets of the company, both present and future and collaterally by second pari-passu charge on entire current assets including raw materials, finished goods, stock-in-process, consumables, stores and spares at the Company's factory premises or at such places as may be approved by the bank from time to time including stocks-in-transit, book debts, receivables, on pari-passu basis with other banks. Further, the same is secured by the personal gaurantee of promoters, i.e., Mr. Om Prakash Lohia and Mr.Vishal Lohia.	Repayable in 6 equal monthly installments of ₹ 0.62 crores each commencing from June 2017 to Nov 2017, 24 equal monthly installments of ₹ 0.74 crore from Dec 2017 to Nov 2019, 12 equal monthly installments of ₹ 0.93 crore from Dec 2019 to Nov 2020, along with interest at 2.50% over base rate.
iv) aggregating to ₹ 0.85 crores (31 March 2017 ₹ 1.67 crores) are secured by hypothecation of specific vehicles.	(a) ₹ Nil crores (previous year ₹ 0.17 crores) repayable in 36 monthly instalments commencing from September 2014. (b) ₹ Nil crores (previous year ₹ 0.02 crores) repayable in 36 monthly instalments commencing from June 2014. (c) ₹ Nil crores (previous year ₹ 0.01 crores) repayable in 36 monthly instalments commencing from May 2014. (d) ₹ Nil crores (previous year ₹ 0.01 crores) repayable in 36 monthly instalments commencing from June 2014. (e) ₹ 0.01 crores (previous year ₹ 0.02 crores) repayable in 36 monthly instalments commencing from Nov 2015. (f) ₹ 0.56 crores (previous year ₹ 0.96 crores) repayable in 36 monthly instalments commencing from July 2016. (g) ₹ 0.14 crores (previous year ₹ 0.23 crores) repayable in 36 monthly instalments commencing from Aug 2016. (h) ₹ 0.14 crores (previous year ₹ 0.25 crores) repayable in 36 monthly instalments commencing from July 2016. The outstanding amount of borrowings taken from vehicles is ₹ 0.85 crores (previous year ₹ 1.67 crores) out of which current maturity payable next year amounts to ₹ 0.67 crores (previous year ₹ 0.82 crores).
b) Foreign currency term loans from banks:	
i) of ₹ 42.90 crores (31 March 2017 ₹ 36.78 crores), are secured by specific charge on the equipment purchased under the loan agreement for the Company's Polyester Expansion Project and a first charge on the land situated at Mehsana, Gujarat.	The outstanding loan is repayable in 8 semi-annual installments in April and October every year with interest at six months EURIBOR plus 0.95%. The loan is to be repaid by October 2019. Amount payable within one year amounts to ₹ 30.47 crores (Previous year ₹ 15.46 crores).
ii) of ₹ 21.13 crores (31 March 2017 ₹ 21.02 crores) are secured by specific charge on the equipment purchased under the loan agreement for the Company's Polyester Expansion Project and a first charge on the land situated at Mehsana, Gujarat.	The outstanding loan is repayable in 8 semi-annual installments in April and October every year with interest at six months LIBOR plus 0.95%. The loan is to be repaid by October 2019. Amount payable within one year amounts to ₹ 14.86 crores (Previous year ₹ 8.54 crores).

Details of delays in the repayment of dues to banks and amount in default outstanding as at 31 March 2018 are as below:

Bank Name	Nature of default	Total amount delayed	No of days	Amount outstanding as at 31 March 2018
IKB Deutsche Industriebank AG - Foreign currency loan	Overdue	26.62	1 to 530 days	26.62
Bank of India	Overdue	10.00	1 to 37 days	-
State Bank of India	Overdue	5.62	1 to 58 days	-

NOTES

to the financial statements for the year ended 31 March 2018

(All amounts in ₹ crores, except for share data and if otherwise stated)

Reconciliation of movements of liabilities to cash flows arising from financing activities

	As at 31 March 2018		As at 31 March 2017	
	Non-Current borrowings*	Current borrowings**	Non-Current borrowings*	Current borrowings**
Balance at begning of the year	137.62	167.78	143.34	177.72
Proceeds from non-current borrowings	-	-	32.66	-
Repayment of non-current borrowings	(32.14)	-	(34.50)	-
Proceeds from/repayment of current borrowings (net)	-	85.61	-	(9.94)
Foreign exchange movement	6.23	-	(3.66)	-
Interest on fixed loans using effective interest rate method	(0.20)		(0.22)	
Balance as at the end of the year	**111.51**	**253.39**	**137.62**	**167.78**

* Non-current borrowings includes current maturity, but excludes deferred payment liabilities.
** Refer note 17

17. Borrowings

	As at 31 March 2018	As at 31 March 2017
Secured loan		
Cash credit and working capital facilities from banks	233.39	167.78
	233.39	**167.78**
Unsecured loan		
Debentures		
Optionally convertible debentures (refer note 41 b)	20.00	-
	20.00	**-**
	253.39	**167.78**

Loans are secured by way of hypothecation of stocks of raw materials, work-in-progress, finished goods, stores and spares, packing material, goods at port/in transit/under shipment, outstanding money, book debts, receivables and other current assets of the Company, both present (valued at ₹519.80 crores (31 March 2017:₹ 609.24 crores) and future. These are further secured by a second charge on all the immovable properties of the Company, both present and future (refer note 3).

Details of delays in the repayment of dues (cash credit accounts) to banks and amount in default outstanding as at 31 March 2018 are as below:

Bank Name	Nature of default	Total amount delayed	No of days	Amount outstanding as at 31 March 2018
Bank of India	Overdrawn	549.15	1 to 56 days	141.00
HDFC Bank	Overdrawn	155.46	1 to 77 days	-
Punjab National Bank	Overdrawn	154.68	1 to 65 days	26.58
State Bank of India	Overdrawn	385.52	1 to 66 days	0.72
Oriental Bank of Commerce	Overdrawn	271.67	1 to 84 days	17.76
Axis Bank	Overdrawn	148.41	1 to 72 days	5.07

NOTES
to the financial statements for the year ended 31 March 2018

(All amounts in ₹ crores, except for share data and if otherwise stated)

Details of delays in the repayment of dues (cash credit accounts) to banks and amount in default outstanding as at 31 March 2017 are as below:

Bank Name	Nature of default	Total amount delayed	No of days	Amount outstanding as at 31 March 2017
Bank of India	Overdrawn	242.67	1 to 48 days	11.79
HDFC Bank	Overdrawn	71.18	2 to 59 days	-
Punjab National Bank	Overdrawn	114.83	1 to 67 days	12.64
State Bank of India	Overdrawn	109.38	4 to 34 days	14.68
State Bank of Travancore	Overdrawn	141.50	1 to 63 days	-
Oriental Bank of Commerce	Overdrawn	116.34	5 to 46 days	14.92
Axis Bank	Overdrawn	104.52	1 to 77 days	0.05

18. Other financial liabilities
See accounting policies in notes 2(o)

	Non-current		Current	
	As at 31 March 2018	As at 31 March 2017	**As at 31 March 2018**	As at 31 March 2017
Current maturities of long-term borrowings (refer note 16)	-	-	75.90	58.23
Current maturities of deferred payment liabilities (refer note 16)	-	-	0.39	0.36
Interest accrued and due on borrowings	-	-	4.77	-
Interest accrued and not due on borrowings	-	-	0.72	2.69
Unpaid dividends*	-	-	0.43	0.46
Forward cover payable	-	-	-	1.27
Lease equalization reserve	-	0.10	0.10	0.27
Payable to employees	-	-	12.40	17.87
Creditors towards property, plant and equipment #	-	-	6.04	7.52
	-	**0.10**	**100.75**	**88.67**

Note:
* There are no oustanding dues to be paid to Investor Education and Protection Fund.
# includes amounts payable to micro enterprises and small enterprises ₹ Nil (31 March 2017 : ₹Nil).

19. Provisions
See accounting policy in notes 2(i)

	Non-current		Current	
	As at 31 March 2018	As at 31 March 2017	**As at 31 March 2018**	As at 31 March 2017
Provision for employee benefits (refer note 32)				
Gratuity	13.75	13.35	1.30	1.08
Compensated absences	7.39	7.42	1.84	1.77
	21.14	**20.77**	**3.14**	**2.85**

NOTES

to the financial statements for the year ended 31 March 2018

(All amounts in ₹ crores, except for share data and if otherwise stated)

20. Trade payables

	As at 31 March 2018	As at 31 March 2017
Total outstanding dues of micro enterprises and small enterprises (refer note 40)	0.49	0.70
Others	623.32	703.38
	623.81	**704.08**

21. Other current liabilities

	As at 31 March 2018	As at 31 March 2017
Advances from customers	34.42	22.93
Others	0.49	0.39
Statutory dues payable		
Excise duty on finished goods	-	9.12
Customs duty	-	5.15
Tax deducted at source	1.85	2.44
Other statutory dues	1.83	0.86
	38.59	**40.89**

22. Revenue from operations

See accounting policy in note 2(j)

		Year ended 31 March 2018	Year ended 31 March 2017
a)	**Sale of products (including excise duty);**		
	Finished goods*	2,179.80	2,651.58
	Traded goods*	68.34	-
		2,248.14	**2,651.58**
b)	**Other operating income;**		
	Scrap sales	10.56	11.67
	VAT/GST refund	37.19	26.07
	Interest from customers	4.51	6.68
	Interest on insurance claims [refer note 39 (b)]	2.92	2.92
	Others	10.38	2.13
		65.56	**49.47**
		2,313.70	**2,701.05**

* In accordance with Ind AS 18 on "Revenue" and Schedule III to the Companies Act, 2013, Sales for the previous year ended 31 March 2017 were reported gross of Excise Duty and net of Value Added Tax (VAT)/ Sales Tax. Excise Duty was reported as a separate expense line item. Consequent to the introduction of Goods and Services Tax (GST) with effect from July 2017, VAT/Sales Tax, Excise Duty etc. have been subsumed into GST and accordingly the same is not presented as part of sales as per the requirements of Ind AS 18. This has resulted in lower reported sales in the current year in comparison to the sales reported under the pre-GST structure of indirect taxes. Accordingly, financial statements for the year ended 31 March 2018 and in particular, sales and ratios in percentage of sales, are not comparable with the figures of the previous year.

NOTES
to the financial statements for the year ended 31 March 2018

(All amounts in ₹ crores, except for share data and if otherwise stated)

23. Other income
See accounting policies in note 2(j)

	Year ended 31 March 2018	Year ended 31 March 2017
Interest income on fixed deposits	3.52	4.35
Unwinding of discount on security deposits	0.11	0.07
Interest others	0.10	-
Profit on sale of current investments (net)	-	23.61
Reversal of provision for diminution in the value of current investments	-	0.48
Dividend income from current investments	0.01	0.01
	3.74	**28.52**

24. Cost of raw materials consumed

	Year ended 31 March 2018	Year ended 31 March 2017
Purified terephthalic acid	1,036.54	1,307.06
Mono ethylene glycol	484.45	534.74
Others	51.90	81.98
	1,572.89	**1,923.78**

25. Decrease / (increase) in inventory

	Year ended 31 March 2018		Year ended 31 March 2017	
Inventories at the end of the year				
- Finished goods	53.50		87.48	
-Work-in-progress	6.82		15.73	
-Waste	3.70	64.02	5.17	108.38
Inventories at the beginning of the year				
- Finished goods	87.48		112.52	
-Work in progress	15.73		19.76	
-Waste	5.17	108.38	3.59	135.87
		44.36		**27.49**

26. Employee benefits expense
See accounting policy in note 2(i)

	Year ended 31 March 2018	Year ended 31 March 2017
Salaries, wages and bonus	89.74	94.63
Contribution to provident and other funds (refer note 32)	5.13	5.20
Staff welfare expenses	4.69	4.70
	99.56	**104.53**

NOTES

to the financial statements for the year ended 31 March 2018

(All amounts in ₹ crores, except for share data and if otherwise stated)

27. Other expenses

	Year ended 31 March 2018		Year ended 31 March 2017	
Consumption of stores and spares		30.33		27.06
Power and fuel		176.87		200.67
Rent and hire charges (refer note 35)		7.49		6.94
Repairs and maintenance		31.37		21.54
Insurance	1.33		1.48	
Less: recovery	0.46	0.87	0.46	1.02
Packing materials consumed		47.77		59.61
Freight and forwarding charges	84.49		111.59	
Less: recovery	30.67	53.82	75.14	36.45
Brokerage and commission on sales (other than to selling agents)		10.42		11.18
Cash discounts and claims		8.43		8.84
Directors' sitting fees		0.12		0.08
Legal and professional charges		9.45		7.91
Auditor's remuneration				
- for audit		0.37		0.39
- for other services		0.34		0.24
- for reimbursement of out of pocket expenses		0.05		0.05
Donations		0.11		0.04
Corporate social responsibility expenses (refer note 44)		0.29		0.20
Allowance for doubtful debts		9.35		6.34
Advance written off		0.86		-
Loss on discard / disposal of fixed assets		0.21		0.18
Increase in excise duty on stocks of finished goods and waste		(9.12)		(3.79)
Provision for diminution in the value of current investments		0.32		-
Miscellaneous expenses		30.06		32.05
		409.78		**417.00**

28. Finance costs

See accounting policies in note 2(l)

	Year ended 31 March 2018	Year ended 31 March 2017
Interest		
On fixed loans using effective interest rate method	0.20	0.22
On term loans	9.39	11.74
On working capital	26.00	11.98
On others	35.35	40.91
Bank charges	21.61	24.45
Remeasurement of actuarial interest cost (refer note 32)	1.82	1.78
	94.37	**91.08**

NOTES
to the financial statements for the year ended 31 March 2018

(All amounts in ₹ crores, except for share data and if otherwise stated)

29. Depreciation and amortisation expense
See accounting policies in note 2(d)

	Year ended 31 March 2018	Year ended 31 March 2017
Depreciation on property, plant and equipment (refer note 3)	83.20	79.48
	83.20	**79.48**

30. Earning per share

		Year ended 31 March 2018	Year ended 31 March 2017
a)	Net Profit / (loss) for basic and diluted EPS	(82.69)	(84.03)
b)	Number of equity shares at the beginning and at the end of the year	15,18,22,242	15,18,22,242
	Total number of shares outstanding at the end of the year	15,18,22,242	15,18,22,242
	Basic and diluted earning / (loss) per share-(₹)	**(5.45)**	**(5.53)**

31. Financial instruments - accounting classifications and fair value measurements
The fair values of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sales.

The following methods and assumptions were used to estimate the fair values:

1. Fair value of cash, trade and other short term receivables, intercompany receivables, payables, loans and advances and other current liabilities approximated their carrying amounts largely due to the short term maturities of these instruments.

2. The Company uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique.

   Level 1: quoted (unadjusted) prices in active markets for identical assets or liabilities.

   Level 2: other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly.

   Level 3: techniques which use inputs that have a significant effect on the recorded fair value that are not based on observable market data. Fair value is generally determined using discounted cash flow analysis.

A. Accounting classifications and fair values
The following tables show the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy.

NOTES

to the financial statements for the year ended 31 March 2018

(All amounts in ₹ crores, unless otherwise stated)

As at 31 March 2018

Financial instruments by category	Carrying amount	Fair value		
		Level 1	Level 2	Level 3
Financial assets at amortised costs				
Security deposits : non-current	2.09	-	-	2.09
: current	1.11	-	-	1.11
Fixed deposits (non-current)	0.27	-	0.27	-
Financial assets at FVTPL				
Current investments	0.90	0.90	-	-
Surrender value of keyman insurance	7.31	-	7.31	-
Financial assets where fair value is same as carrying value				
Trade receivables	110.90	-	-	-
Cash and cash equivalents	13.64	-	-	-
Bank balances other than cash and cash equivalents	68.88	-	-	-
Claims and other receivables #	68.89	-	-	-
Others	3.32	-	-	-
Total	**277.31**	**0.90**	**7.58**	**3.20**
Financial liabilities				
Financial liabilities at amortised cost				
Borrowings - term loans from banks	111.51	-	111.51	-
Deferred payment liabilities	1.55	-	1.55	-
Financial liabilities where fair value is same as carrying value				
Trade payables	623.81	-	-	-
Short term borrowings	253.39	-	-	-
Payable to employees	12.40	-	-	-
Creditors towards property, plant and equipment	6.04	-	-	-
Other financial liabilities	6.02	-	-	-
Total	**1,014.72**	**-**	**113.06**	**-**
Financial assets recorded as				
Non-current	10.36			
Current	266.95			
	277.31	**-**		
Financial liability recorded as				
Non-current	36.77			
Current	977.95			
	1,014.72			

NOTES

to the financial statements for the year ended 31 March 2018

(All amounts in ₹ crores, unless otherwise stated)

As at 31 March 2017

Financial Instruments by category	Carrying amount	Fair value		
		Level 1	Level 2	Level 3
Financial assets at amortised costs				
Security deposits (non-current)	2.43	-	-	2.43
Fixed deposits (non-current)	0.98	-	0.98	-
Financial assets at FVTPL				
Current investments	1.22	1.22	-	-
Surrender value of keyman insurance	6.43	-	6.43	-
Forward cover receivable (net)	5.84	-	5.84	-
Financial assets where fair value is same as carrying value				
Trade receivables	133.20	-	-	-
Cash and cash equivalents	5.90	-	-	-
Bank balances other than cash and cash equivalents	64.08	-	-	-
Claims and other receivables #	65.67	-	-	-
Others	4.78	-	-	-
Total	**290.53**	**1.22**	**13.25**	**2.43**
Financial Liabilities				
Financial Liabilities at amortised cost				
Borrowings - term loans from banks	137.62	-	137.62	-
Deferred payment liabilities	1.91	-	1.91	-
Financial liabilities where fair value is same as carrying value				
Trade payables	704.08	-	-	-
Short term borrowings	167.78	-	-	-
Payable to employees	17.87	-	-	-
Creditors towards property, plant and equipment	7.52	-	-	-
Other financial liabilities	4.79	-	-	-
Total	**1,041.57**	**-**	**139.53**	**-**
Financial assets recorded as				
Non-current	10.53			
Current	280.00			
	290.53			
Financial liability recorded as				
Non-current	81.04			
Current	960.53			
	1,041.57			

NOTES

to the financial statements for the year ended 31 March 2018

(All amounts in ₹ crores, unless otherwise stated)

B. Measurement of fair values

Assets and liabilities are to be measured based on the following valuation techniques:

Market approach – Prices and other relevant information generated by market transactions involving identical or comparable assets or liabilities.

Income approach – Converting the future amounts based on market expectations to its present value using the discounting methodology.

Cost approach – Replacement cost method.
Quoted market prices in active markets are available for investments in securities and, as such, these investments are classified within Level 1.

Level 1 hierarchy includes financial instruments measured using quoted prices. This includes listed equity instruments which are traded in stock exchanges and valued using closing price at the reporting date.

The fair value of financial instruments that are not traded in an active market is determined using valuation techniques. The Company uses its judgement to select a variety of methods and make assumptions that are mainly based on the conditions existing at the end of each reporting period.

The following table shows the valuation techniques used in measuring Level 2 and Level 3 fair values for financial instruments measured at fair value in the balance sheet, as well as the significant unobservable inputs used. Related valuation processes are described in note 2(o).

Financial instruments measured at fair value

Type	Valuation technique	Significant unobservable inputs	Inter-relationship between significant unobservable inputs and fair value
Security Deposit*	Discounted cash flows: The valuation model considers the present value of receivables, discounted using a risk adjusted discount rate.	Risk adjusted discount rate.	Not applicable
Surrender value of keyman insurance / Fixed Deposit	Valuation as received and confirmed by the insurer / bank	Not applicable	Not applicable
Forward exchange contracts	Derivative financial instruments consist of foreign currency forward exchange contracts. Fair values for derivative financial instruments are based on broker quotations and are classified as Level 2	Not applicable	Not applicable
Unquoted investments**	Based on the net worth of the investee Company and proportionate investment by the Company	Not applicable	Not applicable
Financial liabilities***	Discounted cash flows: The valuation model considers the present value of expected payment, discounted using a risk adjusted discount rate.	Not applicable	Not applicable

Amount estimated based on the estimated probability of the outcome of litigation based on the managements assessment supported by legal advice
* The fair value of the Security deposits is computed using the discounted cash flows based on the current lending rates which is unchanged and therefore fair value of deposits is same as its carrying amount. They are classified as level 3 fair values in the fair value hierarchy due to use of unobservable inputs.
** For some of the unquoted investments, the Company have determined the fair value as NIL which is based on the net worth of the Company which is either Nil or negative.
*** Financial liabilities include secured and unsecured bank loans, optionally convertible debentures liability component and other financial liabilities.
There have been no transfers between level 1, 2 and 3 during the current or previous financial year.

NOTES
to the financial statements for the year ended 31 March 2018

(All amounts in ₹ crores, except for share data and if otherwise stated)

Reconciliation of level 3 fair values

The following table shows a reconciliation from the opening balances to the closing balances for level 3 fair values.

	31 March 2018	31 March 2017
Balance at 1 April	2.43	1.97
Fair value adjusted during the year included in 'other income'	0.11	0.07
Additions / (realisation) during the year	0.66	0.39
Balance at 31 March	**3.20**	**2.43**

Financial risk management

The Company has exposure to the following risks arising from financial instruments:

- credit risk [see point no. (ii) below]
- liquidity risk - [see point no. (iii) below]; and
- market risk - [see point no. (iv) below]

(i) Risk management framework

The Company's board of directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The board of directors has established the risk management committee, which is responsible for developing and monitoring the Company's risk management policies. The committee reports regularly to the board of directors on its activities.

The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities.

The Company's risk committee oversees how management monitors compliance with the Company's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Company. The audit committee is assisted in its oversight role by internal audit. Internal audit undertakes both regular and ad hoc reviews of risk management controls and procedures, the results of which are reported to the audit committee.

(ii) Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers.

The carrying amounts of financial assets represent the maximum credit risk exposure.

Trade receivables

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. However, management also considers the factors that may influence the credit risk of its customer base, including the default risk associated with the industry and country in which customers operate.

The risk management committee has established a credit policy under which each new customer is analysed individually for creditworthiness before the Company's standard payment and delivery terms and conditions are offered. The Company review includes external informations, if they are available, financial statements, credit agency information, industry information and in some cases bank references. Sale limits are established for each customer and reviewed periodically. Any sales exceeding those limits require approval from the risk management committee

The Company limits its exposure to credit risk from trade receivables by establishing a maximum payment period of 10 days for all customer categories. In case of delay beyond 10 days, the interest is generally recovered at the rate of 18% upto 30 days from the date of invoice and if the delay in beyond 30 days, it is recovered at the rate of 24% from the date of invoice. Average recovery rate of interest from overdue trade receivables in past years was 12-14%. Most of the Company's customers have been transacting with the Company from past few years, and most of these customers' balances are not credit-impaired at the reporting date except in few cases. Identifying concentrations of credit risk requires judgement in the light of specific circumstances. The Company monitors ageing of its trade receivables regularly and based on the same takes corrective action. Trade receivables having ageing more than 180 days is monitor individually and loss allowance is created based on such assessment.

NOTES

to the financial statements for the year ended 31 March 2018

(All amounts in ₹ crores, except for share data and if otherwise stated)

A summary of the Company's exposure to credit risk for trade receivables based on the ageing is as follows:

Ageing of Receivables	31 March 2018		31 March 2017	
	Gross carrying amount	Loss allowance	Gross carrying amount	Loss allowance
Less than 180 days	63.81	-	116.11	-
More than 180 days	59.52	12.43	20.17	3.08
	123.33	**12.43**	**136.28**	**3.08**

As the Company is recovering interest for the delays beyond the credit period, no expected loss allowances is created for the overdue balance.

The movement in the allowance for impairment in respect of trade receivables and loans is as follows:

	31 March 2018	31 March 2017
Balance at 1 April	3.08	3.08
Net remeasurement of loss allowance (net of reversal)	9.35	-
Balance at 31 March	**12.43**	**3.08**

(iii) Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation. The Company uses activity-based costing to cost its products, which assists it in monitoring cash flow requirements and optimising its cash return on investments.

The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted, and include contractual interest payments:

As at 31 March 2018	Less than 1 year	1 to 5 years	Total
Borrowings - term loans from banks	75.90	35.61	111.51
Deferred payment liabilities	0.39	1.16	1.55
Trade payables	623.81	-	623.81
Short term borrowings	253.39	-	253.39
Payable to employees	12.40	-	12.40
Creditors towards property, plant and equipment	6.04	-	6.04
Other financial liabilities	6.02	-	6.02
Total	**977.95**	**36.77**	**1,014.72**

As at 31 March 2017	Less than 1 year	1 to 5 years	Total
Borrowings - term loans from banks	58.23	79.39	137.62
Deferred payment liabilities	0.36	1.55	1.91
Trade payables	704.08	-	704.08
Short term borrowings	167.78	-	167.78
Payable to employees	17.87	-	17.87
Creditors towards property, plant and equipment	7.52	-	7.52
Other financial liabilities	4.69	0.10	4.79
Total	**960.53**	**81.04**	**1,041.57**

NOTES
to the financial statements for the year ended 31 March 2018

(All amounts in ₹ crores, unless otherwise stated)

As disclosed in note 16 and 17, the Company has a secured bank loan that contains a loan covenant. A future breach of covenant may require the Company to repay the loan earlier than indicated in the above table. Under the agreement, the covenant is monitored on a regular basis by the treasury department and regularly reported to management to ensure compliance with the agreement.

As at 31 March 2018 the Company has not complied with certain financial covenants mentioned under the terms of borrowings mainly due to paucity of working capital funds. To augment the additional fund requirement, the Company has taken certain initiative - Refer note 41 (b). Also, based on the past experience and the facts of the case the management believes that no financial obligation on part of the Company, is likely to arise in respect of the above matter and thus, no adjustments are required in these financial statements in this regard.

The interest payments on variable interest rate loans in the table above reflect spot interest rates at the reporting date and these amounts may change as market interest rates change. However, the Company doesn't expect significant different amount on account of change in market interest rate changes..

Capital Management
The Company's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. The primary objective of the Company's Capital Management is to maximise the shareholder's value. Management also monitors the return on capital. The board of directors seeks to maintain a balance between the higher returns that might be possible with higher levels of borrowing and the advantages and security afforded by a sound capital position.

	31 March 2018	31 March 2017
Total liabilities	1,077.59	1,106.08
Less: cash and cash equivalents	13.64	5.90
Adjusted net debt	**1,063.95**	**1,100.18**
Total equity	419.68	501.70
Adjusted net debt to equity ratio	**2.54**	**2.19**

iv. Market risk
Market risk is the risk that changes in market prices – such as foreign exchange rates, interest rates and commodity prices – will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

Commodity Price Risk
Commodity Price Risk arises due to fluctuation in prices of crude oil. The Company has a risk management framework aimed at prudently managing the risk arising from the volatility in commodity prices and freight costs. The Company's commodity risk is managed centrally through well-established control processes. In accordance with the risk management policy,the Company enters into various transactions using derivatives to hedge its exposure.

Currency risk
The Company is exposed to currency risk to the extent that there is a mismatch between the currencies in which sales, purchases and borrowings are denominated. The currencies in which these transactions are primarily denominated are US dollars, Japnese Yen, Euro and GBP. The Company uses forward exchange contracts to hedge its currency risk, most with a maturity of less than one year from the reporting date, as and when required.

Exposure to currency risk
The summary quantitative data about the Company's exposure to currency risk (based on notional amounts) as reported to the management is as follows.

NOTES

to the financial statements for the year ended 31 March 2018

(All amounts in ₹ crores, unless otherwise stated)

As at 31 March 2018

Particulars	Currency	Amount in foreign currency (in Mn)	Exchange rate (in absolute rupees)	Unhedge amount (in ₹ crore)
Trade payables	USD	14.12	65.18	92.03
	Euro	0.27	80.85	2.18
	JPY	54.52	0.62	3.38
Advances from customers	USD	0.98	65.18	6.39
Loans (including interest payable)	USD	3.46	65.18	22.55
	Euro	5.64	80.85	45.60
Trade receivables	USD	(2.65)	65.17	(17.27)
Advance to Vendor	USD	(3.53)	65.17	(22.98)
	Euro	(0.06)	80.31	(0.45)
Net exposure in respect of recognised assets and liabilities				**131.43**

As at 31 March 2017

Particulars	Currency	Amount in foreign currency (in Mn)	Exchange rate (in absolute rupees)	Unhedge amount (in ₹ crore)
Trade payables	USD	22.78	64.86	147.75
	Euro	0.18	69.31	1.25
	JPY	68.07	0.58	3.95
Advances from customers	USD	0.58	64.86	3.76
Loans (including interest payable)	USD	4.98	64.86	32.30
	Euro	5.43	69.31	37.64
Creditor for property, plant and equipment	USD	0.44	64.86	2.85
Trade receivables	USD	(7.24)	64.86	(46.96)
Advance to suppliers	USD	(2.32)	64.86	(15.02)
	Euro	(0.09)	69.31	(0.61)
	JPY	(0.13)	0.58	(0.01)
	GBP	(0.00)*	80.95	(0.01)
Net exposure in respect of recognised assets and liabilities				**166.89**

* GBP 1,845

Sensitivity analysis

A reasonably possible strengthening (weakening) of the INR, USD, JPY, Euro, GBP against all other currencies at 31 March would have affected the measureement of financial instruments denominated in a foreign currency and affected equity and profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular interest rates, remain constant and ignores any impact of forecast sales and purchases.

NOTES
to the financial statements for the year ended 31 March 2018

(All amounts in ₹ crores, unless otherwise stated)

Currency	Movement in foreign currency	31 March 2018		31 March 2017	
		Increase in profit	Decrease in profit	Increase in profit	Decrease in profit
USD	5% movement	8.06	(8.06)	5.95	(5.95)
Euro	5% movement	2.41	(2.41)	1.91	(1.91)
JPY	5% movement	0.17	(0.17)	0.20	(0.20)
GBP	5% movement	-	-	-	-

Interest Rate Risk
Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

Exposure to Interest Rate Risk
Company's interest rate risk arises from borrowings
The following table demonstrates the sensitivity on the Company's profit before tax, to a reasonably possible change in interest rates on that portion of loans and borrowings affected, with all other variables held constant:

Changes in interest by 5%	31 March 2018		31 March 2017	
	Increase	Decrease	Increase	Decrease
On term loans	0.47	(0.47)	0.59	(0.59)
On cash credit limits	1.30	(1.30)	0.60	(0.60)

32. Disclosure pursuant to Ind AS 19 on "Employee benefits"

a. Defined contribution plans
An amount of ₹ 4.34 crores (31 March 2017: ₹ 4.58 crores) for the year has been recognised as an expense in respect of the Company's contributions towards Provident Fund and an amount of ₹ 0.79 crores (31 March 2017: ₹ 0.62 crores) for the year has been recognised as an expense in respect of Company's contributions towards Employee State Insurance, which are deposited with the government authorities and have been included under employee benefit expenses in the Statement of Profit and Loss.

b. Defined benefit plans
Gratuity is payable to all eligible employees of the Company on superannuation, death or permanent disablement in terms of the provisions of the Payment of Gratuity Act or as per the Company's Scheme, whichever is more beneficial.

The following table sets forth the status of the gratuity plan of the Company and the amounts recognised in the Balance Sheet and Statement of Profit and Loss:

Particulars	Year ended 31 March 2018	Year ended 31 March 2017
Changes in present value of obligation		
Present value of obligation as at the beginning of the year	14.43	13.12
Interest cost	1.11	1.07
Current service cost	0.91	0.98
Past service cost	0.35	-
Benefits paid	(1.29)	(1.29)
Actuarial loss / (gain) on obligation	(0.46)	0.55
Present value of obligation as at end of the year	**15.05**	**14.43**
- Non current	13.75	13.35
- Current	1.30	1.08
	15.05	**14.43**

NOTES

to the financial statements for the year ended 31 March 2018

(All amounts in ₹ crores, unless otherwise stated)

Particulars	Year ended 31 March 2018	Year ended 31 March 2017
Expenses recognised in the Statement of Profit and Loss		
Current service cost	0.91	0.98
Past service cost	0.35	-
Interest cost on benefit obligation	1.11	1.07
Expenses recognised in the Statement of Profit and Loss	2.37	2.05
Remeasurements losses/(gains) recognised in other comprehensive income	(0.46)	0.55

The principal assumptions used in determining gratuity for the Company's plans are shown below:

Particulars	Year ended 31 March 2018	Year ended 31 March 2017
Discount rate	7.60%	7.70%
Retirement age	58 Years	58 Years
Salary escalation rate (per annum)	3.00%	3.50%
Withdrawal rates		
Age - Upto 30 years	4%	3%
31-44 years	3%	2%
Above 44 years	1%	1%
Mortality table	IALM (2006-08)	IALM (2006-08)

Discount rate: The discount rate is estimated based on the prevailing market yields of Indian Government securities as at the balance sheet date for the estimated term of the obligation.

Salary escalation rate: The estimates of salary increases, considered in actuarial valuation, take account of inflation, promotion and other relevant factors.

Sensitivity analysis

Particulars	Year ended 31 March 2018		Year ended 31 March 2017	
	Increase	Decrease	Decrease	Decrease
Gratuity				
Discount rate (0.50%)	(0.62)	0.66	(0.65)	0.69
Future salary growth (0.50%)	0.68	(0.65)	0.72	(0.67)

Expected contribution for the next annual reporting period

Particulars	Year ended 31 March 2018	Year ended 31 March 2017
Service cost	0.96	1.04
Net interest cost	1.14	1.11
Expected expense for the next annual reporting period	2.10	2.15

NOTES
to the financial statements for the year ended 31 March 2018

(All amounts in ₹ crores, unless otherwise stated)

Maturity profile of defined benefit obligation

Year	Year ended 31 March 2018	Year ended 31 March 2017
Apr 2017- Mar 2018	-	1.08
Apr 2018- Mar 2019	1.30	0.24
Apr 2019- Mar 2020	0.43	0.30
Apr 2020- Mar 2021	0.47	0.36
Apr 2021- Mar 2022	0.47	0.46
Apr 2022- Mar 2023	0.57	0.45
Apr 2023- Mar 2024	0.66	-
Apr 2024 onwards	11.15	11.54

c. Other long-term employee benefits

An amount of ₹ 1.04 crores (31 March 2017: ₹ 1.19 crores) pertains to expense towards compensated absences and included in "Employee benefit expenses".

33. Segment information:

a. Basis of segmentation

An operating segment is a component that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the other components, and for which discrete financial information is available. The Company's activities/business is reviewed regularly by the Company's Board of Directors assisted by an executive committee from an overall business perspective, rather than reviewing its products/ services as individual standalone components. The Company recognises 'Polyester' as the only operating segment since its operations consist of manufacturing of this product and related activities. Accordingly, 'Polyester' segment is the only segment comprising the basis of segmental information set out in these financial statements. Thus, the Company has only one operating segment, and no reportable segments in accordance with Ind AS-108 'Operating Segments'.

b. Geographical information

The geographical information analyses the Company's revenue and trade receivables from such revenue in India and other countries. In presenting the geographical information, segment revenue and receivables has been based on the geographic location of customers.

Revenue

Particulars	Year ended 31 March 2018	Year ended 31 March 2017
Domestic	1,944.53	2,197.94
Overseas*	369.17	503.11
Total	**2,313.70**	**2,701.05**

*Exports to one country constitute 28% of the total overseas revenue of the Company during the year ended 31st March, 2018 (31st March,2017: 32%)

NOTES

to the financial statements for the year ended 31 March 2018

(All amounts in ₹ crores, unless otherwise stated)

Trade receivables

Particulars	As at 31 March 2018	As at 31 March 2017
Domestic	93.59	86.60
Overseas	17.31	46.60
Total	**110.90**	**133.20**

Non Current Assets

Particulars	As at 31 March 2018	As at 31 March 2017
Domestic*	868.54	930.84
Overseas	-	-
Total	**868.54**	**930.84**

* excluding deferred tax and tax assets

34. Related parties

(i) Related parties where control exists:

(a)	Wholly owned subsidiaries	Indo Rama Renewables Jath Limited (IRRJL) (up to 16 May 2016)

(ii) Other related parties with whom Company had transactions or have closing balances:

(a)	Key management personnel and their relatives	Mr. Mohan Lal Lohia, Chairman Emeritus (upto 1 June 2017)
		Mr. Om Prakash Lohia, Chairman cum Managing Director ('CMD')
		Mr. Vishal Lohia, Whole Time Director ('WTD')
		Mr. Anant Kishore, Director (upto 8 August 2016)
		Mrs. Urmila Lohia, Wife of CMD
		Mr. Aloke Lohia, Brother of CMD
		Mrs. Ritika Kumar, Daughter of CMD
		Ms. Aruna Goenka, Sister of CMD
		Mrs. Rimple Lohia, Wife of WTD
		Mr. Ashok Kumar Ladha, Non-Executive Independent Director
		Ms. Ranjana Agarwal, Non-Executive Independent Director
		Mr. Suman Jyoti Khaitan, Non-Executive Independent Director
		Mr. Arvind Pandalai, Non-Executive Independent Director
(b)	Enterprises over which key management personnel or their relatives have significant influence	Indorama Petrochem Limited, Thailand
(c)	Enterprises having significant influence on the Company	Brookgrange Investments Limited

(iii) Transactions with related parties other than with those with key managerial personnel :

Particulars	Wholly owned subsidiaries	Enterprises over which key management personnel or their relatives have significant influence	Enterprises having significant influence on the Company	Total
Loans (along with interest) repaid				
IRRJL	-	-		-
	(15.88)	**(-)**		**(15.88)**

Note : Previous year nos. have been given in brackets

NOTES
to the financial statements for the year ended 31 March 2018

(All amounts in ₹ crores, unless otherwise stated)

(iv) Transactions with key management personnel

Compensation

Particulars	Year ended 31 March 2018	Year ended 31 March 2017
Short-term employee benefits	4.95	5.54
Post-employment defined benefit	0.28	0.25
Other long- term benefits	1.23	1.46
Total	**6.46**	**7.25**

Allotment of Optionally Convertible Debentures

Particulars	Year ended 31 March 2018	Year ended 31 March 2017
Mr. Om Prakash Lohia	20.00	-
Total	**20.00**	**-**

(v) Transactions with Non-Executive Directors

Particulars	Year ended 31 March 2018	Year ended 31 March 2017
Rent received	0.14	-
Sitting fee paid	0.12	0.08

Other transactions

Personal guarantee has been given by Mr. Om Prakash Lohia (CMD) and Mr. Vishal Lohia (WTD) in respect of loan taken by the Company amounting to ₹ 41.59 crores (31 March 2017: ₹34.97 crores).

(vi) Closing balances of related parties

Particulars	Wholly owned subsidiaries	Enterprises over which key management personnel or their relatives have significant influence	Total
Trade payables			
- Indorama Petrochem Limited	-	30.28	30.28
	(-)	(30.13)	(30.13)

Note: Nos. as on 31 March 2017 have been given in ( )
All transactions with these related parties are priced on an arm's length basis and none of the balances are secured.

35. Operating lease

The Company has taken certain office spaces, director's accommodation and storage tanks under operating lease. The lease rentals charged during the year in respect of cancellable and non-cancellable operating leases and maximum obligations on long-term non-cancellable operating lease payable as per the rentals stated in the agreement are as follows:

Particulars	Year ended 31 March 2018	Year ended 31 March 2017
Lease rental expense	7.49	6.94

NOTES
to the financial statements for the year ended 31 March 2018

(All amounts in ₹ crores, except for share data and if otherwise stated)

Future minimum lease rentals for non-cancellable operating lease:

Particulars	As at 31 March 2018	As at 31 March 2017
Within one year	4.14	1.67
Later than one year and not later than five years	13.44	0.64
Later than five years	6.72	Nil
Total	**24.30**	**2.31**

36. Disclosure on Specified Bank Notes (SBNs)

The disclosures regarding details of specified bank notes held and transaction during 8 November, 2016 to 30 December, 2016 has not been made since the requirement does not pertain to financial year ended 31 March, 2018. Corresponding amounts as appear in the audited financial statements for the year ended 31 March, 2017 have been disclosed below:

Particulars	SBNs*	Other denomination notes	Total
Opening balance as at 8 November 2016	0.70	0.08	0.78
Transactions between 9 November 2016 and 30 December 2016			
Add : Withdrawal from bank accounts	-	0.10	0.10
Add : Receipt for permitted transactions	-	0.02	0.02
Less : Paid for permitted transactions	-	0.14	0.14
Less : Deposited in bank accounts	0.70	-	0.70
Closing balance as at 30 December 2016	**-**	**0.06**	**0.06**

* For the purposes of this clause, the term 'Specified Bank Notes' shall have the same meaning provided in the notification of the Government of India, in the Ministry of Finance, Department of Economic Affairs number S.O. 3407(E), dated the 8 November 2016.

37. Contingent liabilities and commitments (to the extent not provided for)

a. Contingent liabilities:

Claims against the Company not acknowledged as debts.

Particulars	As at 31 March 2018	As at 31 March 2017
Income tax matters in dispute/ under appeal	23.51	23.33
Excise / customs / service tax matters in dispute/ under appeal	100.99	103.33
Sales tax/ Value Added Tax matters in dispute/ under appeal	10.27	8.24
Claims by ex-employees, vendors, customers and civil cases	1.07	1.03
Total	**135.84**	**135.93**

Customs duty claims (including penalties) against the Company aggregating to ₹ 220.26 crores (31 March 2017 ₹ 220.26 crores) have not been considered contingent as favourable orders have been received, in some of the cases, by the Company from the Custom Excise and Service Tax Appellate Tribunal. The Company believes that its position is strong in this regard. The matter is pending with the Honorable Supreme Court.

Pending resolution of the respective proceedings, it is not practicable for the Company to estimate the timings of cash outflows, if any, in respect of the above as it is determinable only on receipt of judgements/decisions pending with various forums/authorities.

NOTES
to the financial statements for the year ended 31 March 2018

(All amounts in ₹ crores, unless otherwise stated)

The Company has reviewed all its pending litigations and proceedings and has adequately provided for where provisions are required and disclosed as contingent liabilities where applicable, in its financial statements. The Company also believes that the above issues, when finally settled, are not likely to have any significant impact on the financial position of the Company. The Company does not expect any reimbursements in respect of the above contingent liabilities.

b. Commitments:

i) Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances) is ₹ 1.19 crores (31 March 2017: ₹ 0.87 crores).

ii) The Company has commitments to export 68,710 MT (previous year 134,174 MT) of finished goods as per foreign trade policy pursuant to import of duty free material under advance license scheme.

38. Supplementary statutory information required to be given pursuant to Regulation 34(3) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, in respect of loans given

Interest free loans to wholly owned subsidiary given for the purpose of setting up of renewable power project, are to be converted, on mutual agreement, into equity, quasi equity or debentures or repayable on or before 31 March 2017:

Name of Subsidiary	Balance as at 31 March 2018	Maximum outstanding during the year 2017-18	Balance as at 31 March 2017	Maximum outstanding during the year 2016-17
Indo Rama Renewables Jath Limited (refer note 34)	-	-	-	15.88

39. Insurance claim receivables:

(a) The Company had lodged claims with its Insurance Company for the loss of certain assets and loss suffered due to business interruption under loss of profit policy relating to a fire incidence at Butibori plant in 2007-08. Since, the matter has been under dispute with the Insurance Company, as per the terms and conditions of the above policy, the Company had, during the previous years, initiated the arbitration process for a claim of ₹ 72.94 crores for loss of business interruption and for the claim of ₹ 6.43 crores for loss of assets. While the said matter was pending conclusion by the Arbitral Tribunal, the Company, on a conservative basis, carried forward insurance recoverable (recorded in the financial year ended 31 March 2008) to the extent of ₹ 33.53 crores (net of receipt/adjustment) as advances recoverable, without prejudice to its right to claims aggregating ₹ 79.37 crores. On 1 August 2012, the Arbitral Tribunal decided the matter in the favour of the Company with an award of ₹ 32.44 crores (net off receipt/adjustment) and interest at 9% per annum from July 2008 till the date of payment. Pursuant to the above award, the Company had during the year 2012-13 recorded the interest receivable amounting to ₹ 11.69 crores upto July 2012 (the date of order) and aligned the carrying amount of insurance claim. The Insurance Company had filed an appeal in the Delhi High Court against the same. On 20 January 2015, the Delhi High Court Single bench pronounced the order wherein the Court has remanded the matter back to Arbitral Tribunal for computation of claim on "turnover basis". Subsequently, the Company had filed an appeal with the Delhi High Court double bench and an interim stay has been awarded pending disposal. Currently, the case is pending with Delhi High Court.

(b) During the year ended 31 March 2018, the Company recognised interest of ₹ 2.92 crores (31 March 2017: ₹ 2.92 crores) on award decided by the arbitral tribunal, for the loss of certain assets and loss suffered due to business interruption under loss of profit policy relating to fire incidence at its plant in 2007-08 under 'Revenue from operations'. The carrying amount of interest on insurance claim recoverable as at 31 March 2018 is ₹ 16.79 crores (31 March 2017: ₹ 13.87 crores).

NOTES

to the financial statements for the year ended 31 March 2018

(All amounts in ₹ crores, unless otherwise stated)

(c) Consequent to an incident of fire during the year 2011-12, the Company had spent ₹ 7.58 crores on refurbishment of the concerned plant and equipment, which had been recognised as a receivable from the Insurance Company under other current assets. During the earlier year, the claim was rejected by insurer on grounds of insufficient premium paid. The Company has filed the writ petition on 6 May 2016 against the Insurance Company.

Further, the Company strongly believes and is reasonably certain that the above cases do not have any significant impact on the financial position of the Company and it will be able to realise the above amounts in the normal course and, therefore, all the claims have been classified as current.

40. Based on the information available, there are certain vendors who have confirmed that they are covered under the Micro, Small and Medium Enterprises Development Act, 2006. Disclosures as required by section 22 of 'The Micro, Small and Medium Enterprises Development Act, 2006', are given below:

Sl. no.	Particulars	Year ended 31 March 2018	Year ended 31 March 2017
(i)	The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of year		
	- principal amount	0.49	0.70
	- interest thereon	-	-
(ii)	The amount of interest paid in terms of section 16, along with the amounts of the payment made to the suppliers beyond the appointed day:		
	- principal amount	1.73	1.31
	- interest thereon	-	-
(iii)	The amount of interest due and payable for the year of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under this Act	0.14	0.13
(iv)	The amount of interest accrued and remaining unpaid	0.27	0.14
(v)	The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of this Act.	-	-

41. Going concern

(a) The Company's business comprises of Polyester products, which had been highly competitive resulting into losses in the current as well as previous period but over the period the demand and supply in the industry has balanced, resulting in improved plant operating rate. This has resulted in improved profit margins in the industry. The Company has also taken several initiatives to improve its operational performance in terms of specialty products, cost control initiatives and addition of new customers. The Company has plans to secure additional working capital funds to ease the liquidity position and improve the capacity utilization. Based on the above, the Company believes that the profitability will improve over the next few years. The Company is confident that the deferred tax assets carried at the end of the period is fully recoverable.

(b) The under utilisation of plant capacity in the Company is mainly due to paucity of working capital funds and due to change in the macro economic scenarios led by demonetisation and Goods and Service Tax ('GST') regime. To augment the additional fund requirement, the Company has taken following steps:

- Allotted 20 (Twenty) 12% Optionally Convertible Debentures (OCDs) to promoter on 24 January 2018 bearing face value of ₹ 10,000,000 each as per Securities and Exchange Board of India (Issue of

NOTES
to the financial statements for the year ended 31 March 2018

(All amounts in ₹ crores, except for share data and if otherwise stated)

Capital and Disclosure Requirements) Regulations, 2009. The OCDs are unsecured and are convertible into equity at the option of OCD holder within a period of twelve months subject to maximum eighteen months from the date of allotment.

- Subsequent to the 31 March 2018, the Company has entered into arrangements with a non-banking finance company to source/bridge the working capital gap subject to completion of certain conditions.

In view of the aforementioned steps taken, the management believes that normal operations of the Company shall be sustained for the foreseeable future. Accordingly, the assets and liabilities are recorded on the basis that the Company will be able to use or realise its asset at least at the recorded amounts and discharge its liabilities in the usual course of business.

42. Investment in subsidiary was sold during the previous financial year

During the previous year ended 31 March 2017, Board of Directors of Indo Rama Renewables Limited by its resolution dated 10 February 2016, had entered into an agreement with Tata Power Renewable Energy Limited (TPREL) to sell 100% shares of its subsidiary Indo Rama Renewables Jath Limited. Indo Rama Renewables Jath Limited operated 30 MW Wind Farm at Jath, in Maharashtra. The process of complying with the conditions stipulated in the agreement of sale were completed by 16 May 2016. The share transfer was effected on 16 May 2016.

Pursuant to scheme of amalgamation approved by NCLT, Indo Rama Renewables Jath Limited which was hitherto subsidiary of Indo Rama Renewables Limited, became wholly owned subsidiary of the Company.

43. Exceptional items

During the current year ended March 31, 2018, ₹ 7.36 crores incurred towards fees as per provisions of foreign trade policy.

In the previous year ended 31 March 2017, the Company had charged off ₹ 4.73 crores towards the net book value of property, plant and equipment, capital work-in-progress and capital advances (to the extent not recoverable) acquired from subsidiaries under the scheme of amalgamation.

44. CSR expenditure

(a) Gross amount required to be spent by the Company during the year: ₹ Nil (previous year ₹ Nil crores).

NOTES

to the financial statements for the year ended 31 March 2018

(All amounts in ₹ crores, except for share data and if otherwise stated)

(b) Amount spent during current year is as follows:

Particulars	Year ended 31 March 2018	Year ended 31 March 2017
Promotion of education	0.02	0.15
Health care	0.04	0.05
Rural development	0.23	-
Total	**0.29**	**0.20**

45. Business Combination

During the previous financial year, the board of directors approved the scheme for amalgamation of Indo Rama Renewables Limited, wholly owned subsidiary of the Company and its two step down subsidiaries viz. Indo Rama Renewables Ramgarh Limited and Indo Rama Renewables Porbandar Limited with the Company, in its meeting held on 31 August 2016. The National Company Law Tribunal (NCLT), Mumbai passed an order approving the merger effective from 1 April 2016 on 29 March 2017. Consequently, the assets and liabilities were merged with the Company by using pooling of interest method as per Ind AS 103, Business Combinations. As the order of NCLT was passed on 29 March 2017, the transactions of subsidiaries occurred during the period from 1 April 2016 to 29 March 2017 were incorporated in the financial statement for year ended 31 March 2017.

As per our report of even date attached

For **B S R and Associates**
Chartered Accountants
ICAI Firm registration number: 128901W

Jiten Chopra
Partner
Membership No.: 092894

Place: Gurugram
Date: 28 May 2018

For and on behalf of the Board of Directors of
Indo Rama Synthetics (India) Limited

Om Prakash Lohia
Chairman and Managing Director
DIN Number: 00206807

Ashok Kumar Ladha
Director
DIN Number: 00089360

Jayantk Sood
Company Secretary
ICSI Membership No.: FCS4482

Rajendra Kumar Gupta
Chief Financial Officer
ICAI Membership No.: 083783

Place: Gurugram
Date: 28 May 2018

NOTES

NOTES

NOTES

MARKETING OFFICES

Bhilwara
Shop No. G1
Nakoda Textile Tower,
Trilok Marg - Gandhinagar,
Bhilwara-311001,
Rajasthan, India
Tel: 01482-248576
Telefax: 01482-248733

Coimbatore
T5A, 3rd Floor,
Manchester Square,
Coimbatore-641037,
Tamil Nadu, India
Tel:0422-2220456
Fax:0422-2220658

Erode
37/1, 'G Tower',
Perundurai Road,
Erode-638011,
Tamil Nadu, India
Telefax: 0424-2240847

Gurgaon
20th Floor, DLF Square,
DLF Phase-II,
NH-8, Gurgaon-122 002,
Haryana, India
Tel: 0124-499 7000
Fax: 0124-499 7070

Hyderabad
Flat No- 202,
Shakkilam Apartment,
Gautam Nagar, Malkangiri,
Secunderabad-500047,
Telengana, India

Kolkata
7-C, Kiran Shankar Roy Road,
Hastings Chambers, Ground Floor,
Room No-GX,
Kolkata-700001,
West Bengal, India

Ludhiana
B-XIX-122/2, 4th Floor, Golden Plaza,
The Mall Road,
Ludhiana-141 001,
Punjab, India
Tel: 0161-2442752 / 5045068

Madurai
No. 102/G1/ Kamashwara Apartment,
Sathya Sai Nagar, Main Road,
Madurai-625003,
Tamil Nadu

Mumbai
The Metropolitan, 6th Floor,
Bandra Kurla Complex, Bandra (East),
Mumbai-400 051,
Maharashtra, India
Tel: 022-26571234
Fax: 022-26571222

Silvassa
A/9, 1st Floor,
Gurukrupa Business Centre,
Opp. Kotak Mahindra Bank,
Vapi Main Road, Amli,
Silvassa-396230,
UT of Dadra & Nagar Haveli, India
Tel: 0260-2643416/17, 2644519

Surat
205, Trividh Chambers,
Opp. Fire Brigade Station,
Ring Road,
Surat-395 002,
Gujarat, India
Tel: 0261-2340448 / 2350701

MANUFACTURING COMPLEX

A-31, MIDC Industrial Area, Butibori,
Nagpur – 441122, Maharashtra, India.
Tel: 07104 - 663 000/01,
Fax: 07104 - 663 200

INDO RAMA
Synthetics (India) Limited

Corporate Office

20th Floor, DLF Square, DLF Phase II, NH 8, Gurgaon - 122002,
Haryana, India. Tel.: 91 124 4997000, Fax: 91 124 4997070
E-mail: corp@indorama-ind.com

Registered Office

A-31, MIDC Industrial Area, Butibori, Nagpur - 441122,
Maharashtra, India. Tel: 91 7104 663 000/01, Fax: 91 7104 663200

CIN: L17124MH1986PLC166615

www.indoramaindia.com

/concept, content and design at AICL (hello@aicl.in)